

# MULTICOOPERATION SICAV

A SICAV UNDER LUXEMBOURG LAW

## FULL PROSPECTUS

**GENERAL PART: 11 AUGUST 2025**

Special Part A	11 August 2025
Special Part B	11 August 2025
Special Part C	3 July 2025
Special Part I	9 December 2024

Subscriptions are only valid if they are based on this Prospectus or the Key Investor Information Document in conjunction with the most recent annual report and the most recent semi-annual report where this is published after the annual report.

No information other than that contained in this Prospectus or in the Key Investor Information Document may be given.

## TABLE OF CONTENTS

### I. GENERAL PART

<b>TABLE OF CONTENTS .....</b>	<b>1</b>
1. Introductory remarks .....	4
2. Organisation and management.....	6
3. Investment objectives and policy .....	7
4. Investor profile.....	8
5. Investment limits .....	8
6. Special investment techniques and financial instruments .....	13
6.1. Options on securities .....	13
6.2. Financial futures, swaps and options on financial instruments .....	13
6.3. Efficient portfolio management — other investment techniques and instruments.....	15
6.4. Securities lending.....	15
6.5. Securities repurchase agreements .....	17
6.6. Collateral management for transactions in OTC derivatives and techniques for efficient portfolio management.....	18
6.7. Techniques and instruments for hedging currency risks .....	19
6.8. Structured products.....	19
6.9. Swaps and other financial derivatives with comparable characteristics .....	20
6.10. Investments in financial indices pursuant to Article 9 of the Grand Ducal Regulation of 8 February 2008.....	21
6.11. Risks associated with the use of derivatives and other special investment techniques and financial instruments .....	21
7. Sustainability risks.....	23
7.1. General information .....	23
7.2. Sustainability risks as part of the investment process.....	23
7.2.1. Instrument specific considerations .....	24
7.2.2. Sustainability related data.....	25
7.3. Principal adverse impacts .....	25
8. The Company .....	25
9. Depositary .....	26
10. Management Company and domiciliary agent.....	29
11. UCI Administrator and Principal Paying Agent; Registrar and Transfer Agent.....	29
12. General information on investment advice and/or Investment Management .....	29
13. Paying agents and representatives .....	30
14. Distributors .....	30
15. Co-management .....	31
16. Description of Shares.....	32
17. Issue of Shares .....	34

18. Redemption of Shares .....	37
19. Switching of Shares .....	39
20. Distributions .....	40
21. Calculation of net asset value .....	40
22. Suspension of calculation of net asset value, and of the issue, redemption and switching of Shares .....	41
23. Fees and costs.....	42
24. Taxation .....	43
24.1. The Company .....	43
24.2. Shareholders .....	43
24.3. Foreign Account Tax Compliance Act ("FATCA") of the United States of America ("US") .....	44
25. General meeting and reporting .....	45
26. Applicable law, jurisdiction .....	46
27. Remuneration policy .....	46
28. General Conflicts Associated with the Company .....	47
29. Documents for inspection.....	50
30. Data protection information .....	50
31. Additional Information for Investors in Austria.....	53
32. Additional Information for Investors in Germany.....	55
33. Additional Information for Investors in Liechtenstein.....	57

## **II. SPECIAL PARTS**

1. Special Part A:

Multicooperation SICAV — JULIUS BAER STRATEGY INCOME (EUR)  
Multicooperation SICAV — JULIUS BAER GLOBAL EXCELLENCE EQUITY  
Multicooperation SICAV — JULIUS BAER EQUITY FUND SPECIAL VALUE  
Multicooperation SICAV — JULIUS BAER EQUITY GLOBAL EXCELLENCE EUROPE  
Multicooperation SICAV — JULIUS BAER FIXED INCOME EMERGING MARKETS CORPORATE  
Multicooperation SICAV — JULIUS BAER FIXED INCOME INVESTMENT GRADE CORPORATE (USD)  
Multicooperation SICAV — JULIUS BAER FIXED INCOME GLOBAL QUALITY HIGH YIELD  
Multicooperation SICAV — JULIUS BAER MULTI-MANAGER FIXED INCOME UNCONSTRAINED  
Multicooperation SICAV — JULIUS BAER EQUITY NEXT GENERATION

2. Special Part B:

Multicooperation SICAV — OLIVENBAUM MULTI ASSET STRATEGY

3. Special Part C:

Multicooperation SICAV — GAM GALENA COMMODITIES

4. Special Part I:

Multicooperation SICAV — GAM MULTI ASSET STRATEGIC ALLOCATION

## 1. INTRODUCTORY REMARKS

MULTICOOPERATION SICAV (the "**Company**" or "**MULTICOOPERATION SICAV**") is organised as a "*société d'investissement à capital variable*" (SICAV, open-ended investment company) on the basis of the valid version of the law of the Grand Duchy of Luxembourg dated 10 August 1915 (the "**1915 Law**") and is authorised there as an undertaking for collective investments in transferable securities (UCITS) under Part I of the law dated 17 December 2010 (the "**2010 Law**").

The Company has an "umbrella structure", which allows subfunds ("**Subfunds**") to be established that correspond to different investment portfolios and can be issued in different categories of shares. The Company is authorised to appoint various specialised financial services providers to act as investment adviser or investment manager, as applicable, for one or more Subfunds, in each case under the supervision of the Board of Directors (as described in the section "General information on investment advice and/or investment management").

This Prospectus is divided into a general part ("**General Part**"), which contains the provisions applicable to all Subfunds, and into special parts ("**Special Parts**"), which describe the individual Subfunds and contain the provisions applicable to each Subfund. The complete Prospectus contains all Subfunds in the Special Parts and is available for inspection by the shareholders at the registered office of the Company. The Prospectus can be supplemented or modified at any time. In this case, the shareholders will be informed accordingly.

In addition to the General Part and Special Part of the Prospectus, a key investor information document will be produced for each share category and handed to each purchaser before they subscribe to Shares ("**Key Investor Information Document**"). As of the time at which the Key Investor Information Document exists, each purchaser declares by subscribing to the shares that they have received the Key Investor Information Document prior to effecting the subscription.

Under the 2010 Law, the Company is authorised to produce one or more special prospectuses for the distribution of shares in one or more Subfunds or for one specific country of distribution. The special prospectuses always contain the General Part and the Special Part or Parts applicable in individual cases. Furthermore, they contain, as applicable, additional provisions of the country of distribution in which the Subfund or Subfunds concerned are authorised for distribution or are distributed.

The Board of Directors of the Company is authorised to issue investment shares/units ("**Units**" of "**Shares**") without par value relating to the Subfunds described in the Special Parts. Both distributing and accumulating Shares ("**Share Category**") can be issued for each Subfund. The Company may in addition issue Share Categories with differing minimum subscription amounts, distribution modalities and fee structures. The Share Categories issued in each case for the individual Subfunds are described in the respective Special Part of the corresponding Subfund. The Company can restrict distribution of the Shares of certain Subfunds or Share Categories to certain countries. Furthermore the above-mentioned Share Categories can be established in different currencies.

Shares will be issued at prices that are expressed in the currency of the relevant Subfund or in the currency of the relevant Share Category. A selling fee may be charged — as described in the Special Parts. The subscription period and the subscription conditions for initial issue of each Subfund are detailed in the relevant Special Part.

The Company may issue Shares in new, additional Subfunds at any time. The complete Prospectus and, if applicable, the relevant special prospectuses, will be supplemented accordingly.

Investors may purchase Shares either directly from the Company or via an intermediary acting in its own name but for the investor's account. In the latter case, investors may not necessarily be able to assert all their investor rights directly against the Company. For details, reference is made to the section "Issue of Shares/Application procedure", under "Nominee service".

Shares may be redeemed at a price described in the section "Redemption of Shares".

**Subscriptions are only valid if they are based on the valid Prospectus or the valid Key Investor Information Document in conjunction with (i) the most recent annual report of the Company or (ii) the most recent semi-annual report where this is published after the annual report.**

Shares are offered on the basis of the information and descriptions of this Prospectus and the Key Investor Information Document and the documents mentioned in it. Other information or descriptions by any persons whomsoever must be deemed inadmissible.

This Prospectus, the Key Investor Information Document and any special prospectuses do not constitute an offer or advertisement in those jurisdictions in which such an offer or advertisement is prohibited, or in which persons making such an offer or advertisement are not authorised to do so, or in which the law is infringed if persons receive such an offer or advertisement.

Since the Company's Shares are not registered in the USA under the United States Securities Act of 1933, they may neither be offered nor sold in the USA, including the dependent territories, unless such an offer or such a sale is permitted by way of an exemption from registration under the United States Securities Act of 1933.

In general, Shares in the Company may neither be offered, nor sold or transferred to persons engaging in transactions within the scope of any US American defined benefit plan. Exceptions hereto are possible, provided the Board of Directors of the Company has issued a corresponding special authorisation for it. In this sense, a "defined benefit pension plan" means any (i) "defined benefit pension plan for employees", within the meaning of Section 3(3) of the US Employee Retirement Income Security Act of 1974, as amended ("**ERISA**") that is subject to the provisions of Part 4 of Title I of ERISA, (ii) individual retirement account, Keogh Plan or other plan described in Section 4975(e)(1) of the US Internal Revenue Code of 1986, as amended, (iii) entity whose underlying assets include "plan assets" by reason of 25% or more of any class of equity interest in the entity being held by plans described in (i) and (ii) above, or (iv) other entity (such as segregated or common accounts of an insurance company, a corporate group or a common trust) whose underlying assets include "plan assets" by reason of an investment in the entity by plans described in (i) and (ii) above. Should investors participating in a defined benefit pension plan hold more than 25% of a Share Category, the company's assets shall be considered, in accordance with ERISA, "plan assets", which could have an adverse effect on the Company and its shareholders. In this case, the Company may, if appropriate, require the compulsory redemption of the Shares affected.

**Potential purchasers of Shares are responsible for obtaining information on the relevant foreign exchange regulations and on the legal and tax regulations applicable to them.**

The information in this Prospectus and in every special prospectus complies with the current law and practices of the Grand Duchy of Luxembourg, and as such is subject to alterations.

In this Prospectus, figures in "AUD" refer to the currency of Australia; "Swiss Francs" or "CHF" to the currency of Switzerland; "DKK" to the currency of Denmark; "US Dollars", "Dollars" or "USD" to the currency of the United States of America; "Euro" or "EUR" to the currency of the European Economic and Monetary Union; "£ Sterling" or "GBP" to the currency of Great Britain; "Japanese Yen" or "JPY" to the currency of Japan; "NOK" to the currency of Norway; "SEK" to the currency of Sweden and "SGD" or "Singapore Dollar" to the currency of Singapore.

The individual Share Categories can be quoted on the Luxembourg Stock Exchange.

## 2. ORGANISATION AND MANAGEMENT

The Company's registered office is at 3, rue Jean Piret, L-2350 Luxembourg, Grand Duchy of Luxembourg

### BOARD OF DIRECTORS OF THE COMPANY

Adrian Rennie	Director, Carne Group
Jean-Michel Loehr	Independent Director, Luxembourg
Martin Jürg Peter	Client Director Team Head (Private Labelling), Executive Board member, Carne Group, Zurich

### MANAGEMENT COMPANY

Carne Global Fund Managers (Luxembourg) S.A., 3, rue Jean Piret, L-2350 Luxembourg, Grand Duchy of Luxembourg

### BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

#### CHAIRMAN:

John Christian Alldis	Chairman, Carne Group
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#### MEMBERS:

Anouk Agnes	Independent Director
Jacqueline Ann O'Connor	Independent Director
Veronica Marcja Buffoni	Director, Carne Group
John Anthony Cotter	Director, Carne Group

### MANAGING DIRECTORS OF THE MANAGEMENT COMPANY

Christophe Douche	Conducting Officer, Risk Management
Cord Rodewald	Conducting Officer, Compliance, Complaints & AML/CFT
Quentin Gabriel	Conducting Officer, Portfolio Management
Ankit Jain	Conducting Officer, IT & Branch Oversight
Gregory Kayl	Conducting Officer, UCI Administration & Distribution
N.J. Whelan	Conducting Officer, UCI Finance
Shpresa Miftari	Conducting Officer, Valuation

**DEPOSITARY**

**UCI ADMINISTRATOR, PRINCIPAL PAYING AGENT**

**REGISTRAR AND TRANSFER AGENT**

State Street Bank International GmbH, Luxembourg Branch, 49, Avenue J.F. Kennedy, L-1855 Luxembourg

**DISTRIBUTORS**

The Company or the Management Company has appointed distributors and may appoint further distributors to sell the Shares in the various national legal systems.

**AUDITOR OF THE ANNUAL FINANCIAL STATEMENTS**

PricewaterhouseCoopers Société coopérative, 2 rue Gerhard Mercator, L-2182 Luxembourg has been appointed as auditor of the annual financial statements of the Company.

**LEGAL ADVISER**

Linklaters LLP, 35, Avenue John F. Kennedy, L-1855 Luxembourg is the legal adviser to the Company in Luxembourg.

**SUPERVISORY AUTHORITY IN LUXEMBOURG**

Commission de Surveillance du Secteur Financier ("**CSSF**"), 283 route d'Arlon, L-1150 Luxembourg

Further information and documents on the Company and the individual Subfunds may also be consulted on the website [www.carnegroup.com](http://www.carnegroup.com), on which investors can also find a form for submitting complaints.

Additional details about the set-up of the individual Subfunds may be provided in the relevant Special Part.

### **3. INVESTMENT OBJECTIVES AND POLICY**

The investment objectives of the Board of Directors in relation to each individual Subfund are described in the Special Part under "Investment objectives and investment policy".

Where mention is made to "recognised countries" in this Prospectus, particularly in the Special Parts thereof, the term "recognised country" means a Member State of the Organisation for Economic Cooperation and Development ("**OECD**"), and all other countries of Europe, North and South America, Africa, Asia and the Pacific Rim (hereinafter "recognised country"). A regulated market is a market that is recognised and open to the public, and whose operation is properly regulated (hereafter "regulated market").

Furthermore, in order to pursue the investment objectives, the Subfunds will, in the context of the guidelines and limits established by Luxembourg law, use the investment techniques and financial instruments described below in the section "**Special investment techniques and financial instruments**".

**Although the Company endeavours to the best of its ability to achieve the investment objectives of the individual Subfunds, no guarantee can be given as to the extent to which the investment objectives will be achieved. As a result, the net asset values of the Shares may increase or decrease, and different levels of positive or also negative income may be earned.**

**Consequently, a Shareholder runs the risk that they may not recover the amount originally invested. Depending on the orientation of the individual Subfunds this risk may differ from Subfund to Subfund. It should also be noted that there are increased risks in relation to the settlement of the Company's securities transactions, above all the risk that the securities may be delivered late or not at all. Currency risks may also arise for shareholders whose reference currency differs from the investment currency of a Subfund. The following description of the Subfunds shall not be construed as a recommendation to acquire Shares in a**



**particular Subfund. Rather, shareholders should consult their financial advisers regarding the acquisition of Shares in the Company and the selection among the Subfunds and their Share Categories.**

The performance of the individual Subfunds is given in the Key Investor Information Document.

#### 4. INVESTOR PROFILE

The investor profile of the individual Subfunds is described in the respective Special Part of the Prospectus.

#### 5. INVESTMENT LIMITS

##### 1. INVESTMENTS IN SECURITIES, MONEY MARKET INSTRUMENTS, DEPOSITS AND DERIVATIVES

These investments comprise:

- (a) Transferable securities and money market instruments:
  - which are listed or traded on a regulated market (within the meaning of Directive 2004/39/EC);
  - which are traded on another regulated market in a member state of the European Union ("**EU**") that is recognised, open to the public and operates regularly;
  - which are officially listed on a securities exchange in a non-EU state<sup>1</sup> or are traded on another regulated market of a non-EU state that is recognised, open to the public and operates regularly;
  - resulting from new issues, provided the terms of issue contain an undertaking to apply for official listing on a securities exchange or another regulated market that is recognised, open to the public and operates regularly, and that the listing will be obtained within one year of the issue.
- (b) Sight deposits or deposits repayable on demand maturing in no more than 12 months with qualified credit institutions whose registered office is located in a member state of the EU or in a member state of the OECD or in a country with equivalent money-laundering regulations ("**Qualified Credit Institutions**").
- (c) Derivatives, including equivalent cash-settled instruments, which are dealt in on a regulated market as specified in (a), first, second or third indent, and/or OTC (over the counter) derivatives provided that:
  - the underlying securities are instruments as defined by Article 41 paragraph 1 of the 2010 Law or are financial indices, interest rates, foreign exchange rates or currencies in which the Subfund may invest according to its investment objectives;
  - the counterparties in transactions with OTC derivatives are institutions subject to supervision belonging to the categories approved by the Commission de Surveillance du Secteur Financier ("**CSSF**"); and
  - the OTC derivatives are subject to reliable and verifiable valuation on a daily basis and can be sold, liquidated or closed by an offsetting transaction at any time at the initiative of the Company at their fair value.
- (d) Shares in UCITS authorised in accordance with Directive 2009/65/EC and/or other UCIs within the meaning of Article 1 (2), first and second indent of Directive 2009/65/EC ("**UCITS Directive**") having their registered office in a member state of the EU or a non-EU state, provided that:
  - such other UCIs are authorised in accordance with legal requirements that subject them to official supervision considered by the CSSF to be equivalent to that under the EU Community law and that there is sufficient guarantee of cooperation between the authorities;
  - the level of protection for unitholders of such other UCIs is equivalent to the level of protection for unitholders of a UCITS and in particular that the requirements for segregation of the fund's assets,

<sup>1</sup> As used in the Directive 2009/65/EC, a non-EU state is a country that is not a member of the EU.

borrowing, lending and uncovered sales of transferable securities and money market instruments are equivalent to the requirements of Directive 2009/65/EC;

- semi-annual and annual reports are issued on the business activities of the other UCIs, which enable an assessment of the assets and liabilities, income and operations over the reporting period;
- the UCITS or this other UCI, whose units are to be acquired, may, according to its constitutional documents, invest in total no more than 10% of its net asset value in units of other UCITS or other UCIs.

If the Company purchases units in other UCITS and/or other UCIs that are managed directly or indirectly by the same Management Company or by another company to which the Management Company is linked by common administration or control, or by a significant direct or indirect shareholding, the Management Company or the other company may not charge the Company any fees for subscription or redemption of units in other UCITS and/or UCI.

A Subfund may invest in other Subfunds of the Company, subject to the prerequisites laid down in Article 181 paragraph 8 of the 2010 Law.

- (e) Money market instruments that are not traded on a regulated market and come under the definition of Article 1 of the 2010 Law, provided the issue or issuer of these instruments is itself subject to regulations governing the protection of deposits and investors, and provided that:

- they are issued or guaranteed by a central governmental, regional or local authority or the central bank of an EU member state, by the European Central Bank, the EU or the European Investment Bank, a non-EU state or, in the case of a Federal State, one of the states making up the federation, or by a public international institution to which at least one EU member state belongs; or
- they are issued by an undertaking whose securities are traded on the regulated markets referred to in 1. (a); or
- they are issued or guaranteed by an institution subject to supervision in accordance with the criteria defined by EU Community law, or by an institution that is subject to and complies with prudential rules that, in the opinion of the CSSF, are at least as stringent as those under EU Community law; or
- they are issued by other issuers belonging to a category approved by the CSSF provided that investments in such instruments are subject to investor protection regulations that are equivalent to those of the first, second or third indent and provided the issuer is either a company with own funds of at least EUR ten (10) million, which presents and publishes its annual accounts in accordance with the provisions of the 4th Directive 78/660/EEC, or an entity within a group comprising one or more companies listed on an official stock exchange that is dedicated to the financing of this group, or is an entity that is dedicated to the financing of securitisation vehicles that benefit from a banking liquidity line.

- (f) However:

- the Company may invest no more than 10% of the net asset value per Subfund in transferable securities and money market instruments other than those referred to in (a) to (e);
- the Company may not acquire precious metals or certificates representing them.

- (g) The Company may hold ancillary liquid assets.

## 2. INVESTMENT RESTRICTIONS

- (a) The Company may invest no more than 10% of the net asset value of each Subfund in transferable securities or money market instruments of one and the same issuer. The Company may invest no more than 20% of the net asset value of each Subfund in deposits made with one and the same institution.

The risk of default in OTC-derivatives transactions conducted by the Company must not exceed the following percentages:

- 10% of the net asset value of each Subfund when the counterparty is a Qualified Credit Institution;
- and otherwise 5% of the net asset value of each Subfund.

In the case of UCITS, the aggregate risk exposure is determined either by using the Commitment Approach or by means of a model-based approach (Value-at-Risk model), which takes into account all general and specific market risks that may lead to a non-negligible change in the value of the portfolio. If the Commitment Approach is used, the aggregate risk associated with derivatives (market risk) of each Subfund must not exceed the net asset value of the Subfund concerned. If a Subfund uses a Value-at-Risk (VaR) method to calculate its aggregate risk, the calculation of the VaR is based on a 99% confidence interval. The holding period corresponds to one month (20 days) for the purpose of calculating the aggregate risk.

The aggregate risk is calculated for the respective Subfund, either using the Commitment Approach or according to the VaR model (absolute or relative VaR with the corresponding benchmark), as listed in the table below.

Subfunds	Relative VaR/ Absolute VaR/ Commitment	Benchmark used to calculate the risk exposure (only in case of relative VaR)
GAM GALENA COMMODITIES	relative VaR	Bloomberg Commodity Index
GAM MULTI ASSET STRATEGIC ALLOCATION	Absolute VaR	n/a
JULIUS BAER EQUITY FUND SPECIAL VALUE	Commitment	n/a
JULIUS BAER EQUITY GLOBAL EXCELLENCE EUROPE	Commitment	n/a
JULIUS BAER EQUITY NEXT GENERATION	Commitment	n/a
JULIUS BAER GLOBAL EXCELLENCE EQUITY	Commitment	n/a
JULIUS BAER MULTI-MANAGER FIXED INCOME UNCONSTRAINED	Commitment	n/a
JULIUS BAER STRATEGY INCOME (EUR)	Commitment	n/a
JULIUS BAER FIXED INCOME EMERGING MARKETS CORPORATE	Commitment	n/a
JULIUS BAER FIXED INCOME INVESTMENT GRADE CORPORATE (USD)	Commitment	n/a
JULIUS BAER FIXED INCOME GLOBAL QUALITY HIGH YIELD	Commitment	n/a
OLIVENBAUM MULTI ASSET STRATEGY	Commitment	n/a

The aggregate risk of the underlying instruments must not exceed the investment limits set out in (a) to (f). The underlying instruments of index-based derivatives do not have to be taken into account when calculating these investment limits. If a derivative is embedded in a transferable security or a money market instrument, it must be taken into account for the purpose of the provisions of this section.

- (b) The total value of the issuers' securities and money-market instruments in which a Subfund invests more than 5% of its net asset value must not exceed 40% of its net asset value. This limitation does not apply to deposits or OTC derivative transactions made with financial institutions subject to prudential supervision.
- (c) Irrespective of the individual maximum limits under (a), a Subfund may invest no more than 20% of its net asset value with one and the same institution in a combination of:
  - transferable securities or money market instruments issued by this institution and/or
  - deposits made with this institution and/or
  - OTC derivatives acquired from this institution.
- (d) The upper limit stated in (a), first sentence, is raised to 35% if the transferable securities or money market instruments are issued or guaranteed by an EU member state or by its public local authorities, by a non-EU state or by public international institutions of which at least one EU member state is a member.
- (e) The upper limit stated in (a), first sentence, is raised to 25% for certain debt securities when they are issued by a credit institution having its registered office in an EU member state and which is subject, by law, to special

prudential supervision designed to protect investors in debt securities. In particular, the income deriving from the issue of these debt securities must be invested in conformity with the legal regulations in assets which, during the whole term of the debt securities sufficiently cover the liabilities resulting therefrom, and which are intended to be used on a priority basis for repayment of the principal and interest that would be due in the event of default by the issuer.

If a Subfund invests more than 5% of its net asset value in the debt securities referred to in the above paragraph and which are issued by a single issuer, the total value of such investments may not exceed 80% of the net asset value of the Subfund concerned.

- (f) The transferable securities and money market instruments mentioned in (d) and (e) are not taken into account when applying the investment limit of 40% laid down in (b).

The limits stated in (a) to (e) may not be combined; therefore investments made in accordance with (a) to (e) in transferable securities or money market instruments of one and the same issuer or in deposits with said issuer or in derivatives made with that issuer may under no circumstances exceed 35% of the net asset value of a Subfund.

Companies that belong to the same group for the purpose of drawing up the consolidated accounts as defined in Directive 83/349/EEC or in accordance with recognised international accounting rules are regarded as a single issuer for the purpose of calculating the above-mentioned investment limits.

The investments made by a Subfund in transferable securities and money market instruments within the same group may cumulatively not exceed 20% of its net asset value, subject to the proviso of paragraph (e) above.

- (g) **Notwithstanding paragraphs (a) to (f), the Company is authorised in accordance with the principle of risk diversification to invest up to 100% of the net asset value of a Subfund in securities and money market instruments of different issues, which are issued or guaranteed by an EU member state or by its local or regional authorities, by an OECD member state or by public international organisations of which at least one EU member state is a member, but subject to the provision that the Subfund must hold securities and money market instruments of at least six different issues, whereby the transferable securities and money market instruments of a single issue may not account for more than 30% of the net asset value of the Subfund concerned.**

- (h) Without prejudice to the investment limits laid down in paragraph (j), the upper limit laid down in paragraph (a) for investments in Shares and/or debt securities issued by one and the same issuer may be raised to a maximum of 20% when the investment strategy of a Subfund is to replicate a particular stock or debt securities index recognised by the CSSF. This depends on the following conditions:

- that the composition of the index is sufficiently diversified;
- that the index represents an adequate benchmark for the market to which it refers;
- that the index is published in an appropriate manner.

The limit laid down in the previous paragraph is raised to 35% where this is justified by exceptional market conditions, in particular in regulated markets in which certain transferable securities or money market instruments are highly dominant. An investment up to this upper limit is permitted only for a single issuer.

- (i) A Subfund may acquire units of target funds as defined in section 5.1 (d) above, up to a maximum of 10% of its net asset value if no investments in target funds beyond this limit are permitted in the relevant Special Part of the Prospectus. However, if a Special Part of the Prospectus permits investments in target funds for more than 10% of the net asset value of a Subfund, the Subfund may not

- invest more than 20% of its net asset value in one and the same target fund; and
- invest more than 30% of its net asset value in units of target funds that are not UCITS.

When applying these investment limits, each Subfund of a target fund is to be regarded as an independent issuer.

(j)

- (A) The Company or the Management Company acting in connection with all of the investment funds that it manages and that qualify as UCITS, may not acquire any shares carrying voting rights that would enable it to exercise significant influence over the management of the issuer.
- (B) Moreover, for every Subfund, the Company may acquire no more than:
  - 10% of the non-voting shares of one and the same issuer;
  - 10% of the debt securities of one and the same issuer;
  - 25% of the units of one and the same target fund;
  - 10% of the money market instruments of one and the same issuer.

The limits laid down in the second, third and fourth indents may be disregarded at the time of acquisition, if at that time the gross amount of debt securities or money market instruments or the net amount of the shares in issue cannot be calculated.

Paragraphs (A) and (B) shall not apply:

- to transferable securities and money market instruments issued or guaranteed by an EU member state or its local or regional authorities;
- to transferable securities and money market instruments issued or guaranteed by a non-EU state;
- to transferable securities and money market instruments issued by public international institutions of which one or more EU member states are members;
- to shares held by the Company in the capital of a company incorporated in a non-EU state that invests its assets mainly in securities of issuers having their registered office in that state, if under the legislation of that state, such a shareholding is the only way in which the Company can invest in the securities of issuers of that state. However, this derogation shall only apply if the investment policy of the company from the non-EU state does not exceed the limits laid down in (a) to (f) and (i) and (j) (A) and (B). Where the limits set in (a) to (f) and (i) are exceeded, (k) shall apply mutatis mutandis;
- to shares held by the Company alone or together with other UCIs in the capital of subsidiary companies which, exclusively on its own or their behalf, carry on only the business of management, advice or marketing in the country in which the subsidiary is located, with regard to the redemption of Shares at the investors' request.

(k)

- (A) The Company need not comply with the investment limits laid down herein when exercising subscription rights attaching to transferable securities or money market instruments that form part of its assets. While ensuring observance of the principle of risk diversification, each Subfund may derogate from the rules set out in paragraphs (a) to (h) for a period of six months following the date of its admission.
- (B) If the Company exceeds the limits referred to in paragraph (A) for reasons beyond its control or as a result of exercising subscription rights, it must adopt as a priority objective for its sales transactions the remedying of the situation, taking due account of its shareholders' interests.

(l)

- (A) The Company may not borrow. However, the Company may acquire foreign currencies by means of a "back-to-back" loan.
- (B) By way of derogation from paragraph (A), the Company may for each Subfund (i) borrow up to 10% of its net asset value provided that the borrowing is on a short-term basis, and (ii) borrow the equivalent of up to 10% of its net asset value provided that the borrowing is to make possible the acquisition of real estate essential for the direct exercise of its business; under no circumstances may such borrowings and those referred to in (i) together exceed 15% of the net asset value concerned.

- (m) The Company and the Depositary may not grant loans or act as guarantor for third parties for the account of the Subfund, without prejudice to points (a) to (e) under point 1. This shall not prevent the Company from acquiring transferable securities, money market instruments or units of target funds or financial instruments referred to in (c) and (e) under point 1 which are not yet fully paid.
- (n) The Company and the Depositary may not carry out any uncovered sales of transferable securities, money market instruments, units of target funds or financial instruments referred to in (c) and (e) under point 1 for the account of the Subfunds.
- (o) Additional liquid assets may amount to up to 20% of the total assets of any Subfund of the Company. These additional liquid assets are limited to bank deposits at sight, such as cash held in the respective Subfund's current bank accounts and accessible at any time. The 20% limit may only be exceeded temporarily for a period of time strictly necessary when, because of exceptionally unfavourable market conditions, circumstances so require (e.g. wars, terrorist attacks, health crises or other similar events), and if such an excess is justified having regard to the best interests of the investors.

The Company may invest in liquid assets for liquidity purposes, i.e. money market instruments as defined in section 5, as well as in money market funds and overnight deposits.

### **3. FURTHER INVESTMENT GUIDELINES**

- (a) The Company will not invest in securities that entail unlimited liability.
- (b) The fund's assets must not be invested in real estate, precious metals or precious metal contracts where physical delivery may be required.
- (c) The Company can implement further investment restrictions in order to comply with the requirements in countries in which Shares shall be offered for sale.

## **6. SPECIAL INVESTMENT TECHNIQUES AND FINANCIAL INSTRUMENTS**

In the interests of efficient management or for hedging purposes, the Company may make use of the following investment techniques and financial instruments for each Subfund. It may also use derivative financial instruments for investment purposes if appropriate provision is made for this in the Special Part of the Full Prospectus. It must at all times comply with the investment restrictions stated in Part I of the 2010 Law and in the section "Investment limits" in this Full Prospectus, and must in particular take account of the fact that the securities that underlie the derivative financial instruments and structured products used by each Subfund (underlying securities) have to be included in the calculation of the investment limits stated in the previous section. When using special investment techniques and financial instruments, the Company will at all times observe the requirements of CSSF Regulation 10-04 and the Luxembourg guidelines issued from time to time.

In respect of each Subfund, the Company will also take into account the requirement to maintain an appropriate level of liquidity when employing special investment techniques and financial instruments (particularly in the case of derivatives and structured products).

### **6.1. OPTIONS ON SECURITIES**

The Company may, for each Subfund and regarding the permitted investments, buy and sell call or put options as long as they are traded on a regulated market, or over the counter (OTC) options, provided the contracting parties of such transactions are first class financial institutions specialising in transactions of this kind.

### **6.2. FINANCIAL FUTURES, SWAPS AND OPTIONS ON FINANCIAL INSTRUMENTS**

Subject to the exceptions mentioned below, futures and options on financial instruments are, as a matter of principle, limited to contracts traded on regulated markets. OTC derivatives may only be concluded if the contracting parties are first class financial institutions that specialise in transactions of this kind.

**a) HEDGES AGAINST MARKET RISKS AND RISKS CONNECTED WITH STOCK MARKET PERFORMANCE**

For the purpose of hedging against poor market performance, the Company may, for each Subfund, sell futures contracts and call options on share price indexes, bond market indexes or other indexes or financial instruments, or buy put options on share price indexes, bond market indexes or other indexes, or buy financial instruments or enter into swaps in which the payments between the Company and the counterparty depend on the performance of certain share price indexes, bond market indexes or other indexes or financial instruments.

Since these call and put transactions are conducted for hedging purposes, there must be a sufficient correlation between the composition of the securities portfolio to be hedged and the composition of the share price index employed.

**b) HEDGES AGAINST INTEREST RATE RISKS**

For the purpose of hedging against the risks associated with changes in interest rates, the Company may, for each Subfund, sell interest rate futures and call options on interest rates, or buy put options on interest rates and enter into interest rate swaps, forward rate agreements and options on interest rate swaps (swaptions) with first-class financial institutions specialised in transactions of this kind as part of OTC transactions.

**c) HEDGES AGAINST INFLATION RISKS**

For the purpose of hedging against risks resulting from an unexpected acceleration of inflation, the Company may, for each Subfund, conclude so-called inflation swaps with first-class financial institutions specialising in transactions of this kind as part of OTC transactions, or make use of other instruments to hedge against inflation.

**d) HEDGES AGAINST CREDIT DEFAULT RISK AND THE RISK OF A DETERIORATION IN A BORROWER'S CREDIT STANDING**

For the purpose of hedging against credit default risk and/or the risk of losses owing to a deterioration in the borrower's credit standing, the Company may, for each Subfund, engage in credit options, credit spread swaps ("CSS"), credit default swaps ("CDS"), CDS (index) baskets, credit-linked total return swaps and similar credit derivatives with first-class financial institutions specialising in transactions of this kind as part of OTC transactions.

**e) NON-HEDGING TRANSACTIONS ("ACTIVE MANAGEMENT")**

For each Subfund, the Company may use financial derivatives for the purposes of efficient portfolio management. For instance, it may buy and sell forward contracts and options on all types of financial instruments and use derivatives with a view to managing currency fluctuations.

The Company can also enter into interest rate and credit swaps (interest rate swaps, CSS, CDS, CDS (index) baskets etc.), inflation swaps, options on interest rate and credit swaps (swaptions), but also swaps, options or other transactions in financial derivatives in which the Company and the counterparty agree to swap performance and/or income (total return swaps etc.) for each Subfund. This also comprises contracts for difference ("CFD"). A contract for difference is a contract between two parties—the buyer and the seller—that stipulates that the seller will pay the buyer the difference between the current value of an asset (a security, instrument, basket of securities or index) and its value at the time the contract is concluded. If the difference is negative, the buyer owes the seller the (corresponding) payment. Contracts for difference allow investors to enter into synthetic long or short positions with variable collateral provision, whereby the maturity date and amount of the contract—unlike with forward contracts—are not fixed. The contracting party must be a first class financial institution that specialise in such transactions.

**f) SECURITIES FORWARD SETTLEMENT TRANSACTIONS**

In the interest of efficient management or for hedging purposes, the Company may conclude forward transactions with broker/dealers acting as market makers in such transactions, provided they are first-class financial institutions specialised in transactions of this kind and participate in the OTC markets. The transactions in question involve the purchase or sale of securities at their current price; delivery and settlement then take place on a later date that is fixed in advance.

Within an appropriate period in advance of the transaction settlement date, the Company can arrange with the broker/dealer concerned either for it to sell or buy back the securities or for it to extend the time-limit for a further period, all realised profits or losses on the transaction being paid to the broker/dealer or paid by the latter to the Company. However, the Company concludes purchase transactions with the intention of acquiring the securities in question.

The Company may pay the normal charges contained in the price of the securities to the broker/dealer concerned in order to finance the costs incurred by the broker/dealer owing to the later settlement.

### 6.3. EFFICIENT PORTFOLIO MANAGEMENT — OTHER INVESTMENT TECHNIQUES AND INSTRUMENTS

In addition to investments in derivative financial instruments, the Company may in accordance with the conditions of Circular CSSF 08/356 (as amended, or replaced by any superseding circular) and the guidelines of the European Securities and Markets Authority ESMA/2012/832, which were implemented in Luxembourg by Circular CSSF 13/559 (as amended by Circular CSSF 14/592), as well as any other guidelines issued on this subject, use other investment techniques and instruments involving securities and money market instruments such as securities repurchase agreements (securities repurchase and reverse repurchase agreements) and securities lending transactions, investment techniques and instruments involving securities or money market instruments used for the purpose of efficient portfolio management, including derivative financial instruments not used for direct investment purposes, provided they meet the following criteria:

- a) they are economically appropriate insofar as they are used in a cost-effective manner;
- b) they are used with one or more of the following specific objectives;
  - i. Risk reduction;
  - ii. Cost reduction;
  - iii. Generation of additional capital or income for the Company, coupled with a risk that is compatible with the risk profile of the Company and the relevant Subfunds of the Company as well as the risk diversification rules applicable to them;
- c) their risks are adequately documented through the Company's risk management procedures; and
- d) they must not result in a change in the stated investment objective of the Subfund or be coupled with significant additional risks compared with the general risk strategy described in the Prospectus or Key Investor Information Document.

The techniques and instruments available for the purpose of efficient portfolio management are explained in the following section and are subject to the conditions described below.

Furthermore, such transactions may be conducted in relation to 100% of the assets held by the Subfund concerned, provided (i) they remain on an appropriate scale or the Company is entitled to request the return of the loaned securities to ensure that it is in a position to meet its redemption obligations at all times, and (ii) such transactions do not jeopardise the management of the assets of the Company in accordance with the investment policy of the Subfund concerned. Risk is monitored in accordance with the Company's risk management procedures.

The use of efficient portfolio management can potentially have a negative effect on shareholder returns.

Efficient portfolio management can result in direct and indirect operating costs that are deductible from income. These costs will not contain any hidden fees.

It shall also be ensured that efficient portfolio management does not result in conflicts of interest that are detrimental to the investors.

### 6.4. SECURITIES LENDING

#### GENERAL INFORMATION

For the purpose of generating additional capital or income, or to reduce costs and risks, the Company is permitted, on the basis of a standardised system and taking into account the provisions of the CSSF Circular 08/356 (as amended, and any superseding circular) and the guidelines of the European Securities and Markets Authority ESMA/2012/832, as well as any other guidelines issued on this subject, to lend securities of a Subfund to third parties (up to a maximum of 100% of the estimated total value of the instruments of the Subfund, provided the Company has the right to terminate the contract at any time and recover the lent securities), although such transactions may only be carried out by recognised clearing houses such as Euroclear or Clearstream S.A. or other recognised national clearing houses or using highly rated financial institutions specialised in transactions of this kind, and according to their terms of business. The counterparty to the securities lending agreement must be subject to prudential supervision rules considered by the CSSF as equivalent to those prescribed by EU Community law. The rights to refund must in principle be protected by collateral security to a value which, at the time the contract is entered into and throughout the lending term, at least



corresponds to the estimated total value of the relevant lent securities; this can be done through the provision of collateral security in the form of fixed-term deposits or securities that are issued or guaranteed by OECD member states, their local authorities or institutions of a supranational or regional character, or by other highly rated issuers, or else through the provision of collateral security in the form of shares in highly rated companies (on condition that hedging is provided against any fall in price between the time the collateral security is created and the time the lent security in question is returned), with such collateral security remaining blocked, on behalf of the Company, until expiry of the applicable securities lending transaction.

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

All income from efficient portfolio management techniques, after deduction of direct and indirect operating costs/fees, must be refunded to the Subfund concerned.

The associated services, such as in particular the Depositary, lending agent, indemnification, consisting of a minimum amount and a percentage participation, as well as compensation for risk and collateral management, legal and IT support to the Management Company, are paid for out of the gross income from securities lending. The Management Company ensures that only prevailing market costs are applied. The rest of the income is credited in full to the Subfund concerned.

The Company furthermore ensures that the volume of securities lending transactions is kept at an appropriate level, or that the Company is entitled to request the return of the loaned securities in a manner that enables it to meet its redemption obligations at any time and that these transactions do not jeopardise the management of the assets of the Subfunds in accordance with their investment policy.

The risk exposure vis-à-vis the counterparty as a result of securities lending transactions and OTC financial derivatives shall be combined for the purpose of calculating counterparty risk in accordance with the section "Risks associated with the use of derivatives and other special investment techniques and financial instruments".

Accepted non-cash collateral may not be sold, reinvested or pledged during the term of the transaction. Accepted cash collateral may only be

- invested as sight deposits with credit institutions in accordance with Article 50 f) of the UCITS Directive;
- invested in high-quality government bonds;
- used for reverse repurchase agreements provided they comprise transactions with credit institutions that are subject to supervision and the Company can demand the return of the full amount accrued at any time;
- invested in money market funds with a short maturity structure in accordance with the definition in the Regulation (EU) 2017/1131 of the European Parliament and of the Council of 14 June 2017 on money market funds (Money Market Fund Regulation).

Newly invested cash collateral must be diversified in accordance with the diversification requirements for non-cash collateral.

Please refer to the section "Risks associated with the use of derivatives and other special investment techniques and financial instruments" for further risk indicators.

**Regulation (EU) 2015/2365 on transparency of securities financing transactions and reuse and amending Regulation (EU) No 648/2012**

Unless otherwise stated, the proportion of a Subfund's assets that can be subject to Securities Lending is maximum 60% of that Subfund's net asset value.

The types of assets that can be subject to securities lending transactions are those where such use is consistent with the particular investment policy of the relevant Subfund. The revenue received by the respective Subfund arising from securities lending transactions is specified in the Company's semi-annual and annual reports.

**INFORMATION ON EFFICIENT PORTFOLIO MANAGEMENT TECHNIQUES SPECIFIC TO THE SUBFUNDS**

The table below explains the basic features of the efficient portfolio management techniques used by the Subfunds, excluding the use of financial derivatives, which are described in the relevant Subfund's investment strategy description.

**Efficient portfolio management technique:** securities lending, repo or reverse repo. If more than one technique is used by a Subfund, each of these techniques will be listed in a separate line.

**Conditions of use:** Explains how and under which conditions the described efficient portfolio management technique will be applied. The application may be either continuous or temporary or have other parameters. "Continuous" does not mean that the investment manager is obliged to apply such an efficient portfolio management technique on a permanent basis.

**Maximum proportion:** The maximum proportion of the net asset value of the Subfund to which the relevant efficient portfolio management technique may be applied at any one time.

**Expected proportion:** The expected proportion of the Subfund's net asset value that may be simultaneously subjected to the relevant efficient portfolio management technique. This figure is not binding for the investment manager and is based on previous financial years.

**Expected gross income:** The proportion of the gross income from the efficient portfolio management technique that will be paid to the Subfund. The allocation of gross income is disclosed in the Company's annual reports. The Company, together with the investment manager(s), has appointed State Street Bank as the "Lending Agent" for the Subfunds undertaking securities lending transactions. It is anticipated that 20% of gross income will be paid to the Lending Agent, 5% will be used to cover the Depositary's costs and fees and 4% will be used to cover the Management Company's costs. All operation costs/fees of the procedure will be paid from the Lending Agent's, Depositary's and Management Company's Share of the gross proceeds (29%). This includes all direct and indirect costs/fees incurred by the securities lending transactions.

The Lending Agent is an affiliated party of the Depositary.

Name of the Subfund	Technique	Application conditions	Objective	Maximum proportion	Expected proportion	Expected gross income
Julius Baer Equity Fund Special Value	Securities lending	Continuous	Performance optimisation	35%	2–10%	71%
Julius Baer Equity Global Excellence Europe	Securities lending	Continuous	Performance optimisation	35%	2–10%	71%
Julius Baer Global Excellence Equity	Securities lending	Continuous	Performance optimisation	35%	2–10%	71%
Julius Baer Strategy Income (EUR)	Securities lending	Continuous	Performance optimisation	35%	2–10%	71%

## 6.5. SECURITIES REPURCHASE AGREEMENTS

The Company may, taking into account the provisions of the CSSF Circular 08/356 and the investment policy of the Subfund concerned, engage in an accessory capacity for the said Subfund in repurchase or reverse repurchase agreements involving the purchase and sale of securities where the seller has the right or obligation to repurchase the securities sold from the buyer at a fixed price and within a certain period stipulated by both parties upon conclusion of the agreement.

The Company may effect repurchase transactions either as a buyer or a seller. However, any transactions of this kind are subject to the following guidelines:

- Securities may only be purchased or sold under a repurchase agreement if the counterparty is a first class financial institution specialising in transactions of this kind and is subject to prudential supervision rules considered by the CSSF as equivalent to those prescribed by EU Community law.
- As long as the repurchase agreement is valid, the securities bought cannot be sold before the right to repurchase the securities has been exercised or the repurchase period has expired.

- In addition, it must be ensured that the volume of repurchase agreements of each Subfund is structured in such a way that the Subfund can meet its redemption obligations towards its shareholders at any time.

If the Company enters into securities repurchase agreements for a Subfund, it must be able to demand the return of the securities underlying the repurchase agreement or terminate the repurchase agreement at any time. Forward repurchase agreements of up to a maximum of seven days are deemed transactions where the Company can demand the return of the assets at any time.

Where the Company enters into reverse repurchase agreements, it must be able to demand the return of the full amount or terminate the reverse repurchase agreement either on the basis of the total amount accrued or at a mark-to-market value. Where the return of the amount can be demanded at a mark-to-market value at any time, the mark-to-market value of the reverse repurchase agreement must be used to calculate the net asset value. Forward reverse repurchase agreements of up to a maximum of seven days are deemed transactions where the Company can demand the return of the assets at any time. The Company must publish the total amount of securities repurchase agreements outstanding at the reference date in its annual and semi-annual reports.

At the time of preparation of this Full Prospectus, none of the Company's Subfunds were invested in repurchase agreements, in accordance with Regulation (EU) 2015/2365 on the transparency of securities financing transactions and with Regulation (EU) No 648/2012 in its original and subsequent amended versions. Should this change in future, the Full Prospectus will be amended accordingly at the time of the next submission.

#### **6.6. COLLATERAL MANAGEMENT FOR TRANSACTIONS IN OTC DERIVATIVES AND TECHNIQUES FOR EFFICIENT PORTFOLIO MANAGEMENT**

The following provisions correspond to the requirements of the guidelines of the European Securities and Markets Authority ESMA/2012/832, which are subject to change.

1. Collateral accepted in connection with OTC derivative transactions and techniques for efficient portfolio management, for instance as part of a securities purchase agreement or securities lending transaction, must meet all the following criteria at all times:
  - (a) **LIQUIDITY:** non-cash collateral must be highly liquid and traded at a transparent price on a regulated market or within a multilateral trading system to ensure that it can be sold at short notice at a price that is close to the valuation ascertained prior to the sale. In addition, the collateral accepted should meet the provisions of Article 48 of the 2010 Law.
  - (b) **VALUATION:** the collateral must be valued on each trading day. Assets that exhibit a high degree of price volatility should only be accepted as collateral if suitable conservative valuation discounts (haircuts) are applied.
  - (c) **CREDIT RATING OF THE ISSUER:** The issuer of the collateral should exhibit a high credit rating.
  - (d) **CORRELATION:** the collateral should be issued by a legal entity that is independent of the counterparty and does not exhibit a high correlation with the development of the counterparty.
  - (e) **DIVERSIFICATION:** in relation to collateral, an appropriate degree of diversification must be ensured in terms of countries, markets and issuers. The criterion of appropriate diversification with regard to issuer concentration is deemed to be met if a Subfund contains a collateral basket from a counterparty where the maximum exposure to a specific issuer equals 20% of the net asset value. Where a Subfund has different counterparties, the various collateral baskets should be aggregated in order to calculate the 20% limit for exposure to a single issuer.

By way of derogation from this sub-paragraph, the Subfunds may be fully collateralised by securities and money market instruments issued or guaranteed by a Member State, one or more of its local authorities, a non-Member State or a public international body to which one or more Member States belong. Such Subfunds should receive securities from at least six different issues, but securities from any single issue should not account for more than 30% of the Subfund's net asset value. Subfunds that intend to be fully collateralised by securities issued or guaranteed by a Member State should disclose this fact in the respective Special Part of the Prospectus. Further, each Subfund will disclose in the respective Special Part which Member States, which local authorities or which public international bodies issue or guarantee the collateral which the Subfunds accept for more than 20% of their net asset value.

- (f) IMMEDIATE AVAILABILITY: The Company must have the ability to sell the collateral accepted at any time without reference to the counterparty or approval on the part of the counterparty.
- 2. Without prejudice to the aforementioned criteria, permissible collateral for each Subfund must meet the following requirements:
  - (a) liquid assets such as cash or short-term bank deposits, money market instruments pursuant to Directive 2007/16/EC of 19 March 2007, documentary credits or request guarantees issued by a first-class credit institution not linked to the counterparty;
  - (b) bonds issued or guaranteed by a member state of the OECD.
- 3. In the event of a transfer of rights, the collateral accepted must be held in safekeeping by the Depositary or its representative. Where there is no transfer of rights, the collateral may be held in safekeeping by a third party that is subject to supervision and has no connection whatsoever with the collateral provider.
- 4. The Company has introduced a haircut strategy for each asset category that it accepts as collateral. A haircut is a discount on the value of an item of collateral in order to account for deterioration in the valuation or liquidity profile of an item of collateral over time. The haircut strategy takes into account the characteristics of each asset category, including the credit rating of the collateral issuer, price volatility of the collateral and results of the stress tests conducted in connection with the safekeeping of the collateral. Without prejudice to the existing transactions with the respective counterparty, which may include minimum amounts for the transfer of collateral, the Company intends that collateral received, as defined in no. 2b), is adjusted by a valuation discount of at least 2%, which should correspond to the counterparty risk at least, in accordance with the haircut strategy.
- 5. Risks and potential conflicts of interest in connection with OTC derivatives and efficient portfolio management
  - (a) OTC derivative transactions, efficient portfolio management and the administration of collateral involve certain risks. Further information on this subject can be found in this Prospectus in the sections "Risks associated with the use of derivatives and other special investment techniques and financial instruments" and in particular under the risks in connection with derivatives, counterparty risk and counterparty risk vis-à-vis the Depositary. These risks can expose shareholders to an increased risk of loss.
  - (b) The combined counterparty risk from a transaction with OTC derivatives or techniques for efficient portfolio management must not exceed 10% of the Subfund's assets where the counterparty is a bank domiciled in the EU or in a country in which supervisory rules are equivalent to those of the EU in the view of the Luxembourg supervisory authorities. In all other cases, this limit is 5%.

#### 6.7. TECHNIQUES AND INSTRUMENTS FOR HEDGING CURRENCY RISKS

For the purpose of hedging against currency risks the Company may at a stock exchange or on another regulated market, or in the context of OTC transactions, conclude currency futures contracts, sell currency call options or buy currency put options in order to reduce exposure to the currency that is deemed to present a risk or to completely eliminate such risk and to shift into the reference currency or into another of the permissible currencies that is deemed to present less risk for each Subfund.

The Company may also sell or exchange (currency swaps) currency forwards through OTC transactions with first-class financial institutions specialising in such transactions.

#### 6.8. STRUCTURED PRODUCTS

The Company may make use of structured products for each Subfund for the purposes of efficient management or hedging. The range of structured products includes in particular credit-linked notes, equity-linked notes, performance-linked notes, index-linked notes and other notes whose performance is linked to underlying instruments permitted pursuant to Part I of the 2010 Law and its implementing provisions. In such transactions, the counterparty must be a first-class financial institution specialising in these types of transactions. Structured products are composite products. Derivatives and/or other investment techniques and instruments may also be embedded in structured products. Consequently, in addition to the risk characteristics of securities, the risk characteristics of derivatives and other investment techniques and instruments must be taken into account. In general, they are subject to the risks of the underlying markets or underlying instruments. Depending on their structure, they may be more volatile and thus entail

greater risk than direct investments; as a result of price movements for the underlying market or instrument, there is also the risk of a loss of income or even a total loss of the capital invested.

## 6.9. SWAPS AND OTHER FINANCIAL DERIVATIVES WITH COMPARABLE CHARACTERISTICS

### GENERAL INFORMATION

The Subfunds may invest in total return swaps or in other derivatives with similar characteristics as described below:

- The underlyings of the total return swaps or other financial instruments with similar characteristics comprise in particular individual equities or bonds, baskets of equities or bonds or financial indices permitted in accordance with para. 48–61 of the ESMA Guidelines 2012/832. The components of the financial indices include equities, bonds and derivatives on commodities. The investment policy of the various Subfunds includes additional details on the use of total return swaps or other financial instruments with similar characteristics based on underlyings or strategies other than those described above.
- Counterparties to such transactions are regulated financial institutions that have a good credit rating and are specialised in this type of transaction.
- Default by a counterparty may have a negative influence on shareholder returns. The investment manager intends to minimise the settlement risk of the counterparties by only selecting counterparties that have a good credit rating and by monitoring the development of counterparty ratings. Furthermore, these transactions are only concluded on the basis of standardised framework agreements (ISDA with credit support annex, German framework agreement with collateralisation annex etc.). The credit support or collateralisation annex defines the conditions under which collateral is transferred to the counterparty or accepted by it in order to lessen the default risk arising from derivative positions and therefore the negative implications for shareholder returns in the event of default by a counterparty.
- The counterparties for total return swaps or other financial instruments with comparable characteristics have no discretion with regard to the composition or management of the portfolio of a Subfund or the underlyings of these derivative financial instruments; nor is the counterparty's consent required in connection with the conclusion of such a transaction. In the event of a deviation from this principle, the investment policy of the Subfunds contains further details.
- The total return swaps or derivatives with similar characteristics are included in the calculation of the specified investment limits.

### Regulation (EU) 2015/2365 on transparency of securities financing transactions and reuse and amending Regulation (EU) No 648/2012

At the time of the preparation of this Full Prospectus, the following Subfunds employed total return swaps (included equity swaps and contracts for difference). The following table sets out the maximum and the expected proportion of the Subfund's assets under management that could be subject to these instruments. Should this change in future, the Full Prospectus will be amended accordingly at the time of the next submission.

Subfunds	Total Return Swaps (including equity swaps and CFD)	
	Maximum value	Expected value
JULIUS BAER STRATEGY INCOME (EUR)	100%	0%
GAM MULTI ASSET STRATEGIC ALLOCATION	20%	0%
GAM GALENA COMMODITIES	500%	450%

The types of assets that can be subject to total return swaps are those where such use is consistent with the investment policy of the relevant Subfund, provided nothing has been agreed to the contrary in this investment policy.

All revenues from total return swaps entered into by a Subfund, net of direct and indirect operating costs, will be returned to the relevant Subfund. The identities of the entities to which any direct and indirect costs and fees are paid shall be disclosed in the annual financial statements of the Company. These entities may include the Management Company,

the Depositary or entities related to the Depositary. In selecting counterparties for these transactions, the respective investment manager may take into account whether such costs and fees will be at normal commercial rates. Further information with regard to transactions with associated entities is available in section 27 "General Conflicts Associated with the Company".

**6.10. INVESTMENTS IN FINANCIAL INDICES PURSUANT TO ARTICLE 9 OF THE GRAND DUCAL REGULATION OF 8 FEBRUARY 2008.**

The Company may invest in derivative financial instruments whose underlyings replicate indices. The Company may also raise the diversification limits for an index component pursuant to Article 44 of the 2010 Law.

The raising of the diversification limits can occur in unusual market conditions when one or more components of the index acquires a dominant position within a particular market, sector or segment. A dominant position can arise due to special economic and market developments but also market, sector or segment-specific limitations. Further details are given in the investment policy of the Subfunds concerned.

The Company invests in derivative financial instruments whose underlyings replicate indices whose composition is mainly rebalanced on a semi-annual or annual frequency ("rebalancing frequency"). A distinction is drawn between the following cases:

- For exchange-traded derivatives, the rebalancing of the index composition merely results in changes in the calculation and has no direct or indirect impact on the costs of the Subfunds concerned.
- In the case of OTC derivatives, the counterparty does not usually hold the index component physically and instead secures its position primarily via derivative instruments. Should transactions take place as a consequence of the rebalancing of the index composition, this is carried out on highly liquid derivative markets to ensure that the impact on the costs of the Subfunds concerned remains minimal.

**6.11. RISKS ASSOCIATED WITH THE USE OF DERIVATIVES AND OTHER SPECIAL INVESTMENT TECHNIQUES AND FINANCIAL INSTRUMENTS**

Prudent use of these derivative and other special investment techniques and financial instruments may bring advantages, but does also entail risks that differ from those of the more conventional forms of investment and in some cases may be even greater. The following general outline covers important risk factors and other aspects relating to the use of derivative and other special investment techniques and financial instruments, and on which the shareholder should be informed before investing in a Subfund.

- **MARKET RISKS:** These risks are of general nature and are present in all types of investments; the value of a particular financial instrument may change in a way that can be detrimental to the interests of a Subfund.
- **MONITORING AND CONTROL:** Derivatives and other special investment techniques and financial instruments are specialised products that require different investment techniques and risk analyses than equities or bonds. The use of derivatives requires not just knowledge of the underlying instrument, but also of the derivative itself, although the performance of the derivative cannot be monitored under all the conceivable market conditions. In particular, the complexity of such products and their use require suitable control mechanisms to be set up for monitoring the transactions and the ability to assess the risks of such products for a Subfund and to estimate the trends in prices, interest rates and exchange rates.
- **LIQUIDITY RISKS:** Liquidity risks arise when a certain stock is difficult to acquire or sell. In large-scale transactions or when markets are partially illiquid (e.g. where there are numerous individually agreed instruments) it may not be possible to execute a transaction or close out a position at an advantageous price.
- **COUNTERPARTY RISKS:** There is a risk that a counterparty will not be able to fulfil its obligations (settlement risk) and/or that a contract will be cancelled, e.g. due to bankruptcy, subsequent illegality or a change in the tax or accounting regulations in relation to the rules applicable at the time the OTC derivative contract was concluded and/or that the counterparty to a financial instrument is financially unable to meet an obligation or liability entered into in relation to the Subfund concerned (credit risk). This affects all counterparties with which derivative, securities repurchase, reverse repurchase or securities lending agreements are entered into. Trading in non-collateralised derivatives results in direct counterparty risk. The Subfund in question minimises a large part of its counterparty risk from derivative transactions by demanding that collateral amounting to at least the level of its exposure be placed with the relevant counterparty. If derivatives are not fully collateralised, however, counterparty default can lead to a reduction in the value of the Subfund. New counterparties are subject to a formal assessment and all

approved counterparties are constantly monitored and reviewed. The Company ensures active control of its counterparty risk and collateral management.

- COUNTERPARTY RISK VIS-À-VIS THE Depositary: The Company's assets are entrusted to the Depositary for safekeeping. A note should be made in the books of the Depositary stating that the Company's assets belong to the Company. The securities held by the Depositary should be separated from the Depositary's other securities/assets, thereby reducing but not eliminating the risk of non-return in the event of the Depositary's bankruptcy. Shareholders are therefore exposed to the risk that in the event of its bankruptcy, the Depositary will be unable to meet its obligation to return all the Company's assets in full. In addition, it is possible that a Subfund's cash holdings with the Depositary will not be held separately from the Depositary's own cash holdings or the cash holdings of its other customers; in the event of the bankruptcy of the Depositary, a Subfund could therefore be treated as a non-preferential creditor in some circumstances.

It is possible that the Depositary will not keep all the Company's assets in safekeeping itself and may instead use a network of sub-custodians that do not always form part of the same group of companies as the Depositary. In cases where the Depositary bears no liability, it is possible that shareholders will be exposed to the risk of bankruptcy among the sub-custodians.

A Subfund may invest in markets where custody and/or settlement systems are not yet fully developed. The assets of the Subfunds traded on these markets and entrusted to these sub-custodians may be exposed to risk in cases where the Depositary is not liable.

- RISKS ASSOCIATED WITH CREDIT DEFAULT SWAP ("CDS") TRANSACTIONS: The purchase of credit default swap protection allows the Company, on payment of a premium, to protect itself against the risk of default by an issuer. In the event of default by an issuer, settlement can be effected in cash or in kind. In the case of a cash settlement, the purchaser of the CDS protection receives the difference between the nominal value and the attainable redemption amount from the seller of the CDS protection. Where settlement is made in kind, the purchaser of the CDS protection receives the full nominal value from the seller of the CDS protection and in exchange delivers to it the security that is the subject of the default, or an exchange shall be made from a basket of securities. The detailed composition of the basket of securities shall be determined at the time the CDS contract is concluded. The events that constitute a default and the terms of delivery of bonds and debt certificates shall also be defined in the CDS contract. The Company can, if necessary, resell the CDS protection or restore the credit risk by purchasing call options.

Upon the sale of credit default swap protection, the Subfund incurs a credit risk comparable to the purchase of a bond issued by the same issuer at the same nominal value. In either case, the risk in the event of issuer default is in the amount of the difference between the nominal value and the attainable redemption amount.

Aside from the general counterparty risk (see "Counterparty risks" above), when concluding credit default swap transactions there is also in particular a risk of the counterparty being unable to establish one of the payment obligations that it must fulfil. The different Subfunds that use CDS will ensure that the counterparties involved in these transactions are carefully selected and that the risk associated with the counterparty is limited and closely monitored.

- RISKS ASSOCIATED WITH CREDIT SPREAD SWAP ("CSS") TRANSACTIONS: Concluding a credit spread swap allows the Company, on payment of a premium, to share the risk of default by an issuer with the counterparty of the transaction concerned. A credit spread swap is based on two different securities with differently rated default risks and normally a different interest rate structure. At maturity, the payment obligations of one or other party to the transaction depend on the different interest rate structures of the two underlying securities.

Aside from the general counterparty risk (see "Counterparty risks" above), when concluding credit spread swap transactions there is also in particular a risk of the counterparty being unable to establish one of the payment obligations that it must fulfil.

- RISKS ASSOCIATED WITH INFLATION SWAP TRANSACTIONS: The purchase of inflation swap protection helps the Company to hedge a portfolio either entirely or partially against an unexpectedly sharp rise in inflation or to derive a relative performance advantage therefrom. For this purpose, a nominal, non-inflation-indexed debt is exchanged for a real claim that is linked to an inflation index. When the transaction is concluded, the inflation expected at this point is accounted for in the price of the contract. If actual inflation turns out to be higher than that expected at the time the

transaction was entered into and accounted for in the price of the contract, the purchase of the inflation swap protection results in higher performance; in the opposite instance it results in a lower performance than if the protection had not been purchased. The functioning of the inflation swap protection thus corresponds to that of inflation-indexed bonds in relation to normal nominal bonds. It follows that by combining a normal nominal bond with inflation swap protection it is possible to synthetically construct an inflation-indexed bond.

When selling inflation swap protection, the Subfund enters into an inflation risk that is comparable with the purchase of a normal nominal bond in relation to an inflation-indexed bond: If actual inflation turns out to be lower than that expected at the time the transaction was entered into and accounted for in the price of the contract, the sale of the inflation swap protection results in higher performance; in the opposite instance it results in a lower performance than if the inflation swap protection had not been sold.

Aside from the general counterparty risk (see "Counterparty risks" above), when concluding inflation swap transactions there is also in particular a risk of the counterparty being unable to establish one of the payment obligations that it must fulfil.

- **RISKS INVOLVED IN CONTRACTS FOR DIFFERENCE:** Unlike with direct investments, in the case of CFDs the buyer may be liable for a considerably higher amount than the amount paid as collateral. The Company will therefore use risk management techniques to ensure that the respective Subfund can sell the necessary assets at any time, so that the resulting payments in connection with redemption applications can be made from redemption proceeds and the Subfund can meet its obligations arising from contracts for difference and other techniques and instruments.
- **OTHER RISKS/DERIVATIVES:** The use of derivative and other special investment techniques and financial instruments also entails the risk that the valuations of financial products will differ as a result of different approved valuation methods (model risks) and the fact that there is no absolute correlation between derivative products and the underlying securities, interest rates, exchange rates and indexes. Numerous derivatives, particularly the OTC derivatives, are complex and are frequently open to subjective valuation. Inaccurate valuations can result in higher cash payment obligations to the counterparty or a loss in value for a Subfund. Derivatives do not always fully reproduce the performance of the securities, interest rates, exchange rates or indexes that they are designed to reflect. The use of derivative and other special investment techniques and financial instruments by a Subfund may therefore in certain circumstances not always be an effective means of achieving the Subfund's investment objective and may even prove counterproductive. As a result of the use of derivatives, the Subfunds will in some circumstances be exposed to greater risks. For example, this may involve credit risk in relation to counterparties with which a Subfund is concluding transactions or in relation to the settlement risk, the risk of the derivatives having insufficient liquidity, the risk of incomplete replication between the change in value of the derivative and that of the underlying that the Subfund concerned aims to replicate, or the risk of higher transaction costs compared with a direct investment in the underlyings.

## 7. SUSTAINABILITY RISKS

### 7.1. GENERAL INFORMATION

In accordance with the regulation (EU) 2019/2088 on sustainability-related disclosures in the financial services sector (Sustainable Finance Disclosure Regulation or SFDR), the Management Company and each of the Investment Managers of the Subfunds have implemented sustainability risks of the Subfunds into their investment decisions as set out in this section. NB: For the purposes of this section, a sustainability risk means an environmental, social or governance event or condition that, if it occurs, could cause an actual or a potential material negative impact on the value of the investment. The prospective investors of any Subfund shall read this section together with the relevant Special Part and note that any Subfund may deviate from these guidelines and such deviations are further clarified in the respective Special Part.

### 7.2. SUSTAINABILITY RISKS AS PART OF THE INVESTMENT PROCESS

Investment Managers of each of the Subfunds have integrated sustainability risk factors as part of their investment process. Integration of sustainability risk to actual investment decisions aims to ensure that the risks are considered



similarly to all other risks that are integrated in the investment decision making. Investors shall note that the integration of sustainability risk does not mean that the investment manager aims to invest in assets that are more sustainable than peers or even avoid investing in assets that may have public concerns about their sustainability. Such integrated assessment shall consider all other parameters used by the investment manager and it can e.g. be deemed that even a recent event or condition may have been overreacted in its market value. Similarly, a holding in an asset subject to such material negative impact does not mean that the asset would need to be liquidated.

Investors should note that, if a Subfund (a) promotes environmental or social characteristics or a combination thereof by investing in companies that follow good governance practices; or (b) if a Subfund has a sustainable investment as its objective, such promotion or objective shall be further detailed in the Special Part of the Subfund.

#### 7.2.1 INSTRUMENT SPECIFIC CONSIDERATIONS

- (i) Equity and equity-like instruments such as corporate bonds that are bound to the performance of the company are deemed to be investments that inherently carry the highest level of sustainability risks. The market value of an equity instrument will often be affected by environmental, social or governance events or conditions such as natural disasters, global warming, income inequality, anti-consumerism or malicious governance. The Subfunds that invest or may invest heavily in equities will be deemed to have an inherently high level of sustainability risks.
- (ii) The market value of fixed-rate corporate bonds or other bonds that are not bound to the performance of the company will inherently carry the same or similar sustainability risks. As such instruments are effectively affected by the foreseen solvency of the company, the sustainability risks may be somewhat lower than in direct equity instruments and in some cases the more long-term sustainability conditions are not as likely to affect the solvency as more sudden events might. The Subfunds that invest heavily in corporate bonds will be deemed to have an inherently moderate level of sustainability risks.
- (iii) Government and other sovereign bonds are subject to similar sustainability risks as equities and corporate bonds. While nations and other sovereign issuers are subject to seemingly sudden events, the underlying conditions are often well-known and understood and already priced-in to the market value of such assets. The Subfunds that invest mostly in government and other sovereign bonds will be deemed to have an inherently low level of sustainability risks.
- (iv) Currencies, investments in currencies and the currency effect against the base currency of any Subfund, regardless if such risk is hedged or not, shall not be subject to assessment of sustainability risk. The market value fluctuations of currencies are deemed not to be affected by actions of any specific entity where a materiality threshold could be exceeded by a single event or condition.
- (v) Investments where the market value is solely bound to commodities are not included in the sustainability risk assessment. While some commodities may inherently be subject to various sustainability risks, it looks likely that the sustainability risks are either effectively priced-in in the market value of a commodity or there is a lack of generally approved sustainability risk metrics.
- (vi) Investment decisions in bank deposits and ancillary liquid assets will be subject to an assessment, which is an inherent part of the analysis for such instruments where the market value of the asset is bound only or mostly to a counterparty risk and the counterparty fails to fulfil its usually contractually or otherwise predetermined obligations.
- (vii) Investments in diversified indices, other UCIs and diversified structured products are generally understood to be instruments where any event or condition in one underlying asset is unlikely to have a material impact on the investment due to the diversification. The sustainability risks of such instruments are generally only assessed on a high level, e.g. where such an instrument has only or mostly underlying assets that would be subject to same conditions or events.
- (viii) Sustainability risks derived from financial derivative instruments such as futures, forwards, options, swaps etc. are generally assessed based on the underlying of such a derivative. Investors should note that for the purposes of this section, the sustainability risks are only assessed from the point of view of material negative impact. This means that material positive impact will not be assessed. Consequently, it means that any

derivative instruments (even where not used purely for hedging purposes) that have a negative correlation to the ultimate underlying asset e.g. short selling will not be subject to a risk assessment if, due to negative correlation, a negative impact on the value of the underlying asset would not create a negative impact on the market value of the asset.

Notwithstanding anything set out above, investments intended for hedging purposes will not be subject to additional assessment of sustainability risks. The purpose of hedging is to fully or partially hedge against existing risks in the portfolio of the Subfund and should generally not add to sustainability-related risks.

#### **7.2.2 SUSTAINABILITY RELATED DATA**

The Company has chosen not to enforce the investment managers of the Subfunds to use any specific metrics, data or data providers in order to integrate sustainability risk as part of their investment decisions. The prospective investors shall note that while sustainable finance is among the most important recent themes in the field of investment management globally, and companies around the world have largely adopted different feasible, defensible and verifiable practices in order to create public data and control mechanisms in order to verify such data, the quality and availability of the data may still not be comparable with the general quality of more standardised and traditional financial data that is presented in annual financial statements or other financial reports that comply with any accounting standards, the reliability of which has been tried and tested for a longer period of time. In addition, the quality and/or availability of sustainability related data may depend on other factors, such as the domicile of an invested company (e.g. the quality and/or availability of sustainability related data in emerging countries may have more deficiencies than in developed countries).

#### **7.3. PRINCIPAL ADVERSE IMPACTS**

The investment managers of the Subfunds described in Special Parts A, B, C and I do not consider the "principal adverse impacts", if any, in their investment decisions. Such impact is subject to the perceived lack of reliable, high-quality data on these factors, which may often prevent the investment managers from being able to decisively conclude the investment decision's actual or potential adverse impact.

## **8. THE COMPANY**

### **GENERAL INFORMATION**

The Company is organised in the Grand Duchy of Luxembourg as a "*société d'investissement à capital variable*" (SICAV) under the current version of the 2010 Law. In accordance with Part I of the 2010 Law, the Company is authorised to perform collective investments in securities.

The Company was established on 8 September 1993 for an indefinite period.

The Company is registered under number B-44.963 in the Luxembourg commercial and companies' register. The articles of association may be consulted and sent out on request. They were published in Luxembourg in the Mémorial of 15 October 1993. The articles of association were last amended on 17 February 2017, as published in the Recueil Electronique des Sociétés et Associations ("**RESA**") in Luxembourg on 10 March 2017.

The Company's registered office is 3, rue Jean Piret, L-2350 Luxembourg, Grand Duchy of Luxembourg.

### **MINIMUM CAPITAL**

The Company's minimum capital corresponds in Swiss Francs to the equivalent of EUR 1,250,000. If one or more Subfunds are invested in Shares of other Subfunds of the Company, the value of the relevant Shares is not to be taken into account for the purpose of verifying the statutory minimum capital. In the event that the capital of the Company should fall below two-thirds of the minimum capital laid down by law, the Board of Directors of the Company is required to submit the question of liquidation of the Company to a general meeting of shareholders within forty (40) days. The general meeting may resolve the question of liquidation by a simple majority of the shareholders present or represented, with no quorum being required.

In the event that the capital of the Company should fall below one quarter of the minimum capital laid down by law, the Board of Directors of the Company is required to submit the question of liquidation of the Company to a general meeting of shareholders, which is to be convened within the same time limit. In this case, liquidation may be resolved by one quarter of the votes of the shareholders who are present or represented at the general meeting, with no quorum being required.

#### **LIQUIDATION/MERGER**

Under the terms of Articles 450-3 and 1100-2 of the 1915 Law, the Company may be liquidated with the approval of the shareholders. The liquidator is authorised to transfer all assets and liabilities of the Company to a Luxembourg UCITS against the issue of Shares in the absorbing UCITS (in proportion to the Shares in the Company in liquidation). Otherwise, any liquidation of the Company shall be carried out in accordance with Luxembourg law. Any liquidation proceeds remaining to be distributed to shareholders, but which could not be paid out to them at the end of liquidation will be deposited in favour of the beneficiary or beneficiaries, at the *Caisse de Consignation* in Luxembourg in accordance with Article 146 of the 2010 Law.

In addition, the Company may decide or propose to liquidate one or more Subfunds or merge one or more Subfunds with another Subfund of the Company or with another UCITS in accordance with Directive 2009/65/EC or with a Subfund within such other UCITS, as stated in greater detail in the section "Redemption of Shares".

#### **INDEPENDENCE OF THE SUBFUNDS**

The Company assumes liability in respect of third parties for the obligations of each Subfund only with the respective assets of the Subfund in question. In dealings among the shareholders, each Subfund is also treated as an independent unit and the obligations of each Subfund are assigned to that Subfund in the inventory of assets and liabilities.

#### **THE BOARD OF DIRECTORS**

The Board of Directors of the Company is detailed in the section "Organisation and Management". The Company is managed under the supervision of the Board of Directors.

The articles of association contain no provisions with regard to the remuneration (including pensions and other benefits) of the Board of Directors. The expenses of the Board of Directors shall be reimbursed. Remuneration must be approved by the shareholders at the general meeting.

## **9. DEPOSITARY**

The Company has appointed State Street Bank International GmbH, Luxembourg Branch ("**SSB-LUX**") as the depositary bank (the "**Depositary**") of the Company with responsibility for:

- a) custody of the assets,
- b) monitoring duties,
- c) cash flow monitoring

in accordance with applicable Luxembourg law, the relevant CSSF circular and other applicable mandatory provisions of the Regulation (hereinafter referred to as the "**Luxembourg Regulation**" in the respective current version) and the Depositary Agreement, which was entered into between the Company and SSB-LUX ("**Depositary Agreement**").

SSB-LUX is subject to supervision by the European Central Bank (ECB), the Federal Financial Supervisory Authority (BaFin) and the Deutsche Bundesbank and has been approved by the Commission de Surveillance du Secteur Financier (CSSF) in Luxembourg as a depositary and central administrative office.

#### **ON A) CUSTODY OF THE ASSETS**

In accordance with the Luxembourg Regulation and the Depositary Agreement, the Depositary is responsible for the safekeeping of the financial instruments that can be held in safekeeping and for the accounting and verification of ownership of the other assets.

#### DELEGATION

Furthermore, the Depositary is authorised to delegate its custodian obligations under the Luxembourg Regulation to sub-custodians and to open accounts with sub-custodians, provided that (i) such delegation complies with the conditions laid down by the Luxembourg Regulation — and provided such conditions are observed; and (ii) the Depositary will exercise all customary and appropriate care and expertise with regard to the selection, appointment, regular monitoring and control of its sub-custodians.

The Depositary has delegated those safekeeping duties set out in Article 22(5)(a) of the UCITS Directive to State Street Bank and Trust Company with registered office at One Lincoln Street, Boston, Massachusetts 02111, USA, whom it has appointed as its global sub-custodian. State Street Bank and Trust Company as global sub-custodian has appointed local sub-custodians within the State Street Global Custody Network.

Information about the safe-keeping functions which have been delegated and the identification of the relevant delegates and sub-delegates are available at the registered office of the Company or at the following internet site: <https://www.statestreet.com/disclosures-and-disclaimers/lu/subcustodians>.

#### LIABILITY

In the event of a loss of a financial instrument held in custody, determined in accordance with the UCITS Directive, and in particular Article 18 of the UCITS-CDR, the Depositary shall return financial instruments of identical type or the corresponding amount to the Company acting on behalf of the Company without undue delay.

The Depositary shall not be liable if it can prove that the loss of a financial instrument held in custody 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 pursuant to the UCITS Directive.

#### ON B) MONITORING DUTIES

In accordance with the Luxembourg Regulation and the articles of association of the Company, as well as the Depositary Agreement, the Depositary will:

- (i) ensure that the sale, issue, redemption, switching and cancellation of the Company's shares are conducted in accordance with the Luxembourg Regulation and the articles of association of the Company;
- (ii) ensure that the value of the Company's shares is calculated in accordance with the Luxembourg Regulation and the articles of association of the Company;
- (iii) execute the Management Company's instructions, provided they do not conflict with the Luxembourg Regulation and the articles of association of the Company;
- (iv) ensure that in transactions concerning the Company's assets, any remuneration is remitted/forwarded to the Company within the customary time limits;
- (v) ensure that the Company's income is recorded in the accounts in accordance with the Luxembourg Regulation and the articles of association of the Company.

#### ON C) CASH FLOW MONITORING

The Depositary is obligated to perform certain monitoring duties with regard to cash flows as follows:

- (i) reconciling all cash flows and conducting such reconciliation on a daily basis;
- (ii) identifying cash flows that in its professional judgement are significant and in particular those that may possibly not be in keeping with the Company's transactions. The Depositary will conduct its verification on the basis of the previous day's transaction statements;
- (iii) ensuring that all bank accounts within the Company's structure have been opened in the name of the Company;
- (iv) ensuring that the relevant banks are EU or comparable banking institutions;
- (v) ensuring that the monies that have been paid by the shareholders have been received and recorded on bank accounts of the Company.

Current information on the Depositary, its duties, potential conflicts, a description of all depositary functions delegated by the Depositary, a list of delegates and sub-delegates and the disclosure of all conflicts of interest that may arise in connection with the delegation of duties are made available to the shareholders, upon request, by the Depositary. Furthermore, a list of delegates and sub-delegates is available at [www.statestreet.com/about/office-locations/luxembourg/subcustodians.html](http://www.statestreet.com/about/office-locations/luxembourg/subcustodians.html).

#### CONFLICTS OF INTEREST

The Depositary is part of an international group of companies and businesses that in the ordinary course of their business act simultaneously for a large number of clients as well as for their own account, which may result in actual or potential conflicts. Conflicts of interest arise where the Depositary or its affiliates engage in activities under the Depositary Agreement or under separate contractual or other arrangements. Such activities may include:

- (i) providing nominee, administration, registrar and transfer agency, research, securities lending agent, investment management, financial advice and/or other advisory services to the Company;
- (ii) engaging in banking, sales and trading transactions including foreign exchange, derivative, principal lending, broking, market making or other financial transactions with the Company, either as principal and in the interests of itself, or for other clients.

In connection with the above activities, the Depositary or its affiliates:

- (i) will seek to profit from such activities and are entitled to receive and retain any profits or compensation in any form and are not bound to disclose to the Company the nature or amount of any such profits or compensation including any fee, charge, commission, revenue share, spread, mark-up, mark-down, interest, rebate, discount or other benefit received in connection with any such activities;
- (ii) may buy, sell, issue, deal with or hold securities or other financial products or instruments as principal acting in its own interests, the interests of its affiliates or for its other clients;
- (iii) may trade in the same or opposite direction to the transactions undertaken, including based upon information in its possession that is not available to the Company;
- (iv) may provide the same or similar services to other clients including competitors of the Company;
- (v) may be granted creditors' rights by the Company, which it may exercise.

The Company may use an affiliate of the Depositary to execute foreign exchange, spot or swap transactions for the account of the Company. In such instances, the affiliate shall be acting in a principal capacity and not as a broker, agent or fiduciary of the Company. The affiliate will seek to profit from these transactions and is entitled to retain and not disclose any profit to the Company. The affiliate shall enter into such transactions on the terms and conditions agreed with the Company.

Where cash belonging to the Company is deposited with an affiliate being a bank, a potential conflict arises in relation to the interest (if any) that the affiliate may pay or charge to such account, and the fees or other benefits that it may derive from holding such cash as banker and not as trustee.

The Investment Manager or the Management Company may also be a client or counterparty of the Depositary or its affiliates.

The Company pays the Depositary a fee for its services based on the net asset value of the respective Subfund at the end of each month, payable monthly in arrears. In addition, the Depositary is entitled to payment to recover expenses and the fees charged, in turn, by other correspondent banks.

SSB-LUX is part of a company operating globally. In connection with the settlement of subscriptions and redemptions and the fostering of business relations, data and information about customers, their business relationship with SSB-LUX (including information about the beneficial owner) as well as, to the extent legally permissible, information about business transactions may be transmitted to affiliated entities or groups of companies of SSB-LUX abroad, to its representatives abroad or to the management company or the company. These service providers and the management company or society are required to keep the information confidential and use it only for the purposes for which they have been made available to them. The data protection laws in foreign countries may differ from the Privacy Policy in Luxembourg and provide a lower standard of protection.

## 10. MANAGEMENT COMPANY AND DOMICILIARY AGENT

The Company is managed by Carne Global Fund Managers (Luxembourg) S.A. (the "**Management Company**"), a public limited liability company (*société anonyme*) incorporated under the laws of the Grand Duchy of Luxembourg, having its registered office at 3, rue Jean Piret, L-2350 Luxembourg, Grand Duchy of Luxembourg and registered with the Luxembourg commercial and companies' register under number B 148258.

The Management Company was established on 17 September 2009 as a *société anonyme* under Luxembourg law and is regulated by the CSSF and approved as a management company under Chapter 15 of the 2010 Law. The corporate capital of the Management Company amounts to six hundred and twenty five thousand euro (EUR 625,000), divided into six thousand two hundred and fifty (6250) fully paid shares, each with a par value of one hundred euro (EUR 100.00). The corporate capital is held by Carne Global Fund Managers (Ireland) Ltd.

The Management Company is responsible for carrying out portfolio management, risk management, management, marketing and distribution services relating to all Subfunds on a daily basis under the supervision of the Board of Directors and can delegate these tasks entirely or in part to third parties.

The Management Company also acts as the management company for other investment funds. The names of these other funds are available upon request. The Management Company has been authorised by the Company to delegate certain management, distribution and portfolio management functions to specialist service providers.

The Management Company shall continuously monitor the activities of the third parties to which it has delegated tasks. The agreements made between the Management Company and the relevant third parties specify that the Management Company can issue further instructions to these third parties and that it may withdraw their mandate at any time with immediate effect if this is in the interests of the shareholders of the Company. The liability of the Management Company to the Company remains unaffected by the fact that it has delegated certain tasks to a third party.

The Management Company receives regular reports from investment managers and other Company service providers in order for it to fulfil its supervisory obligations pursuant to the 2010 Law.

Furthermore, the Company has its registered office with the Management Company.

## 11. UCI ADMINISTRATOR AND PRINCIPAL PAYING AGENT; REGISTRAR AND TRANSFER AGENT

SSB-LUX has been appointed to provide services as the UCI Administrator, Principal Paying Agent and as Registrar and Transfer Agent. Such services include, among others, the registrar function, the calculation of the net asset value and the accounting function, as well as the communication function with clients, in accordance with the conditions set out in CSSF Circular 22/811 (as amended and any superseding circular). The above-mentioned functions have not been delegated and are carried out by SSB-LUX.

The Company pays SSB-LUX a fee for its services based on the net asset value of the respective Subfund at the end of each month, payable monthly in arrears.

## 12. GENERAL INFORMATION ON INVESTMENT ADVICE AND/OR INVESTMENT MANAGEMENT

The Company and the Management Company have authorised various specialist financial services providers to act as investment advisers ("**Investment Advisers**") and/or investment managers ("**Investment Managers**") for one or more Subfunds. The Investment Advisers and/or the Investment Managers for each of the Subfunds are named in the corresponding Special Part under "Investment Advisers" and/or "Investment Managers".

The Investment Advisers can make recommendations for investing the assets of the corresponding Subfunds, taking into account their investment objectives, policy and limits.

The Investment Managers are automatically authorised to effect investments directly for the corresponding Subfunds.

The Investment Advisers and Investment Managers may, in principle, seek assistance from affiliated companies in the execution of their mandate while retaining responsibility and control, and are authorised to nominate sub-investment advisers and/or sub-investment managers.

The Investment Advisers and/or Investment Managers receive a fee based on the net asset value of the respective Subfund, which is indicated under "Fees and costs" in the Special Part for each Subfund.

The Management Company is not obliged to do business with any broker. Transactions may be carried out through the Investment Adviser or Investment Manager or affiliated companies, provided their terms and conditions are comparable with those of other brokers or traders and regardless of whether they make a profit from such transactions. All such transactions are subject to the provisions relating to transactions between associated companies as described above in the section "Investment limits". Although in general the Company seeks to pay favourable and competitive commissions, the cheapest brokerage or the most favourable margin is not paid in every case.

### 13. PAYING AGENTS AND REPRESENTATIVES

The Company or the Management Company has concluded agreements with various paying agents and/or representatives concerning the provision of certain administrative services, the distribution of Shares or the representation of the Company in various countries of distribution. The fees charged by paying agents and representatives may be borne by the Company, as agreed in each case. Furthermore, the paying agents and representatives may be entitled to the reimbursement of all reasonable costs that have been duly incurred in connection with the performance of their respective duties.

The paying agents or (processing) establishments necessitated by the local regulations on distribution specified in the Company's various countries of distribution, for example correspondent banks, may charge the shareholder additional costs and expenses, in particular the transaction costs entailed by customer orders, in accordance with the particular institution's scale of charges.

### 14. DISTRIBUTORS

The Company or the Management Company may, in accordance with the applicable laws, appoint distributors ("**Distributors**") responsible for offering and selling the Shares of various Subfunds in all countries in which the offering and selling of such Shares is permitted. The Distributors are authorised to retain a selling fee for the Shares they have sold, or to waive all or part of the selling fee.

The Distributors are authorised, taking into account the applicable national laws and rules and regulations in the country of distribution, to also offer Shares in connection with savings plans. In this respect, the Distributor is authorised in particular:

- a) to offer savings plans of several years' duration, giving details of the conditions and features and of the initial subscription amount and the recurrent subscriptions, which may fall below the minimum subscription amount applicable in accordance with this Prospectus;
- b) to offer, in respect of selling, switching and redemption fees, more favourable terms and conditions for savings plans than the maximum rates for the issue, switching and redemption of Shares otherwise quoted in this Prospectus.

The terms and conditions of such savings plans, particularly with regard to fees, are based on the law of the country of distribution, and may be obtained from the local Distributors that offer such savings plans.

A Distributor is also authorised, taking into account the applicable national laws and rules and regulations in the country of distribution, to include Shares as the investment component in a fund-linked life assurance policy, and to offer Shares to the public in this indirect form. The legal relationship between the Company or the Management Company, the Distributor or insurance company and the shareholders or policyholders is governed by the life assurance policy and the applicable laws.

The Distributors and SSB-LUX must at all times comply with the provisions of the Luxembourg law on the prevention of money laundering, and in particular the law of 7 July 1989, which amends the law of 19 February 1973 on the sale of pharmaceuticals and the combating of drug dependency, the law of 12 November 2004 on the combating of money laundering and terrorist financing and the law of 5 April 1993 on the financial sector, as amended, as well as other relevant regulations of the government of Luxembourg or of supervisory authorities.

Subscribers of Shares must, inter alia, prove their identity to the Distributor and/or SSB-LUX or the Company, whichever accepts their subscription request. The Distributor and/or SSB-LUX or the Company must request from subscribers the following identity papers: in the case of natural persons a certified copy of the passport/identity card (certified by the Distributor or sales agent or the local government administration); in the case of companies or other legal entities a certified copy of the certificate of incorporation, a certified copy of the extract from the commercial register, a copy of the latest published annual accounts and the full names of the beneficial owners.

The Distributor must ensure that the aforementioned identification procedure is strictly applied. The Company and the Management Company may at any time require confirmation of compliance from the Distributor or SSB-LUX. SSB-LUX checks compliance with the aforementioned rules in all subscription/redemption requests that it receives from Distributors in countries with non-equivalent money laundering regulations. In case of doubt as to the identity of the party applying for subscription or redemption because of inadequate, inaccurate or non-existent identification, SSB-LUX is authorised, without incurring costs, to suspend or reject subscription/redemption applications for the reasons cited above. Distributors must additionally comply with all provisions for the prevention of money laundering, which are in force in their own countries.

## 15. CO-MANAGEMENT

In order to reduce current administration costs and achieve broader diversification of investments, the Company may decide to manage all or part of a Subfund's assets together with assets belonging to other Luxembourg UCIs managed by the same Management Company or the same investment manager and established by the same promoter, or to have some or all of the Subfunds co-managed. In the following paragraphs, the words "co-managed units" generally refer to all Subfunds and units with or between which a given co-management arrangement exists, and the words "co-managed assets" refer to the total assets of those co-managed units managed under the same arrangement.

Under the co-management arrangement, investment and realisation decisions can be made on a consolidated basis for the co-managed units concerned. Each co-managed unit holds a part of the co-managed assets corresponding to the proportion of the total value of the co-managed assets accounted for by its net asset value. This proportional holding is applicable to each category of investments held or acquired under co-management and its existence as such is not affected by investment and/or realisation decisions. Additional investments will be allocated to the co-managed units in the same proportion, and sold assets deducted pro rata from the co-managed assets held by each co-managed unit.

When new Shares are subscribed in a co-managed unit, the subscription proceeds will be allocated to the co-managed units in the new proportion resulting from the increase in the net asset value of the co-managed units to which the subscriptions have been credited, and all categories of investments will be changed by transferring assets from one co-managed unit to the other and thus adapted to the changed situation. Similarly, when Shares in a co-managed unit are redeemed, the required cash may be deducted from the cash held by the co-managed units accordingly, to reflect the changed proportions resulting from the reduction of the net asset value of the co-managed unit to which the redemptions were charged, and in such cases all categories of investments will be adapted to the changed situation. Shareholders should therefore be aware that a co-management arrangement may cause the composition of the portfolio of the Subfund concerned to be influenced by events attributable to other co-managed units, such as subscriptions and redemptions. Provided there are no other changes, subscriptions of Shares in a unit with which a Subfund is co-managed will lead to an increase in that Subfund's cash. Conversely, redemptions of Shares in a unit with which a Subfund is co-managed will lead to a reduction in that Subfund's cash. However, subscriptions and redemptions may be held in the specific account opened for each co-managed unit outside the co-management arrangement and through which subscriptions and redemptions must pass. The possibility of large payments and redemptions being allocated to such specific accounts and of a Subfund ceasing to participate in the co-management



arrangement at any time, prevent changes in a Subfund's portfolio caused by other co-managed units if these changes are likely to adversely affect the interests of the Subfund and the shareholders.

If a change in the composition of a Subfund's assets as a result of redemptions or payments of charges and costs relating to another co-managed unit (i.e. not attributable to the Subfund) would lead to a breach of the investment restrictions applying to that Subfund, the assets concerned will be excluded from the co-management arrangement before the changes are carried out, so that they are not affected by the changes.

Co-managed assets of a Subfund may be co-managed only with assets that are to be invested in accordance with investment objectives and an investment policy compatible with those of the co-managed assets of the Subfund concerned, to ensure that investment decisions are fully compatible with the Subfund's investment policy. Co-managed assets of a Subfund may be managed jointly only with assets for which the Depositary also acts as custodian, to ensure that the Depositary can fully comply with its functions and responsibilities under the 2010 Law. The Depositary must at all times keep the Company's assets separate from those of other co-managed units, and must therefore at all times be able to identify the Company's assets. As co-managed units may be following an investment policy that is not completely the same as that of a Subfund, the joint policy applied may be more restrictive than that of the Subfund.

The Company may end the co-management arrangement at any time and without prior notice.

Shareholders may contact the Company at any time for information on the percentage of assets that is co-managed, and on the units with which such co-management exists at the time of their enquiry. Annual and semi-annual reports are also required to specify the composition and percentage proportions of co-managed assets.

## 16. DESCRIPTION OF SHARES

### GENERAL INFORMATION

Shares in the Company have no par value. The Company only issues Shares for each Subfund in registered form. To the extent that bearer shares were issued previously, ownership of these bearer shares can be proved by possession of the bearer shares having the corresponding coupons. Ownership of registered Shares is demonstrated by the entry in the shareholders' register.

In principle, no physical Share certificates will be issued. A Share certificate is issued and sent to the shareholder.

Registered Shares are also issued in fractions of Shares, which are rounded up or down to three decimal places.

Each Share grants an entitlement to share in the profits and result of the respective Subfund. Unless provided otherwise in the articles of association or by law, each Share entitles its shareholder to one vote, which he/she may use at the general meeting of shareholders or at other meetings of the Subfund in question either in person or through a proxy. The Shares do not include rights of priority or subscription rights. They will neither currently nor in the future be associated with any outstanding options or special rights. The Shares are transferable without restriction unless the Company, in accordance with its articles of association, has restricted ownership of the Shares to specific persons ("restricted category of purchasers").

### IMMOBILISATION OF BEARER SHARES

The Luxembourg Law of 28 July 2014 on the mandatory deposit and immobilisation of bearer shares (Immobilisation Law) provides for a new regulation that will apply to physical securities (bearer shares) issued by the Management Company.

Within the scope of implementing the Immobilisation Law, BIL Banque Internationale à Luxembourg, *société anonyme*, whose registered office is at 69, route d'Esch, L-2953 Luxembourg, was appointed depositary for the safekeeping and registration of bearer shares. The holders of physical securities must deposit these with the depositary by 17 February 2016 at the latest and register them under the name and address of the current owner at the time of deposit. Any claims to distributions and associated voting rights attached to bearer shares will be suspended in accordance with the Immobilisation Law and shall only be restored once the bearer shares in question are delivered to a securities deposit account managed by the bank or deposited with the depositary stated above.

In accordance with the Immobilisation Law, units not deposited or registered when the prescribed legal deadline has passed shall be valued at the rate valid for 18 February 2016 and the corresponding amount shall be transferred to the Luxembourg Caisse de Consignation. Every shareholder affected can request payment of the amount apportioned to them until expiry of the statutory period of limitation. At the same time, the collected units are deleted.

As of 18 February 2016, the Management Company will therefore no longer act as a contact for the affected shareholders. Claims for payment of the deposited net Share values can only be made to the Luxembourg Caisse de Consignation.

#### **SHARE CATEGORIES**

In the respective Special Part of the Full Prospectus, the Company may provide for the issuance of distributing and accumulating Shares for each Subfund. Distributing Shares entitle the shareholder to a dividend, as determined at the general meeting of shareholders. Accumulating Shares do not entitle the shareholder to a dividend. When distributions are made, the dividend amounts are deducted from the net asset value of the distributing Shares. The net asset value of the accumulating Shares, on the other hand, remains unchanged.

Furthermore in the respective Special Part of the Full Prospectus, the Company may provide for the issue of Share Categories in each Subfund having different minimum subscription amounts, distribution modalities, fee structures and currencies.

#### **CURRENCY HEDGING**

Where a Share Category is offered in a currency other than the accounting currency of the Subfund concerned, it must be identified as such. The Share Categories (if available) may be offered in different currencies at the discretion of the Management Company. If a Share Category is offered in a currency other than the accounting currency of the relevant Subfund, it may be denominated in a currency or a Share Category with currency hedging, which will be labelled accordingly, see the relevant Special Part of the Full Prospectus.

Shares in currency-hedged Share Categories are hedged against the accounting currency of the Subfund. This type of hedging seeks to minimise the impact of currency fluctuations between the Subfund's accounting currency and the reference currency of the currency-hedged Share Category ("NAV hedging"). If such hedging is performed, the accounting currency of the respective Subfund is systematically hedged in the reference currency of the currency-hedged Share Category. For these NAV hedged Share Categories, the shareholder incurs surplus yields or loss, which is usually similar to that of Shares issued in the accounting currency of the relevant Subfund.

Due to factors beyond the control of the Management Company, it is difficult to achieve exemplary hedging within a Subfund or currency-hedged Share Category. This may result in unintentional over-hedged or under-hedged positions. In the case of fully hedged Share Categories (labelled with the suffix "h"), the Management Company aims to guarantee that over-hedged positions should not account for more than 105% of the net asset value of the hedged Share Category and the under-hedged positions not less than 95% of the net asset value of the hedged Share Category. A continuous monitoring of the hedged positions shall ensure that each position remains within the above limits and is not transferred from month to month. If there are deviations from these limits, these will be depicted separately in the relevant Special Part.

Where such currency hedging is applied, the Company may, in relation to the Subfund concerned and exclusively for this Share Category, enter into foreign exchange forward transactions, currency futures transactions, currency options transactions and currency and foreign exchange swaps in order to preserve the value of the reference currency against the accounting currency. Where such transactions are performed, the effects of this hedging shall be reflected in the net asset value and hence in the performance of the Share Category.

Similarly, any costs arising as a result of such hedging transactions shall be borne by the Share Category in which they were incurred. Such hedging transactions may be performed regardless of whether the value of reference currency of the currency-hedged Share Category rises or falls in relation to the accounting currency of the respective Subfund. Therefore, where such hedging is carried out, it may protect the shareholder in the corresponding Share Category against a fall in the value of the accounting currency of the respective Subfund relative to the reference currency of the currency-hedged Share Category, though it may also prevent the shareholder from profiting from an increase in the value of the accounting currency of the respective Subfund. Shareholders' attention is drawn to the fact that complete

protection cannot be guaranteed. Furthermore, no guarantee can be given that shareholders of the hedged Share Categories will not be exposed to influences of currencies other than the currency of the Share Category concerned.

Notwithstanding the provision of the previous paragraph relating to the exclusive allocation of the transactions to a specific Share Category, it cannot be ruled out that hedging transactions for one Share Category of a Subfund may impair the net asset value of the other Share Categories in the same Subfund. This is due to the fact that there is no legal segregation of liabilities between the individual Share Categories.

The Board of Directors of the Company may decide at any time for all Subfunds to issue new or further Share Categories in a currency other than the accounting currency of the Subfund. The time at which such additional Share Categories are initially issued and the initial issue price will be available from time to time at [www.carnegroup.com](http://www.carnegroup.com).

## 17. ISSUE OF SHARES

### GENERAL INFORMATION ON THE ISSUE

The Shares are offered for sale on each valuation day following the initial issue.

Subscription requests can either be sent to one of the Distributors, which will forward them to SSB-LUX, or directly to the Company or to SSB-LUX (cf. below, sub-heading "Nominee service").

The application procedure (application and confirmation, and registration) is set out in the Special Part under "Application procedure".

All subscriptions received by SSB-LUX no later than 15:00 Luxembourg local time (the cut-off time) on a valuation day (as defined in the section "Calculation of net asset value") will be processed at the issue price determined on the following valuation day unless otherwise specified in the Special Part. Subscriptions received after this time by SSB-LUX will be made at the issue price of the next valuation day. To ensure punctual forwarding to SSB-LUX, applications filed with Distributors in Luxembourg or abroad may be subject to earlier cut-off times for delivery of subscription applications. These times can be obtained from the Distributor concerned.

The Company or the Management Company may set different cut-off times for certain groups of shareholders, for example, for shareholders in distribution countries in which this is justified by a different time zone. If such times are set, the valid cut-off time must as a matter of principle be earlier than the time at which the net asset value in question is calculated. Different cut-off times may be agreed separately either with the distribution countries concerned or be published in an appendix to the Full Prospectus or in another marketing document used in the distribution countries concerned.

Hence Shares are subscribed for an unknown net asset value (forward pricing).

Irrespective of this, the Company or the Management Company may instruct the Transfer Agent to deem subscription applications to have been received only when the total amount of the subscription has been received by the Depositary ("**Cleared funds settlement**"). Subscription applications received on the same Valuation Day are to be treated equally. The issue price applicable to subscriptions processed in accordance with this procedure shall be that of the Valuation Day after receipt of the subscription amount by the Depositary.

### ISSUE PRICE/SELLING FEES

The issue price is based on the net asset value per Share on the relevant Valuation Day; the issue price is determined or rounded according to the principles set out in the Special Part of the respective Subfund, plus any applicable sales fee charged by the Distributor or the Company. Special price-setting procedures (e.g. "Swing Pricing"), may be set in the Special Part. Further information about the issue price may be requested at the registered office of the Company.

The selling fees payable to a Distributor or to the Company are expressed as a percentage of the amount invested and may not exceed 5% of the respective net asset value.

In addition, a Distributor is entitled, according to the respective Special Part, to offer the Shares without a selling fee ("no-load") and in return to charge a redemption fee on redemption of the Shares of up to 3% of the relevant net asset value. The maximum amount of the selling or redemption fee may be set lower for each Subfund in the respective Special Part.

In the case of large orders, the Distributor and the Company may waive in full or in part the selling fee to which they are entitled. If the selling fee is payable to the Company, it may charge the selling fee on a particular day only at the same rate on comparable orders within a Subfund.

#### MINIMUM INVESTMENT

The minimum investment corresponds to the minimum amounts set out in each Special Part relating to the Subfund and/or the minimum number of Shares otherwise determined by the Board of Directors and set out in the relevant Special Part.

#### PAYMENTS

In principle, the shareholders are entered in the register on the day on which the incoming subscription is recorded in the accounts. The value of the total amount of the subscription must be credited to the respective account in the currency of the relevant Subfund or the relevant Share Category within a time limit of a number of Luxembourg banking days as determined in the respective Special Part during the initial issue period, and upon expiry of the initial issue period or thereafter within a time limit of a number of Luxembourg banking days as determined in the respective Special Part or, as the case may be, according to any national regulations that may be applicable after the relevant Valuation Day. The Company or the Management Company are automatically authorised to subsequently reject and reverse-process applications for which the subscription amount is not received within the specified time-limit.

However, if the Company or the Management Company has instructed the Transfer Agent to deem subscription applications to have been received only when the total amount of the subscription has been received by the Depositary ("Cleared funds settlement"), the shareholders' names will be entered in the register on the day on which the subscription amount is recorded in the accounts.

A purchaser should instruct their bank to transfer the amount due to the corresponding currency account of SSB-LUX, as listed below, for the beneficiary, MULTICOOPERATION SICAV; the exact identity of the subscriber(s), the Subfund(s) to be subscribed and, if applicable, the Share Category and, if applicable, the currency within the Subfund to be subscribed must be indicated.

Payments in the respective currencies must be credited to the following accounts by the day indicated for this purpose in the applicable Special Part. If the credit entry is later, the subscriber may be charged any interest due:

Currency	Correspondent bank	Account number	In favour of/Final beneficiary
CHF	BOFACH2X (Bank of America Zurich)	CH25 0872 6000 0510 25017	Carne Global Fund Managers (Luxembourg) S.A.
EUR	BOFADEFX (Bank of America Frankfurt)	LU70 7780 0000 1105 8011	Carne Global Fund Managers (Luxembourg) S.A.
GBP	BOFAGB22 (Bank of America London)	GB95 BOFA 1650 5088 8940 11	Carne Global Fund Managers (Luxembourg) S.A.
SGD	BOFASG2X (Bank of America Singapore)	73348-017	Carne Global Fund Managers (Luxembourg) S.A.
USD	BOFAUS3N (Bank of America New York)	6550868152	Carne Global Fund Managers (Luxembourg) S.A.

Once the subscription application has been processed an order confirmation will be issued, which will be sent to the shareholder no later than one day after the order has been executed.

#### **IN-KIND CONTRIBUTION**

In exceptional cases, a subscription can take the form of an in-kind contribution, in whole or in part, whereby the composition of the in-kind contribution must be consistent with the investment limits contained in the General Part and with the investment objectives and policy described in the respective Special Part. Furthermore, the valuation of the in-kind contribution must be confirmed independently by the Company's auditor. The costs incurred in connection with in-kind contributions (mainly for the independent audit report) will be borne by the investors contributing in kind.

#### **NOMINEE SERVICE**

Investors can subscribe Shares directly from the Company. Investors may also purchase Shares in a Subfund by using the nominee service offered by the relevant Distributor or its correspondent bank. A Distributor or its correspondent bank with registered office in a country with equivalent anti-money laundering regulations subscribes to and holds the Shares as a nominee in its own name but for the account of the investor. The Distributor or correspondent bank then confirms the subscription of the Shares to the investor by means of a letter of confirmation. Distributors that offer nominee services either have their registered office in a country with equivalent anti-money laundering regulations or execute their transactions through a correspondent bank with registered office in a country with equivalent anti-money laundering regulations.

Investors who use the nominee service may issue instructions to the nominee regarding the exercise of the votes conferred by their Shares and at any time may request direct ownership by submitting a request in writing to the relevant Distributor or to the Depositary.

The Company draws investors' attention to the fact that each investor can only assert their investor's rights (in particular the right to take part in shareholders' meetings) in its entirety directly against the Company if the investors themselves are enrolled in their own names in the Company's register of shareholders. In cases where investors make their investment in the Company via an intermediary, which makes the investment in its own name but for the investor's account, not all investor's rights can necessarily be asserted by the investor directly against the Company. Investors are advised to obtain information on their rights.

Where investors subscribe to or redeem Shares in the Company through financial intermediaries, such investors are generally not recorded directly in the shareholder's register. Rather, the use of one or more intermediaries to subscribe or redeem Shares in the Company often implies that any such subscription or redemption requests are aggregated on behalf of several investors at the level of the intermediary who then appears in the shareholders' register. Therefore, investors should note that their rights may be affected when compensation is paid out in case of errors/non-compliance at the level of the Company, or a subfund thereof.

#### **APPLICATION AND CONFIRMATION**

- (a) In the case of joint applicants, the Company is authorised to accept instructions relating to voting rights, transfers and redemptions from the first-named applicant in the application and, where the Shares are distributing Shares, to make payment to the first-named applicant in the application unless it receives instructions to the contrary.
- (b) A legal entity must submit its application under its own name or through an authorised member of the Company, whose authority must be demonstrated.
- (c) If an application or confirmation is signed by a person with power of attorney, the power of attorney must be included with the application.
- (d) Notwithstanding (a), (b) and (c), an application may be accepted if it is signed by a bank or on behalf of or apparently on behalf of another natural person or legal entity.
- (e) If an application is received in which it is not clear whether the application is for distributing or accumulating Shares, the Company will automatically issue accumulating Shares.
- (f) Additional information for investors in Italy: If not excluded by local provisions, subscription of shares may also be validated by means other than by a signed subscription form. This may be done by an intermediary providing investment services under a written contract, in the name and on behalf of the investor, or in its own name and for the account of the investor.

#### **RESTRICTIONS**

The Company reserves the right to reject subscriptions in full or in part. In this case, any payments or credits already made would be returned to the subscriber.

In addition, the Company or the Management Company may refuse to accept new applications from new investors for a specific period if this is in the interests of the Company and/or shareholders, including in situations where the Company or a Subfund have reached a size such that they can no longer make suitable investments.

Subscriptions and redemptions are made for investment purposes only. Neither the Company, the Management Company nor SSB-LUX will permit arbitrage techniques such as market timing or any other excessive trading practices. Such practices may be detrimental to the performance of the Company and its Subfunds, and may impair management of the portfolio. To minimise these negative consequences, the Company, the Management Company and SSB-LUX reserve the right to reject subscription and switching applications from investors whom they believe to be engaging in, or to have engaged in, such practices or whose practices would adversely affect the other shareholders.

Market timing is the arbitrage method whereby the investor systematically subscribes, exchanges or redeems shares of a Subfund within a short period of time, taking advantage of time shifts and/or shortcomings or deficiencies in the calculation system of the net asset value of the Subfund.

Late trading means the purchase or sale of shares after the close of trading at a fixed or foreseeable closing price. In any event, the Management Company will ensure that the issue of shares is settled on the basis of a Share value previously unknown to the investor. However, if there is a suspicion that an investor is engaged in late trading, the Management Company may refuse to accept the subscription application until the applicant has dispelled any doubts regarding its subscription application.

The Company and/or the Management Company may also compulsorily redeem the Shares of a shareholder engaging in or having engaged in such practices. They shall not be liable for any gain or loss resulting from such rejected applications or compulsory redemptions.

The application procedure (application and confirmation, as well as registration) is set out in the Special Part of the relevant Subfund under "Application procedure".

## **18. REDEMPTION OF SHARES**

#### **GENERAL INFORMATION ABOUT REDEMPTION**

Applications for redemption of Shares must be sent by shareholders in writing, either directly or via one of the Distributors, to reach SSB-LUX no later than 15:00 Luxembourg local time (the "cut-off time") on the day before the Valuation Day on which the Shares are to be redeemed. To ensure punctual forwarding to SSB-LUX, applications filed with Distributors in Luxembourg or abroad may be subject to earlier cut-off times for delivery of redemption applications. These times can be obtained from the Distributor concerned.

The Company or the Management Company may set different cut-off times for certain groups of shareholders, for example, for shareholders in distribution countries in which this is justified by a different time zone. If such times are set, the valid cut-off time must as a matter of principle be earlier than the time at which the net asset value in question is calculated. Different cut-off times may be agreed separately either with the distribution countries concerned or be published in an appendix to the Full Prospectus or in another marketing document used in the distribution countries concerned.

Hence, Shares are redeemed at an unknown net asset value (forward pricing).

A correctly submitted application for redemption is irrevocable, except in the case of and during the period of a suspension or postponement of redemptions.

Applications for redemption received by SSB-LUX after the cut-off time are executed one Valuation Day later, with the proviso that the Company is not obliged to redeem more than 10% of the currently issued Shares in a Subfund on one Valuation Day or within a period of seven (7) successive Valuation Days.

Once the redemption application has been processed an order confirmation will be issued, which will be sent to the shareholder no later than one day after the order has been executed.

If, upon execution of a redemption application for part of the Shares of a Subfund, the total number of Shares held in one of these Subfunds falls below a minimum amount set out in the Special Part of the relevant Subfund, or below a minimum number otherwise determined by the Board of Directors, the Company is entitled to redeem all remaining Shares in that Subfund owned by the particular investor.

Payments are normally made in the currency of the relevant Subfund or Share Category within five (5) banking days in Luxembourg after the respective Valuation Day. If, in the case of redemptions owing to exceptional circumstances, the liquidity of the investment assets of a Subfund should not be sufficient for payment within this period, payment will be made as soon as possible but, as far as is legally permissible, without interest.

The value of Shares at the time of redemption may be higher or lower than their purchase price, depending on the market value of the Company's assets at the time of purchase/redemption.

#### **REDEMPTION PRICE/REDEMPTION FEE**

The price of each Share submitted for redemption ("**Redemption Price**") is based on the net asset value per Share of the Subfund concerned that is valid on the Valuation Day, with the Redemption Price being determined or rounded according to the principles set out in the relevant Special Part. Special price-setting procedures (e.g. "**Swing Pricing**"), may be set in the Special Part. In order to allow the Redemption Price to be calculated on the Valuation Day, the Company must have received the redemption application. If no selling fee has been charged ("no-load") the Distributor can charge a redemption fee of up to 3% of the applicable net asset value per Share, provided this is specified in the corresponding Special Part of the Full Prospectus. The maximum amount of the redemption fee may be set lower for each Subfund in the Special Part of the Prospectus.

The Redemption Price may be obtained from the registered office of the Company or from one of the Distributors and from the different publications.

#### **REDEMPTION IN KIND**

In special cases, the Company's Board of Directors may decide, at the request or with the agreement of a shareholder, to pay the redemption proceeds to the shareholder in the form of a full or partial payment in kind. It must be ensured that all shareholders are treated equally and the auditor of the Company's annual financial report must independently confirm the valuation of the payment in kind.

#### **REDEMPTION DEFERRAL**

The Board of Directors may decide to postpone the redemption or switching of Shares until further notice if, on a Valuation Day or during a period of seven (7) successive Valuation Days, the Company receives applications for redemption or switching corresponding to more than 10% of the Shares of a Subfund that have been issued at that time. In the shareholders' interests, such a postponement must be lifted again as quickly as possible. The Special Parts may also provide for different modalities for individual Subfunds. Such applications for redemption or switching that have been affected by a postponement will take precedence over applications received subsequently.

If the calculation of the net asset value is suspended or redemption is postponed, Shares offered for redemption will be redeemed on the next Valuation Day after the suspension of valuation of the net asset value or the postponement of redemption has ended, at the net asset value applying on that day, unless the redemption request has previously been revoked in writing.

#### **LIQUIDATION OF SUBFUNDS**

If, over a period of sixty (60) successive Valuation Days, the total net asset value of all outstanding Shares should fall below twenty-five (25) million Swiss francs or the equivalent in another currency, the Company may, within three (3) months of the occurrence of such a situation, notify all shareholders in writing that, following appropriate notification, all Shares will be redeemed at the net asset value applicable on the appointed Valuation Day (less the trading and other fees decided on and/or estimated by the Board of Directors, as described in the Full Prospectus, and less the liquidation costs). This is without prejudice to the legal provisions governing liquidation of the Company.

If, for whatever reason, the net asset value of a Subfund remains below ten (10) million Swiss francs (or the equivalent value if the Subfund has a different currency) for a period of sixty (60) successive days or if the Board of Directors deems it appropriate on account of changes in the economic or political circumstances that affect the Subfund concerned, or if it is in the shareholders' interests, the Board of Directors may redeem all (but not only some) Shares of the Subfund concerned, at the net asset value applicable on the Valuation Day appointed for this purpose (less the trading and other fees decided on and/or estimated by the Board of Directors, as described in the Full Prospectus, and less the liquidation costs), but without any other redemption fee.

The liquidation of a Subfund associated with the compulsory redemption of all Shares concerned for reasons other than that given in the previous paragraph, may only be carried out with the prior consent given by the shareholders of the Subfund to be liquidated at a properly convened meeting of the shareholders of the Subfund concerned. Such a resolution may be passed with no quorum requirement and with a majority of 50% of the Shares present or represented.

Any liquidation proceeds that could not be paid out to the shareholders after completion of the liquidation of a Subfund will be deposited with the *Caisse de Consignation* in Luxembourg in favour of the beneficiary or beneficiaries, in accordance with Article 146 of the 2010 Law and will be forfeited after thirty (30) years.

#### **MERGING OF SUBFUNDS**

Furthermore, the Board of Directors may, once it has informed the shareholders concerned in advance in the manner required by law, merge a Subfund with another Subfund of the Company or with another UCITS in accordance with Directive 2009/65/EC or with a subfund thereof.

A merger decided on by the Board of Directors, which is to be conducted in accordance with the provisions of section 8 of the 2010 Law, is binding on the shareholders of the Subfund concerned after expiry of a 30-day period from the corresponding notification of the shareholders concerned. During this notification period, the shareholders may return their Shares to the Company without paying a redemption fee, with the exception of the sums retained by the Company to cover costs connected with disinvestments. The above-mentioned time-limit ends five (5) banking days before the Valuation Day that is determining for the merger.

A merger of one or more Subfunds, as a result of which the SICAV ceases to exist, must be resolved by the general meeting and be recorded by the notary public. No quorum is necessary for such resolutions and a simple majority of the shareholders present or represented is sufficient.

#### **MERGER OR LIQUIDATION OF SHARE CATEGORIES**

In addition, the Board of Directors may, once it has informed the shareholders concerned in advance, merge a Share Category with another Share Category of the Company, or liquidate said Share Category. A merger of Share Categories is conducted on the basis of the net asset value on the Valuation Day that is determining for the merger and is confirmed by the Company's auditor.

## **19. SWITCHING OF SHARES**

In principle, each shareholder is entitled to request that some or all of his/her Shares be switched to Shares in another Subfund on a Valuation Day that can be used for both Subfunds and, within a Subfund, that Shares of one Share Category be switched to Shares of another Share Category, according to the switching formula below and in keeping with the principles laid down by the Board of Directors for each Subfund.

The Board of Directors is entitled to define these switching possibilities more precisely for each Subfund and for each Share Category by imposing restrictions and limitations on the frequency of switching applications, the Subfunds for which switching is possible and the levying of any switching fee; these restrictions are described in more detail in the relevant "Special Part" in the section "Switching of Shares".

Shares can be switched on every Valuation Day at the issue price valid on this day, provided that the switching application is received by SSB-LUX no later than 15:00 Luxembourg time (cut-off time) on the day before the Valuation Day (unless otherwise specified in the Special Part). Switching of Shares is also governed by the provisions concerning cut-off time and forward pricing (cf. the sections "Issue of Shares" and "Redemption of Shares").



An application should be submitted either directly to the Company, to SSB-LUX or to one of the Distributors. The application must contain the following information: The number of Shares in the Subfund to be switched or in the Share Category to be switched and the desired new Subfund or Share Category and the value ratio according to which the Shares are to be distributed in each Subfund or each Share Category if more than one new Subfund or Share Category is desired.

The Company applies the following formula to calculate the number of Shares into which the shareholder would like to switch his/her holding:

$$A = \frac{[(B \times C) - E] \times F}{D}$$

where:

- A = Number of Shares to be issued in the new Subfund or Share Category;
- B = Number of Shares in the Subfund or Share Category originally held;
- C = Redemption Price per Share of the Subfund or Share Category originally held, less any selling costs;
- D = Issue price per Share of the new Subfund or Share Category, less reinvestment costs;
- E = Switching fee charged, if any (max. 2% of the net asset value), with comparable switching applications on the same day being charged the same switching fee.
- F = Exchange rate; if the old and new Subfunds or Share Categories have the same currency, the exchange rate is 1.

Any switching fee that is charged is paid to the Distributor concerned.

## 20. DISTRIBUTIONS

The Board of Directors proposes to the general meeting of shareholders a reasonable annual dividend payment for the distributing Shares of the Subfunds, ensuring that the capital of the Company does not fall below the minimum level. The Board of Directors may determine interim dividends with the same restriction. In the case of accumulating Shares, no dividend payments are made. Instead, the values allocated to the accumulating Shares are reinvested for the benefit of the shareholders holding them.

The dividends that are set are published on [www.carnegroup.com](http://www.carnegroup.com) and as the case may be in other media designated by the Company from time to time.

Distributions take place, in principle, within one (1) month of the fixing of the dividend in the currency of the Subfund or Share Category concerned. Shareholders may request that their dividends also be paid in another currency issued by the Management Company using the exchange rates applicable at the time and at the shareholders' expense.

Dividends on distributing registered Shares are paid to the shareholders entered in the Company's book of registered shareholders. Further details with regard to dividends for distributing bearer Shares are outlined in the section 15 "Description of Shares".

Claims for dividends that have not been asserted within five (5) years shall be forfeited and revert to the Subfund in question.

## 21. CALCULATION OF NET ASSET VALUE

The net asset value of a Subfund and the net asset value of the Share Categories issued in the Subfund are determined in the applicable currency on every Valuation Day—as defined below—except in the cases of suspension described in the section "Suspension of calculation of net asset value, and of the issue, redemption and switching of Shares". The Valuation Day for each Subfund will be each banking day in Luxembourg that is not a normal public holiday for the

stock exchanges or other markets representing the basis for valuation of a major part of the net assets of the corresponding Subfund, as determined by the Company. The total net asset value of a Subfund represents the market value of the assets held by the Subfund (the "**Assets of the Subfund**") less its liabilities. The net asset value of a Share of a Share Category of a Subfund is determined by dividing the total of all assets allocated to this Category, minus the liabilities allocated to this Category, by all outstanding Shares of the same Category of the Subfund concerned. The net asset values of the Subfunds are calculated in accordance with the valuation regulations and guidelines ("valuation regulations") laid down in the articles of association and issued by the Board of Directors.

The valuation of securities held by a Subfund and listed on a stock exchange or on another regulated market is based on the latest available price on the principal market on which these securities are traded, using a procedure for determining prices accepted by the Board of Directors.

The valuation of securities whose prices are not representative and all other eligible assets (including securities not listed on a stock exchange or traded on a regulated market) is based on their probable realisation value determined with care and in good faith by or, if applicable, under the supervision of the Board of Directors.

All assets and liabilities denominated in a currency other than that of the Subfund in question are converted using the exchange rate to be determined at the time of valuation.

The net asset value determined per Share in a Subfund is considered final once it is confirmed by the Board of Directors or an authorised member of the Board of Directors or an authorised representative of the Board of Directors, except in the case of a manifest error.

In its annual reports, the Company must include an audited consolidated financial statement for all Subfunds in Swiss francs.

If, in the opinion of the Board of Directors as a result of particular circumstances, the calculation of the net asset value of a Subfund in the applicable currency is either not reasonably possible or is disadvantageous for the shareholders in the Company, the calculation of the net asset value, the issue price and the Redemption Price may temporarily be carried out in another currency.

The derivative financial instruments and structured products used in the individual Subfunds are valued on a regular basis in accordance with the mark-to-market principle, in other words at the latest available market price.

## **22. SUSPENSION OF CALCULATION OF NET ASSET VALUE, AND OF THE ISSUE, REDEMPTION AND SWITCHING OF SHARES**

The Company may temporarily suspend the calculation of the net asset value of each Subfund and the issue, redemption and switching of Shares of a Subfund in the following circumstances:

- a) where one or more stock exchanges or other markets that form the basis for valuing a significant part of the net asset value are closed (apart from on normal public holidays), or where trading is suspended;
- b) where, in the opinion of the Board of Directors, it is impossible to sell or to value assets as a result of special circumstances;
- c) where the communication technology normally used in determining the price of a security of the Subfund fails or provides only partial functionality;
- d) where the transfer of monies for the purchase or sale of the Company's investments is impossible;
- e) if, owing to unforeseeable circumstances, a large volume of redemption applications has been received and, as a result, the interests of the shareholders remaining in the Subfund are endangered in the opinion of the Board of Directors;
- f) in the event of a merger of a Subfund with another Subfund or with another UCITS (or a Subfund thereof), if this appears justified for the purpose of protecting the shareholders; or
- g) in the event of a resolution to liquidate the Company: on or after the date of publication of the first notice of a general meeting of shareholders held for the purpose of such a resolution.

The Company's articles of association provide that the Company must immediately cease the issuing and switching of Shares as soon as an event resulting in liquidation occurs or when liquidation is ordered by the CSSF. Shareholders who have submitted their Shares for redemption or switching will be notified in writing of any suspension within seven (7) days, and of the ending of suspension immediately.

## 23. FEES AND COSTS

### FEE STRUCTURE

For the activity of the Management Company, the Depositary, the UCI Administrator, the Principal Paying Agent, the Registrar and Transfer Agent, the investment managers or investment advisers, the paying agents, the representatives and Distributors (if applicable), as well as for additional advisory services and support activities, fees and, where applicable, additional costs will be charged to the respective Subfunds. Details regarding the applicable fee amount and fee structure can be found in the Special Part in the section "Fees and Costs".

The fees are calculated on each Valuation Day and are payable monthly in arrears.

### INVESTMENTS IN TARGET FUNDS

Subfunds that may invest in other existing UCIs and UCITS (target funds) as part of their investment policy can incur charges both at the level of the target funds and at that of the investing Subfund. If a Subfund acquires shares of target funds that are managed directly or indirectly by the Management Company itself, or by a company to which the latter is linked by common management or control or by a significant direct or indirect shareholding ("related target funds"), no selling fee or redemption fees may be charged for the scope of such investments when these Shares are subscribed or redeemed.

### PERFORMANCE FEE

An additional performance-related fee ("**Performance Fee**") payable to the Investment Adviser or Investment Manager may be charged for Subfunds with qualified management activity, as defined for the relevant Subfunds in the Special Part, if applicable. The Performance Fee is calculated on the basis of the performance per Share and is measured according to a percentage of that portion of realised profit that is above a predetermined benchmark (hurdle rate) and/or above a "High Water Mark" for these Shares, as defined, if applicable, for each relevant Subfund in the Special Part.

### LAUNCH COSTS

All fees, costs and expenses payable by the Company are first set off against income and only subsequently against the capital. The costs and expenses of organising and registering the Company as a UCITS in Luxembourg, which did not exceed CHF 120,000, were borne by the Company and written off in equal amounts over a period of five (5) years from the date on which they were incurred. The cost of setting-up, launching and registering an additional Subfund are charged by the Company to that Subfund and written off in equal amounts over a period of five (5) years from the date on which that Subfund was launched.

### INCENTIVES

The Management Company, individual employees of the latter or outside service providers may under certain circumstances receive or grant monetary or non-monetary benefits.

Subject to the following exceptions, any monetary (fees, commission) or non-monetary benefits are in principle for the benefit of the fund's assets.

Transactions for the Subfunds' portfolios are executed through brokers who are compensated for their services at the expense of the Company. In this context, brokers can also provide research services (e. g. investment analyses). Insofar as such additional research services provided by brokers are to be reimbursed, they can either be paid for by the Management Company or the Investment Manager from their own funds or be compensated via a separate account, a so-called Research Payment Account ("**RPA**"). Such a RPA is based on a research budget that is determined independently of the volume of the transactions. Compensation for research services via a RPA requires a Research Charge Collection Agreement ("**RCCA**") or a fee sharing agreement between the Management Company or the Investment Manager and the relevant broker.

Minor non-monetary benefits are exempt from the aforementioned, including but not limited to written material from an issuer or potential issuer, non-essential material or non-essential services in the form of short-term market commentary etc.

The main provisions of the relevant agreements on fees, commissions and/or gratifications offered or granted in non-pecuniary form are available for inspection in summary form at the registered office of the Company. Details are available on request from the Management Company.

## **24. TAXATION**

The following summary is based on the law and the rules and regulations currently valid and applied in the Grand Duchy of Luxembourg, which are subject to alteration in the course of time.

### **24.1. THE COMPANY**

#### **LUXEMBOURG**

The Company is subject to Luxembourg tax jurisdiction. Under Luxembourg law and according to current practice, the Company is not subject to income tax or to any tax on capital gains in respect of realised or unrealised valuation profits. Distributions carried out by the Company are also not currently subject to Luxembourg withholding tax. No taxes are payable in Luxembourg on the issue of Shares.

The Company is subject to an annual tax of 0.05% of the net asset value reported at the end of each quarter, which is payable quarterly. However, to the extent that parts of the Company's assets are invested in other Luxembourg UCITS and/or UCI, which are subject to the tax, those parts are not taxed in the Company.

The net asset value that corresponds to a Share Category for "institutional investors" within the meaning of Luxembourg tax legislation, as defined in the Special Parts, attracts a reduced tax rate of 0.01% p.a., on the basis of the classification by the Company of the shareholders in this Share Category as institutional investors within the meaning of the tax legislation. This classification is based on the Company's understanding of the present legal situation, which may be subject to changes having retroactive effect, which can also lead to a tax rate of 0.05% being charged retroactively. The reduced tax rate may possibly also be applied to further Share Categories, as stated in the respective Special Part.

The Company is subject to a net asset tax ("**NAT**") in Belgium for Subfunds that are registered for distribution in Belgium with the local supervisory authority, the "*Autorité des services et marchés financiers*". Currently, the NAT is 0.0925% and is levied on the portion of the net asset value of the relevant Subfunds, which as at 31 December of each calendar year was actively placed to Belgian residents by Belgian financial intermediaries.

#### **GENERAL INFORMATION**

Capital gains and income from dividends, interest and interest payments that the Company generates from investments in other countries may be subject to a non-recoverable withholding tax or capital gains tax of varying amounts in those countries. It is often not possible for the Company to take advantage of tax breaks due to existing double taxation agreements between Luxembourg and these countries or because of local regulations. Should this situation change in future and a lower tax rate result in tax refunds to the Company, the net asset value of the respective Subfunds or Shares as at the original time the tax was withheld will not be recalculated; instead the repayments will be made indirectly pro rata to the existing shareholders at the time the refund is made.

### **24.2. SHAREHOLDERS**

#### **GENERAL INFORMATION**

Under Luxembourg law and according to current practice, investors in Luxembourg are not subject to capital gains tax, income tax, gift tax, inheritance tax or other taxes (with the exception of investors resident or having their tax domicile or permanent place of business in Luxembourg, as well as former residents of Luxembourg, if they hold more than 10% of Company's shares).

#### **AUTOMATIC EXCHANGE OF FINANCIAL INFORMATION IN THE FIELD OF TAXATION**

Many countries, including Luxembourg and Switzerland, have already concluded agreements on the automatic exchange of information (AEOI) with regard to taxation or are considering concluding such agreements. To this end, a reporting standard has been coordinated within the OECD. The common reporting standard (CRS) forms the framework for the exchange of financial information in the field of taxation between countries.

CRS obliges financial institutions to gather and, as the case may be, report information on financial assets that are kept under custody or administered across the border for taxpayers from countries and territories that participate in the AEOI. This information is exchanged between the participating countries' tax authorities. The member countries of the European Union have decided to implement the AEOI and CRS within the EU by means of Directive 2014/107/EU of the Council of 9 December 2014 amending Directive 2011/16/EU as regards mandatory automatic exchange of information in the field of taxation.

Luxembourg has implemented Directive 2014/107/EU by enacting the Law of 18 December 2015 on the automatic exchange of information regarding financial accounts (the "Financial Accounts Information Exchange Law") and substantiated by further regulations. Accordingly, from 2016 on, in-scope Luxembourg financial institutions will collect certain investor information relating to the holders of financial accounts (as well as, as the case may be, relating to persons controlling account holders) and, from 2017, will begin reporting this information relating to the reportable accounts to Luxembourg tax authorities. These reports will be transferred by the Luxembourg tax authorities to certain foreign tax authorities, in particular within the EU.

According to the assessment of the Board of Directors, the Company is subject to the Financial Accounts Information Exchange Law in Luxembourg. The Company has been classified as a "reporting financial institute" (investment entity) according to the Financial Accounts Information Exchange Law. Therefore, the Company gathers and, as the case may be, reports information regarding account holders pursuant to the principles laid down above.

The Company reserves the right to refuse applications for the subscription of Shares or compulsorily redeem Shares if the information provided by the applicant or Shareholder does not meet the requirements of Directive 2014/107/EU and, respectively, of the Law on Financial Account Information Exchange. Moreover, to fulfil their obligations in Luxembourg under the Law on Financial Account Information Exchange and, respectively, under Directive 2014/107/EU, the Company, the Management Company or the nominees may require additional information from the investors in order to comply with their fiscal identification and, as the case may be, reporting duties.

Applicants and investors are made aware of the Company's duty to transmit information on reportable accounts and their holders as well as, as the case may be, of controlling individuals to the Luxembourg tax authorities, which, depending on the circumstances, may forward this information to certain tax authorities in other countries with which a treaty on the automatic exchange of information has been concluded.

The scope and application of the AEOI or CRS may vary from country to country and the applicable rules may change. It is the responsibility of investors to seek advice on taxes and other consequences (including on the exchange of tax information) that may result from the subscription, ownership, return (redemption), switching and transfer of Shares as well as distributions, including any regulations regarding the control on the movement of capital.

#### **24.3. FOREIGN ACCOUNT TAX COMPLIANCE ACT ("FATCA") OF THE UNITED STATES OF AMERICA ("US")**

The US have introduced FATCA to obtain information with respect to foreign financial accounts and investments beneficially owned by certain US taxpayers.

In regard to the implementation of FATCA in Luxembourg, the Grand Duchy of Luxembourg has signed a Model 1 intergovernmental agreement with the US on 28 March 2014 (the "Lux IGA"), which has been transposed into Luxembourg legislation according to the terms of the Law of 24 July 2015 ("Lux IGA Legislation"). Under the terms of the Lux IGA, a Luxembourg resident financial institution ("Lux FI") will be obliged to comply with the provisions of the Lux IGA Legislation, rather than directly complying with the US Treasury Regulations implementing FATCA. A Lux FI that complies with the requirements of the Lux IGA Legislation will be treated as compliant with FATCA and, as a result, will not be subject to withholding tax under FATCA ("FATCA Withholding"), provided the Lux FI properly certifies its FATCA status towards withholding agents.

The Board of Directors considers the Company to be a Lux FI that will need to comply with the requirements of the Lux IGA Legislation. The Company and its Subfunds have been classified as Sponsored Investment Entities under the Lux IGA. Sponsored Investment Entities qualify for a deemed-compliant status and constitute a Non-Reporting Lux FI under the Lux IGA.

For Sponsorship purposes under the Lux IGA, the Company appointed the Management Company as Sponsoring Entity, which registered in this capacity on the FATCA online registration portal of the US Internal Revenue Service ("IRS") and agreed to perform the due diligence, withholding and FATCA-related reporting obligations on behalf of the Company ("Sponsoring Entity Service").

As determined in the Lux IGA, the Company retains the ultimate responsibility for ensuring that it complies with its obligations under the Lux IGA Legislation, notwithstanding the appointment of the Management Company to act as Sponsoring Entity to the Company.

In the performance of the Sponsoring Entity Service, the Management Company may use the assistance and contribution of sub-contractors, including the Company's registrar and transfer agent.

Under the Lux IGA Legislation, the Management Company will be required to report to the Luxembourg Tax Authority certain direct and possibly indirect holdings by certain US investors in the Company, and the payments related thereto, as well as investors that do not comply with the terms of FATCA or with an applicable Intergovernmental Agreement, on or after 1 July 2014 and under the terms of the Lux IGA. Such information will be onward reported by the Luxembourg Tax Authority to the IRS in accordance with the Lux IGA.

Investors not holding investments in the Company directly as shareholders (i.e. legal holder of records) but via one or several nominees, including but not limited to distributors, platforms, depositaries and other financial intermediaries ("Nominees"), should enquire with such Nominees in regard to their FATCA compliance in order to avoid FATCA information reporting and/or potentially withholding.

Pursuant to their obligations under FATCA or under an applicable Intergovernmental Agreement with the US, the Company, the Management Company or the Nominees may request additional information from investors to, for example, either comply with FATCA information disclosure requirement and/or potential withholding, or else abstain from action.

The Company reserves the right to refuse applications for the subscription of Shares or to impose a compulsory redemption of Shares if the information provided by the applicant or shareholder does not meet the requirements of the Company for the fulfilment of its obligations under the Lux IGA or the Lux IGA regulations.

The scope and application of FATCA Withholding and information reporting pursuant to the terms of FATCA and the applicable Intergovernmental Agreements may vary from country to country and are subject to review by the US, Luxembourg and other countries and the applicable rules may change. Investors should contact their own tax or legal advisers regarding the application of FATCA to their particular circumstances.

## **25. GENERAL MEETING AND REPORTING**

The annual general meeting of shareholders of the Company takes place on a bank business day in Luxembourg within six (6) months of the end of the financial year. Other extraordinary general meetings of shareholders of the Company or meetings of individual Subfunds or their Share Categories may also be held. Invitations to general meetings and other meetings are issued in accordance with Luxembourg law and the current articles of association. They contain information about the place and time of the general meeting, the requirements for attending, the agenda and, if necessary, the quorum requirements and majority requirements for resolutions.

Furthermore, the invitation to attend the meeting may provide that the quorum and majority requirements be established on the basis of the Shares that have been issued and are outstanding on the fifth day preceding the general meeting at 12:00 midnight (Luxembourg time). A shareholder's rights to take part in and vote at a general meeting will also be determined according to the number of Shares he/she owns at that point in time.

The Company's financial year shall commence on 1 July of each year and end on 30 June of the following year.

The annual report containing the audited consolidated annual financial statement of the Company or the Subfunds, as applicable, must be available at the registered office of the Company no later than fifteen (15) days before the annual general meeting. Unaudited semi-annual reports will be available there within two (2) months of the end of the half-year concerned. Copies of these reports may be obtained from the respective national representatives and from SSB-LUX.

In addition to the annual reports and semi-annual reports, which relate to all the Subfunds, separate annual reports and semi-annual reports can also be drawn up for individual Subfunds.

## **26. APPLICABLE LAW, JURISDICTION**

Any legal disputes between the Company, the shareholders, the Depositary, the Management Company, Principal Paying and UCI Administrator, the Registrar and Transfer Agent, the Investment Advisers or Investment Managers, the national representatives and the Distributors will be subject to the jurisdiction of the Grand Duchy of Luxembourg. The applicable law will be Luxembourg law in each case. However, the above entities may, in relation to claims from shareholders from other countries, accept the jurisdiction of those countries in which Shares are offered and sold.

## **27. REMUNERATION POLICY**

The Management Company has in place a remuneration policy in line with the UCITS V Directive 2014/91/EU of the European Parliament and of the Council of 23 July 2014 amending Directive 2009/65/EC of the European Parliament and of the Council of 13 July 2009 on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities. The remuneration policy sets out principles applicable to the remuneration of senior management, all staff members having a material impact on the risk profile of the financial undertakings as well as all staff members carrying out independent control functions. In particular, the remuneration policy complies with the following principles in a way and to the extent that is appropriate to the size, internal organisation and the nature, scope and complexity of the activities of the Management Company:

- i. it is consistent with and promotes sound and effective risk management and does not encourage risk taking which is inconsistent with the risk profiles, rules or the Articles of the Company;
- ii. if and to the extent applicable, the assessment of performance is set in a multi-year framework appropriate to the holding period recommended to the investors of the Company in order to ensure that the assessment process is based on the longer-term performance of the Company and its investment risks and that the actual payment of performance-based components of remuneration is spread over the same period;
- iii. it is in line with the business strategy, objectives, values and interests of the Management Company and the Company and of the Company's shareholders, and includes measures to avoid conflicts of interest;
- iv. fixed and variable components of total remuneration are appropriately balanced and the fixed component represents a sufficiently high proportion of the total remuneration to allow the operation of a fully flexible policy on variable remuneration components, including the possibility to pay no variable remuneration component.

The remuneration policy is determined and reviewed at least on an annual basis by a remuneration committee.

The details of 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 the persons responsible for awarding the remuneration and benefits, including the composition of the remuneration committee, are available on the website <https://www.carnegroup.com/policies/>, a paper copy will be made available free of charge upon request.

The variable remuneration is not paid through vehicles or methods that facilitate the avoidance of the requirements of the applicable legislation and regulatory requirements. In consideration for its services, the Management Company is entitled to receive fees from the Company as stipulated in this Prospectus.

Additional information which the Management Company must make available to investors in accordance with Luxembourg laws and regulations including, but not limited to, shareholder complaints handling procedures, the

management of activities giving rise to actual or potential conflicts of interest and the voting rights policy of the Management Company, shall be available at the registered office of the Management Company.

## 28. GENERAL CONFLICTS ASSOCIATED WITH THE COMPANY

GAM (which, for the purpose of this "Conflicts of Interest" section shall refer to GAM Holding AG, GAM Investment Management (Switzerland) AG, GAM International Management Limited, GAM Systematic LLP and GAM (Italia) S.G.R. S.p.A., (collectively the "GAM Investment Managers"), directors, partners, trustees, managers, members, executives and employees of the GAM Group and its affiliates) provides investment services to institutions, intermediaries, private investors and charitable organisations from financial centres around the world. As such, GAM provides a wide range of financial services to a substantial and diversified client base. In those and other capacities, GAM advises clients in a wide variety of markets and transactions and purchases, sells, holds and recommends a broad array of investments, and may do so for its own accounts and for the accounts of clients, through client accounts and the relationships and products it sponsors, manages and advises (such as GAM or other client accounts (including the Company), relationships and products (collectively the "Accounts"). GAM's activities and dealings may affect the Company in ways that may disadvantage or restrict the Subfund and/or benefit GAM or other Accounts.

The following are descriptions of certain conflicts of interest and potential conflicts of interest that may be associated with the financial or other interests that a GAM Investment Manager and GAM may have in transactions effected with and on behalf of the Company.

The sale of shares and the allocation of investment opportunities, financial and other interests may incentivise GAM to promote the sale of shares

GAM and its personnel have interests in promoting sales of Shares in the Company, and the compensation from such sales may be greater than the compensation relating to sales of interests in other Accounts. Therefore, GAM and its personnel may have a financial interest in promoting Shares in the Subfund over interests in other Accounts.

The relevant GAM Investment Manager may simultaneously manage Accounts for which the GAM Investment Manager receives greater fees or other compensation (including performance-based fees or allocations) than they receive in respect of the Company. The simultaneous management of several Accounts may create a conflict of interest as the GAM Investment Manager may have an incentive to favour Accounts with the potential to receive greater fees compared to the Accounts of the Company. For instance, the GAM Investment Manager may be faced with a conflict of interest when allocating scarce investment opportunities given the possibly greater fees from Accounts that pay performance-based fees. To address these types of conflicts, the GAM Investment Manager has adopted policies and procedures under which they will allocate investment opportunities in a manner that they believe is consistent with their regulatory and fiduciary obligations as a GAM Investment Manager.

### CONFLICTS ARISING FROM GAM'S FINANCIAL AND OTHER RELATIONSHIPS WITH INTERMEDIARIES

GAM and the Company may make payments to financial intermediaries and to salespersons to promote the Company. These payments may be made out of GAM assets or amounts payable to GAM. These payments may create an incentive for such persons to highlight, feature or recommend the Company.

### ALLOCATION OF INVESTMENT OPPORTUNITIES AMONG THE COMPANY AND OTHER ACCOUNTS

The relevant GAM Investment Manager may manage or advise multiple Accounts (including Accounts in which GAM and its personnel may have an interest) that have investment objectives that are similar to the Company and that may seek to make investments or sell investments in the same securities or other instruments, sectors or strategies as the Company. This may create potential conflicts of interest, particularly in circumstances where the availability of such investment opportunities is limited (e.g., in local and emerging markets, high yield securities, fixed income securities, regulated industries, real estate assets, primary and secondary interests in alternative investment funds and initial public offerings/new issues) or where the liquidity of such investment opportunities is limited.

To address these potential conflicts of interest, GAM has developed allocation policies and procedures to ensure that GAM personnel making portfolio decisions for Accounts will make purchase and sale decisions for and allocate investment opportunities among Accounts in a way that is consistent with the relevant GAM Investment Manager's fiduciary obligations. These policies and procedures may result in the pro rata allocation (on a basis determined by the



relevant GAM Investment Manager) of limited opportunities across eligible Accounts managed by a particular portfolio management team, but in other cases the allocations may reflect other factors as described below. Accounts managed by different portfolio management teams may be viewed separately for allocation purposes. There will be cases where certain Accounts receive an allocation of an investment opportunity when the Company does not.

Allocation-related decisions for the Company and other Accounts may be made by reference to one or more factors, including without limitation: the Account's investment strategy or style, risk profile, objectives, guidelines and restrictions (including legal and regulatory restrictions affecting certain Accounts or affecting holdings across Accounts) and cash and liquidity considerations. The application of these considerations may cause differences in the performance of Accounts that have strategies similar to those of the Company. In addition, in some cases the GAM Investment Manager may make investment recommendations to Accounts where the Accounts make investments independently of the GAM Investment Manager. In circumstances in which there is limited availability of an investment opportunity, if such Accounts invest in the investment opportunity prior to a Subfund, the availability of the investment opportunity for the relevant Subfund will be reduced irrespective of the GAM policies regarding allocation of investments.

The relevant GAM Investment Manager may, from time to time, develop and implement new trading strategies or seek to participate in new trading strategies and investment opportunities. These strategies and opportunities may not be employed in all Accounts or employed pro rata among Accounts where they are employed, even if the strategy or opportunity is consistent with the objectives of such Accounts.

#### **GAM AND THE GAM INVESTMENT MANAGER'S ACTIVITIES ON BEHALF OF OTHER ACCOUNTS**

The GAM Investment Manager's decisions and actions on behalf of the relevant Subfund may differ from those on behalf of other Accounts. Advice given to or investment or voting decisions made for other Accounts and the Company may compete with each other or be at odds with each other, may influence each other, differ from each other or differ in their timing.

Transactions by such Accounts may involve the same or related securities or other instruments as those in which the Company invests, and may negatively affect the Company or the prices or terms at which a Subfund's transactions may be effected. Subfunds and Accounts may also vote differently on or take or refrain from taking different actions with respect to the same security, which may be disadvantageous to the Subfund.

GAM, on behalf of one or more Accounts and in accordance with its management of such Accounts, may implement an investment decision or strategy ahead of, or simultaneously with, or behind similar investment decisions or strategies made for the relevant Subfund. The relative timing for the implementation of investment decisions or strategies for Accounts, on the one hand, and the Company, on the other hand, may disadvantage the relevant Subfund. Certain factors, for example, market impact, liquidity constraints or other circumstances, could result in the relevant Subfund receiving less favourable trading results or incurring increased costs associated with implementing such investment decisions or strategies, or being otherwise disadvantaged.

Subject to applicable law, the GAM Investment Manager may cause a Subfund to invest in securities or other obligations of companies affiliated with or advised by GAM or in which GAM or Accounts have an equity, debt or other interest, or to engage in investment transactions that may result in other Accounts being relieved of obligations or otherwise divested of investments, which may enhance the profitability of GAM's or other Accounts' investment in and activities with respect to such companies.

#### **GAM MAY ACT IN A CAPACITY OTHER THAN GAM INVESTMENT MANAGER TO THE SUBFUND PRINCIPAL AND CROSS TRANSACTIONS**

When permitted by applicable law and the GAM Investment Manager's policies, the GAM Investment Manager, acting on behalf of the relevant Subfund, may enter into transactions in securities and other instruments with or through GAM or in Accounts managed by the relevant GAM Investment Manager, and may cause the Subfund to engage in transactions in which GAM acts as principal on their own behalf (principal transactions) or advise both sides of a transaction (cross transactions). There may be potential conflicts of interest or regulatory issues relating to these transactions, which could limit the GAM Investment Manager's decision to engage in these transactions for the Company. GAM may have a potentially conflicting division of loyalties and responsibilities to the parties in such transactions and has therefore developed policies and procedures in relation to such transactions and conflicts. Any principal or cross transactions will be effected in line with fiduciary requirements according to applicable law.

Subject to applicable law, GAM or Accounts may also invest in or alongside the Company. Unless agreed otherwise, GAM or Accounts may redeem interests in the Company at any time without notice to shareholders or regard to the effect on the relevant Subfund's portfolio, which may be adverse.

**PROXY VOTING BY THE RELEVANT GAM INVESTMENT MANAGER**

The GAM Investment Manager has adopted policies and procedures designed to prevent conflicts of interest from influencing proxy voting decisions that it makes on behalf of advisory clients, including the Company. This should help to ensure that such decisions are made in accordance with its fiduciary obligations to its clients. Notwithstanding such proxy voting policies and procedures, proxy voting decisions made by the relevant GAM Investment Manager with respect to securities held by the Subfund may benefit the interests of GAM and Accounts other than the Subfund.

**POTENTIAL LIMITATIONS AND RESTRICTIONS ON INVESTMENT OPPORTUNITIES AND ACTIVITIES OF GAM AND THE COMPANY**

The relevant GAM Investment Manager may restrict its investment decisions and activities on behalf of a Subfund in various circumstances, including as a result of applicable regulatory requirements, information held by GAM and GAM's internal policies. In addition, the GAM Investment Manager is not permitted to obtain or use material non-public information in effecting purchases and sales in public securities transactions for the relevant Subfund.

**AGGREGATION OF TRADES BY THE GAM INVESTMENT MANAGER**

The GAM Investment Manager follows policies and procedures pursuant to which they may combine or aggregate purchase or sale orders for the same security for multiple Accounts (including Accounts in which GAM has an interest) (sometimes called "bunching"), so that the orders can be executed at the same time. The GAM Investment Manager aggregates orders when it considers doing so appropriate and in the interests of its clients generally. In addition, under certain circumstances trades for the relevant Subfund may be aggregated with Accounts in which GAM has an interest.

When an aggregated order is completely fulfilled, the GAM Investment Manager generally will allocate the securities purchased or proceeds of sale pro rata among the participating Accounts based on the purchase or sale order. If the order at a particular broker is fulfilled at several different prices through multiple trades, generally all participating Accounts will receive the average price and pay the average commission, subject to odd lots, rounding and market practice. There may be instances in which not all Accounts are charged the same commission or commission equivalent rates in a bunched or aggregated order.

Although it may do so in certain circumstances, the GAM Investment Manager generally does not bunch or aggregate orders for different Accounts (including the Company) or net buy and sell orders for the Company, if (i) portfolio management decisions relating to the orders are made by separate portfolio management teams, if (ii) aggregating or netting is not appropriate or practicable from the relevant GAM Investment Manager's operational or other perspective, or if (iii) doing so would not be appropriate in light of applicable regulatory considerations.

The GAM Investment Manager may be able to negotiate a better price and lower commission rate on aggregated orders than on trades for Accounts that are not aggregated. Netted trades incur lower transaction costs than trades that are not netted. Where transactions for the relevant Subfund are not aggregated with other orders, or not netted against orders for the Subfund, that Subfund may not benefit from a better price and lower commission rate or lower transaction cost.

**OTHER CONFLICTS OF INTERESTS**

Each Management Company, GAM Investment Manager and Delegate Investment Manager may, in the course of their usual business, have conflicts of interest with the Company in circumstances other than those referred to above. The Management Company, the relevant GAM Investment Manager and relevant Delegate Investment Manager will, however, have regard in such event to its obligations to act in the best interests of Shareholders when undertaking any investment where conflicts of interest may arise and will seek to resolve such conflicts appropriately and fairly. In the event that a conflict arises in relation to the allocation of investment opportunities, the Management Company, the relevant GAM Investment Manager and the relevant Delegate Investment Manager will ensure that it is resolved appropriately and fairly.

## 29. DOCUMENTS FOR INSPECTION

Copies of the following documents may be inspected at the registered office of the Company in Luxembourg during normal business hours on every banking day in Luxembourg and at the offices of the respective national representatives on their business days:

- 1a) the investment advisory or investment management agreements, the fund management agreement, the agreements with the Depositary, the UCI Administrator and Principal Paying Agent as well as the Registrar and Transfer Agent. These agreements may be amended with the approval of both contracting parties;
- 1b) the articles of association of the Company;

The following documents may be obtained free of charge on request:

- 2a) the currently valid Key Investor Information Document and the Full Prospectus;
- 2b) the most recent annual and semi-annual reports.

The articles of association, the Key Investor Information Document, the Full Prospectus, the Remuneration Policy of the Management Company and the annual and semi-annual reports are also available on the website [www.carnegroup.com](http://www.carnegroup.com).

In the event of contradictions between the above-mentioned English-language documents and any translations thereof, the English-language version shall be the authentic text. This is without prejudice to mandatory conflicting regulations governing distribution and marketing in jurisdictions in which the Company's Shares have been lawfully distributed.

## 30. DATA PROTECTION INFORMATION

Prospective investors should note that by completing the application form they are providing information to the Company, which may constitute personal data within the meaning of the Luxembourg Data Protection Act<sup>2</sup>. This data will be used for the purposes of client identification and the subscription process, administration, transfer agency, statistical analysis and market research to comply with any applicable legal or regulatory requirements, disclosure to the Company (its delegates and agents) and, if an applicant's consent is given, for direct marketing purposes.

Data may be disclosed to third parties including:

- (a) regulatory bodies, tax authorities;
- (b) delegates, advisers and service providers of the Company and their or the Company's duly authorised agents and any of their respective related, associated or affiliated companies wherever located (including outside the EEA, which may not have the same data protection laws as in Luxembourg) for the purposes specified. For the avoidance of doubt, each service provider to the Company (including the Management Company, its delegates and its or their duly authorised agents and any of their respective related, associated or affiliated companies) may exchange the personal data or information about the investors in the Company, which is held by it with another service provider to the Company.

Personal data will be obtained, held, used, disclosed and processed for any one or more of the purposes set out in the application form.

Investors have a right to obtain a copy of their personal data kept by the Company and the right to rectify any inaccuracies in personal data held by the Company. In accordance with the General Data Protection Regulation (EU 2016/679), investors also have a right to be forgotten and a right to restrict or object to processing in a number of circumstances. In certain limited circumstances, a right to data portability may apply. Where investors give consent to the processing of personal data, this consent may be withdrawn at any time.

Personal data will not be kept longer than necessary for the purpose of the processing, subject to the applicable legal minimum retention periods.

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<sup>2</sup> "Data Protection Act" — the Data Protection Act of 2 August 2002 in its amended or revised version, including the statutory provisions and regulations, which are issued and amended from time to time, as well as the General Data Protection Regulation (EU) 2016/679.

#### **BENEFICIAL OWNERSHIP**

The Company may also request such information (including by means of statutory notices) as may be required for the maintenance of the Company's beneficial ownership register (the "**RBE**") in accordance with the law of 13 January 2019, establishing the register of beneficial owners (the "**RBE Law**"), as well as the related Grand-Ducal Regulations and the related CSSF Regulations and Circulars, as amended from time to time, and in accordance with the Luxembourg law of 12 November 2004 on the fight against money laundering. Such information includes, but is not limited to, first and last name, nationality, country of residence, home or business address, national identification number and information on the nature and extent of the Beneficial Ownership held by each Beneficial Owner in the Company. The Company is further required, inter alia, (i) to provide such information upon request to certain Luxembourg national authorities (including the CSSF, the *Commissariat aux Assurances*, the *Cellule de Renseignement Financier*, the Luxembourg tax authorities and other national authorities) and (ii) to register such information in a publicly accessible central RBE.

In accordance with the RBE Law, it is an offence for a beneficial owner to fail to fulfil its obligation to inform the Company of its status as beneficial owner. It is further an offence for the Company to (i) fail to comply with the terms of a beneficial ownership notice or (ii) provide materially false information in response to such a notice or (iii) fail to obtain and store, at the place of its registered office, all the relevant information.

Further details on the purpose of this processing, the various functions of the receivers of the investor's personal data, the categories of personal data concerned and the rights of the investor in relation to these personal data and any other information required under the Data Protection Act can be found in the Privacy Policy, which can be found at the following link: <https://www.carnegroup.com/privacy-notice/>

# Multicooperation SICAV

Multicooperation SICAV is organised as a "société d'investissement à capital variable" (SICAV, open-ended investment company) on the basis of the valid version of the law of the Grand Duchy of Luxembourg dated 10 August 1915 ("the 1915 Law") and is authorised there as an undertaking for collective investments in transferable securities (UCITS) under Part I of the law dated 17 December 2010 ("the 2010 Law").

## ADDITIONAL INFORMATION FOR INVESTORS IN AUSTRIA

**Information contained herein is selective, containing specific information in relation to the SICAV. This document forms part of and should be read in conjunction with the Prospectus for the SICAV dated 3 July 2025 (the "Prospectus"). This document is for distribution in Austria only.**

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

### Distribution in Austria

The following investment compartments are registered with the Austrian Financial Market Authority for distribution in Austria:

- GAM Galena Commodities
- Julius Baer Equity Fund Special Value
- Julius Baer Equity Global Excellence Europe
- Julius Baer Equity Next Generation
- Julius Baer Fixed Income Emerging Markets Corporate
- Julius Baer Fixed Income Global Quality High Yield
- Julius Baer Global Excellence Equity
- Julius Baer Multi-Manager Fixed Income Unconstrained
- Julius Baer Strategy Income (EUR)
- Julius Baer Fixed Income Investment Grade Corporate (USD)

Please note that no notification of public distribution in the Republic of Austria has been filed and shares for these sub funds may not be publicly distributed to investors in the Republic of Austria.

**Institutions for investors within the meaning of Article 92(1) a) Directive 2009/65/EC, in which the Directive (EU) 2019/1160 amended version is available from the following contact and information point**

State Street Bank International GmbH, Luxembourg Branch, 49, Avenue J.F. Kennedy, L-1855 Luxembourg

- Applications for the subscription, redemption and conversion of Shares may be submitted to this facility;
- All payments to a Shareholder, including redemption proceeds and distributions, if any, may be remitted through this facility at the request of the Shareholder.

Carne Global Financial Services Limited, Facilities Agent, 3rd Floor, Charlemont Place, Dublin 2, D02 F985, Ireland. [europeanfacilitiesagent@carnegroup.com](mailto:europeanfacilitiesagent@carnegroup.com)

- This facility provides investors with information on how subscription, redemption and conversion orders can be made and how redemption proceeds are paid;
- It facilitates the handling of information and assures investors' access to procedures and arrangements for exercising their rights in accordance with Article 15 of Directive 2009/65/EC (investor complaints); The Prospectus and the Supplements, the Key Investor Information Documents, the Instrument of Incorporation, the latest annual and semi-annual reports, in each case in paper form upon request, as well as other documents and information, are available free of charge at this facility;
- The Net Asset Value per Share and the subscription, redemption and conversion prices are available free of charge at this facility;
- This facility also provides investors with information relevant to the tasks that the facilities perform in a durable medium.  
The website <https://funds.carnegroup.com/>
- The Prospectus and the Supplements, the Key Investor Information Documents, the Instrument of Incorporation, the latest annual and semi-annual reports, as well as other documents and information, are published at this website and are available there free of charge.
- The Net Asset Value per Share and the subscription, redemption and conversion prices are published at this website and are available there free of charge.

## **PUBLICATIONS**

The Net Asset Value per Share (including up-to-date dealing prices) will be published on each Dealing Day on <https://funds.carnegroup.com/> or through other media, as the Directors or Investment Manager may from time to time determine. The Net Asset Value per Share will also be available from the offices of the Administrator. Any notices to Shareholders as well as other documents and information which are required to be published in Austria will be sent via letter or email.

# Multicooperation SICAV

Multicooperation SICAV is organised as a "société d'investissement à capital variable" (SICAV, open-ended investment company) on the basis of the valid version of the law of the Grand Duchy of Luxembourg dated 10 August 1915 ("the 1915 Law") and is authorised there as an undertaking for collective investments in transferable securities (UCITS) under Part I of the law dated 17 December 2010 ("the 2010 Law").

## ADDITIONAL INFORMATION FOR INVESTORS IN GERMANY

**Information contained herein is selective, containing specific information in relation to the SICAV. This document forms part of and should be read in conjunction with the Prospectus for the SICAV dated 3 July 2025 (the "Prospectus"). This document is for distribution in Germany only.**

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

### Distribution in Germany

The following investment compartments are registered with the Bundesanstalt für Finanzdienstleistungsaufsicht (BaFin) for distribution in Germany:

- GAM Galena Commodities
- GAM Multi Asset Strategic Allocation
- Julius Baer Equity Fund Special Value
- Julius Baer Equity Global Excellence Europe
- Julius Baer Equity Next Generation
- Julius Baer Fixed Income Emerging Markets Corporate
- Julius Baer Fixed Income Global Quality High Yield
- Julius Baer Global Excellence Equity
- Julius Baer Multi-Manager Fixed Income Unconstrained
- Julius Baer Strategy Income (EUR)
- Julius Baer Fixed Income Investment Grade Corporate (USD)

Please note that no notification of public distribution in the Republic of Germany has been filed and shares for these sub funds may not be publicly distributed to investors in the Republic of Germany.

**Institutions for investors within the meaning of Article 92(1) a) Directive 2009/65/EC, in which the Directive (EU) 2019/1160 amended version is available from the following contact and information point**

State Street Bank International GmbH, Luxembourg Branch, 49, Avenue J.F. Kennedy, L-1855 Luxembourg

- Applications for the subscription, redemption and conversion of Shares may be submitted to this facility;
- All payments to a Shareholder, including redemption proceeds and distributions, if any, may be remitted through this facility at the request of the Shareholder.

Carne Global Financial Services Limited, Facilities Agent, 3rd Floor, Charlemont Place, Dublin 2, D02 F985, Ireland. [europeanfacilitiesagent@carnegroup.com](mailto:europeanfacilitiesagent@carnegroup.com)

- This facility provides investors with information on how subscription, redemption and conversion orders can be made and how redemption proceeds are paid;
- It facilitates the handling of information and assures investors' access to procedures and arrangements for exercising their rights in accordance with Article 15 of Directive 2009/65/EC (investor complaints); The Prospectus and the Supplements, the Key Investor Information Documents, the Instrument of Incorporation, the latest annual and semi-annual reports, in each case in paper form upon request, as well as other documents and information, are available free of charge at this facility;
- The Net Asset Value per Share and the subscription, redemption and conversion prices are available free of charge at this facility;
- This facility also provides investors with information relevant to the tasks that the facilities perform in a durable medium.  
The website <https://funds.carnegroup.com/>
- The Prospectus and the Supplements, the Key Investor Information Documents, the Instrument of Incorporation, the latest annual and semi-annual reports, as well as other documents and information, are published at this website and are available there free of charge.
- The Net Asset Value per Share and the subscription, redemption and conversion prices are published at this website and are available there free of charge.

## **PUBLICATIONS**

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# Multicooperation SICAV

Multicooperation SICAV is organised as a "société d'investissement à capital variable" (SICAV, open-ended investment company) on the basis of the valid version of the law of the Grand Duchy of Luxembourg dated 10 August 1915 ("the 1915 Law") and is authorised there as an undertaking for collective investments in transferable securities (UCITS) under Part I of the law dated 17 December 2010 ("the 2010 Law").

## ADDITIONAL INFORMATION FOR INVESTORS IN LIECHTENSTEIN

**Information contained herein is selective, containing specific information in relation to the SICAV. This document forms part of and should be read in conjunction with the Prospectus for the SICAV dated 3 July 2025 (the "Prospectus"). This document is for distribution in Liechtenstein only.**

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

### Distribution in Liechtenstein

The following investment compartments are registered with the Finanzmarktaufsicht (FMA) for distribution in Liechtenstein:

- GAM Galena Commodities
- GAM Multi Asset Strategic Allocation
- Julius Baer Equity Fund Special Value
- Julius Baer Fixed Income Global Quality High Yield
- Julius Baer Global Excellence Equity
- Julius Baer Strategy Income (EUR)
- Julius Baer Multi Manager Fixed Income Unconstrained

Please note that no notification of public distribution in the Republic of Germany has been filed and shares for these sub funds may not be publicly distributed to investors in the Republic of Germany.

**Institutions for investors within the meaning of Article 92(1) a) Directive 2009/65/EC, in which the Directive (EU) 2019/1160 amended version is available from the following contact and information point**

State Street Bank International GmbH, Luxembourg Branch, 49, Avenue J.F. Kennedy, L-1855 Luxembourg

- Applications for the subscription, redemption and conversion of Shares may be submitted to this facility;
- All payments to a Shareholder, including redemption proceeds and distributions, if any, may be remitted through this facility at the request of the Shareholder.

Carne Global Financial Services Limited, Facilities Agent, 3rd Floor, Charlemont Place, Dublin 2, D02 F985, Ireland. [europeanfacilitiesagent@carnegroup.com](mailto:europeanfacilitiesagent@carnegroup.com)

- This facility provides investors with information on how subscription, redemption and conversion orders can be made and how redemption proceeds are paid;

- It facilitates the handling of information and assures investors' access to procedures and arrangements for exercising their rights in accordance with Article 15 of Directive 2009/65/EC (investor complaints); The Prospectus and the Supplements, the Key Investor Information Documents, the Instrument of Incorporation, the latest annual and semi-annual reports, in each case in paper form upon request, as well as other documents and information, are available free of charge at this facility;
- The Net Asset Value per Share and the subscription, redemption and conversion prices are available free of charge at this facility;
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The website <https://funds.carnegroup.com/>
- The Prospectus and the Supplements, the Key Investor Information Documents, the Instrument of Incorporation, the latest annual and semi-annual reports, as well as other documents and information, are published at this website and are available there free of charge.
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## **PUBLICATIONS**

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# **MULTICOOPERATION SICAV**

**JULIUS BAER STRATEGY INCOME (EUR)**  
**JULIUS BAER GLOBAL EXCELLENCE EQUITY**  
**JULIUS BAER EQUITY FUND SPECIAL VALUE**  
**JULIUS BAER EQUITY GLOBAL EXCELLENCE EUROPE**  
**JULIUS BAER FIXED INCOME EMERGING MARKETS CORPORATE**  
**JULIUS BAER FIXED INCOME INVESTMENT GRADE CORPORATE (USD)**  
**JULIUS BAER FIXED INCOME GLOBAL QUALITY HIGH YIELD**  
**JULIUS BAER MULTI-MANAGER FIXED INCOME UNCONSTRAINED**  
**JULIUS BAER EQUITY NEXT GENERATION**

Subfunds of MULTICOOPERATION SICAV, established under the laws of Luxembourg, which were launched  
for BANK JULIUS BÄR & CO. AG, Zurich

**SPECIAL PART A: 11 August 2025**



This Part of the Prospectus supplements the General Part with respect to the Subfunds JULIUS BAER STRATEGY INCOME (EUR), JULIUS BAER GLOBAL EXCELLENCE EQUITY, JULIUS BAER EQUITY FUND SPECIAL VALUE, JULIUS BAER EQUITY GLOBAL EXCELLENCE EUROPE, JULIUS BAER FIXED INCOME EMERGING MARKETS CORPORATE, JULIUS BAER FIXED INCOME INVESTMENT GRADE CORPORATE (USD), JULIUS BAER FIXED INCOME GLOBAL QUALITY HIGH YIELD, JULIUS BAER MULTI-MANAGER FIXED INCOME UNCONSTRAINED and JULIUS BAER EQUITY NEXT GENERATION. Where reference is made in this document collectively to the Subfunds, they shall be referred to hereinafter as "**BJB-FUNDS**".

The following provisions must be read in conjunction with the relevant statements in the General Part of the Prospectus.

## TABLE OF CONTENTS: SPECIAL PART A

<b>1.</b>	<b>Issue of the shares in the BJB-FUNDS .....</b>	<b>4</b>
<b>2.</b>	<b>Investment objectives and policy of BJB-FUNDS .....</b>	<b>4</b>
2.1.	Investment objectives and policy of JULIUS BAER STRATEGY INCOME (EUR)	4
2.2.	Investment objectives and policy of JULIUS BAER GLOBAL EXCELLENCE EQUITY	6
2.3.	Investment objectives and policy of the JULIUS BAER EQUITY FUND SPECIAL VALUE	8
2.4.	Investment objectives and policy of the JULIUS BAER EQUITY GLOBAL EXCELLENCE EUROPE	9
2.5.	Investment objectives and policy of the JULIUS BAER FIXED INCOME EMERGING MARKETS CORPORATE	12
2.6.	Investment objectives and policy of the JULIUS BAER FIXED INCOME INVESTMENT GRADE CORPORATE (USD)	13
2.7.	Investment objectives and policy of the JULIUS BAER FIXED INCOME GLOBAL QUALITY HIGH YIELD	14
2.8.	Investment objectives and policy of the Julius Baer MULTI-MANAGER FIXED INCOME UNCONSTRAINED	16
2.9.	Investment objectives and policy of the JULIUS BAER EQUITY NEXT GENERATION	17
2.13.	Further investment restrictions/investment conditions for the BJB-FUNDS	18
<b>3.</b>	<b>Risk information.....</b>	<b>19</b>
3.1.	Information regarding investment in emerging market countries	19
3.2.	Information regarding investment in derivative instruments and structured products	19
3.3.	Information on CoCo bonds	20
3.4.	Information on high yield bonds	20
3.5.	Information regarding investment in catastrophe bonds	21
3.6.	Information regarding investments in ABS and MBS	22
3.7.	Risks associated with investments in the People's Republic of China (PRC)	22
<b>4.</b>	<b>Investor profile.....</b>	<b>25</b>
<b>5.</b>	<b>Investment Manager.....</b>	<b>26</b>
<b>6.</b>	<b>Description of the shares in the BJB-FUNDS .....</b>	<b>26</b>
<b>7.</b>	<b>Dividend policy .....</b>	<b>31</b>
<b>8.</b>	<b>Fees and Costs.....</b>	<b>31</b>
<b>9.</b>	<b>Issue of Shares .....</b>	<b>33</b>
<b>10.</b>	<b>Redemption of Shares .....</b>	<b>34</b>
<b>11.</b>	<b>Switching of Shares .....</b>	<b>35</b>
<b>12.</b>	<b>ANNEX — PRE-CONTRACTUAL DISCLOSURE FOR THE FINANCIAL PRODUCTS REFERRED TO IN ARTICLE 8, PARAGRAPHS 1, 2 AND 2A OF REGULATION (EU) 2019/2088 AND ARTICLE 6, PARAGRAPH 1 OF REGULATION (EU) 2020/852.....</b>	<b>35</b>

## 1. ISSUE OF THE SHARES IN THE BJB-FUNDS

The shares in the BJB-FUNDS were first offered for subscription as set out below. The stated initial issue price is understood to apply per Share plus a selling fee charged by the Distributor of up to 5% maximum of the issue price.

	Subfunds	Subscription deadline	Issue price
1	JULIUS BAER STRATEGY INCOME (EUR)	23–29 July 1999	EUR 100
2	JULIUS BAER GLOBAL EXCELLENCE EQUITY	18 July 2013	EUR 131.57 ****)
3	JULIUS BAER EQUITY FUND SPECIAL VALUE	18 July 2013	*)
4	JULIUS BAER EQUITY GLOBAL EXCELLENCE EUROPE	15 July 2014	EUR 100
5	JULIUS BAER FIXED INCOME EMERGING MARKETS CORPORATE	4 August 2014	USD 100
6	JULIUS BAER FIXED INCOME INVESTMENT GRADE CORPORATE (USD)	15 July 2014	EUR 100**)
7	JULIUS BAER FIXED INCOME GLOBAL QUALITY HIGH YIELD	22 April 2016	USD 100
8	JULIUS BAER EQUITY NEXT GENERATION	16–23 February 2018	USD 100
9	JULIUS BAER MULTI-MANAGER FIXED INCOME UNCONSTRAINED	30 November 2017	USD 100

\*) The initial issue price was equal to the net asset value as of 18 July 2013 of the UCITS Luxembourg law "Julius Baer Strategy Fund — Julius Baer Equity Fund Special Value", which is available on the internet at [www.carnegroup.com](http://www.carnegroup.com).

\*\*) As at 6 July 2018, the accounting currency of the Subfund JULIUS BAER FIXED INCOME INVESTMENT GRADE CORPORATE (USD) changed from EUR to USD.

\*\*\*) The Company will determine the initial subscription period of the Subfunds at its own discretion at a later date. The date of issue shall be announced by publication in the "*Luxemburger Wort*" newspaper and, if applicable, in other publication media chosen by the Company. In addition, the Prospectus will be adjusted accordingly at the next submission.

\*\*\*\*) As at 22 February 2019, the accounting currency of the Subfund JULIUS BAER GLOBAL EXCELLENCE EQUITY changed from EUR to USD.

## 2. INVESTMENT OBJECTIVES AND POLICY OF BJB-FUNDS

### 2.1. INVESTMENT OBJECTIVES AND POLICY OF JULIUS BAER STRATEGY INCOME (EUR)

The Company's investment objective for the Subfund Multicooperation SICAV — JULIUS BAER STRATEGY INCOME (EUR) "**JULIUS BAER STRATEGY INCOME (EUR)**" is to generate a steady return in their reference currency, as indicated below, reflecting the conditions on the financial markets. The focus is on long-term performance. Commensurate risks in the form of fluctuations in value are taken into account. To this end, the Company invests the assets of this Subfund in the following investment vehicles:

#### Traditional investments

- (i) Within an investment scope of between 50% and 90% of the assets of the respective Subfund: fixed-interest or floating rate securities, debt securities and claims and other fixed-interest investments (including convertible and warrant bonds, inflation-linked bonds, emerging market bonds, high-yield bonds as well as asset backed securities (ABS) and mortgage backed securities (MBS) [ABS and MBS together max. 20% of the assets of each Subfund]) issued or guaranteed by issuers worldwide. Investments as defined in (viii) that have one of the legal forms described in this paragraph do not fall within the investment scope described here.
- (ii) Within an investment scope of between 10% and 35% of the respective Subfund's assets: shares and other equity securities and equity rights of companies worldwide, including issuers in emerging market countries.

This scope also includes shares and other equity securities of real estate companies and listed closed-ended real estate funds and listed real estate investment trusts (REITs). Investments as defined in (vi), (vii) and (viii) that have one of the legal forms described in this paragraph do not fall within the investment scope described here.

- (iii) Within an investment scope of between 0% and 49% of the respective Subfund's assets: money-market instruments that have a total expiry period of up to 12 months at the time of issue, as well as sight deposits and deposits at notice as defined in section 5 of the General Part.

Investments according to (i), (ii) and (iii) can also be made indirectly by means of derivative instruments and structured products or by acquiring units of other UCITS or UCI, including ETFs (together: target funds), within the meaning of and subject to the restrictions of section 5 of the General Part.

### Alternative investments

Alternative investments, as described below, may be made within a scope of from 0% up to a maximum total of 25% of the assets of the Subfund.

- (iv) Derivatives and structured products on commodity indices (or on corresponding sub-indices), which are representative, broadly diversified and adequately published and which each meet the requirements of Articles 8 and 9 or Article 2 of Directive 2007/16/EC, as well as commodity funds and commodity ETFs within the meaning of and subject to the restrictions of section 5 of the General Part as well as exchange-listed structured products on individual commodities which, according to their issuing prospectuses, qualify as a suitable investment within the meaning of Art. 41 (1) of the 2010 Law for a UCITS, in which no derivatives are embedded and for which physical delivery of the underlying is excluded.
- (v) Units of open-ended funds or open-ended ETFs investing in precious metals, in which no derivatives are embedded, and which are in line with Article 41 (1) of the 2010 Law.
- (vi) Derivative instruments and structured products on hedge fund indices (or corresponding sub-indices), which are representative, broadly diversified and appropriately published and which in each case meet the requirements of Articles 8 and 9 or, as applicable, Article 2 of Directive 2007/16/EC, and units of UCITS that invest mainly in alternative strategies, and listed units of investment companies, holding companies or closed-ended UCIs that invest mainly in hedge funds.
- (vii) Listed private equity refers to listed units of investment companies, holding companies or closed-ended UCIs that invest mainly in equity securities and equity rights that are neither traded on a stock exchange nor on another regulated market.
- (viii) Listed units of investment companies, holding companies or closed-ended UCIs or open-ended UCITS or UCIs that invest mainly in so-called catastrophe bonds and other insurance linked securities.

Ancillary liquid assets may amount to up to 20% of the total assets of the Subfund. These ancillary liquid assets are limited to demand deposits, such as cash, held in the Subfund's current bank accounts and available at all times. The 20% limit may only be exceeded temporarily for an absolutely necessary period if circumstances so require due to exceptionally unfavourable market conditions (e.g. wars, terrorist attacks, health crises or other similar events), and if such an excess is justified taking into account the best interests of the investors.

The Subfund may invest in liquid assets for liquidity purposes, i.e. money market instruments and as defined in section 5 of the General Part of this Prospectus as well as in money market funds and overnight deposits.

By way of derogation from the provisions of the General Part, more than 10% but no more than a total of 49% of the assets of the Subfund may be invested in target funds.

The Subfund JULIUS BAER STRATEGY INCOME (EUR) is denominated in the **reference currency** of euro.

The investments shall be made in the reference currency of the Subfund and, also without currency hedging, in other currencies up to a maximum of 55% of the Subfund's assets. Consequently, the reference currency is not identical to the investment currency in every case, and losses due to currency variations cannot be ruled out. The specific classes of security, markets and currencies shall be weighted in accordance with principles that not only are based on the expected return of an investment, but which also view such return in the context of the expected risk.



For this Subfund, investments may also be acquired that are issued either by issuers in emerging countries (also known as emerging market countries) and/or are denominated in currencies of emerging market countries, or are linked economically to currencies of emerging market countries. The

term "emerging markets" is generally taken to mean the markets of countries that are in the process of developing into modern industrialised countries and thus display a high degree of potential but also involve a greater degree of risk. They include, in particular, the countries included in the S&P Emerging Broad Market Index or the MSCI Emerging Markets Index. **In connection with investments in emerging market countries, please refer to the section "Information regarding investment in emerging market countries" below.**

Direct investments in the People's Republic of China can be made solely via "China-H" shares, i.e. shares of companies having their registered office in the People's Republic of China, which are listed on the Hong Kong Stock Exchange and denominated in Hong Kong dollars, and which are in accordance with Article 41 (1) of the 2010 Law.

With regard to the Subfund, derivative financial instruments (derivatives) may be employed on a larger scale for the purpose of hedging and efficient portfolio management as well as for active investment in transferable securities and active currency allocation. The range of possible derivatives includes exchange traded as well as OTC instruments and, in particular, call and put-options, futures, forwards, warrants, contracts for difference and swaps (including credit default swaps, "CDS") on transferable securities, interest and currencies as well as on other derivative financial instruments and on financial indices. **In connection with investments in derivatives instruments and structured products, please refer to the section "Information regarding investment in derivative instruments and structured products".**

The Subfund may invest indirectly in so-called catastrophe bonds. Catastrophe bonds are typically floating rate debt securities that transfer the risk of financial loss from catastrophic events from insurance companies, reinsurance companies, corporations, governments etc. to the capital markets. The repayment of principal and periodic interest payments ("unit certificates") on catastrophe bonds depends on the non-occurrence of a predefined triggering event ("trigger events").

Catastrophe bonds may cover different geographical areas (e.g. global, multinational, national and/or regional exposures), different transaction types and trigger events, including but not limited to natural catastrophes (e.g. earthquakes, hurricanes, wildfires, tornadoes, cyclones, blizzards, storms, hail, droughts, sinkholes, volcanic eruptions, tsunamis and/or floods etc.), man-made catastrophes (risks related to aviation, shipping, energy, technology, agriculture, satellites, fires, politics, terrorism, explosions etc.) and life, accident and health events (e.g. disability, longevity, mortality etc.). Investments in catastrophe bonds with trigger events related to natural catastrophes will typically represent the majority of the Subfunds' investments within catastrophe assets. **In connection with investments in catastrophe bonds, please refer to the section "Information regarding investment in catastrophe bonds".**

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

## 2.2. INVESTMENT OBJECTIVES AND POLICY OF JULIUS BAER GLOBAL EXCELLENCE EQUITY

The investment objective of the Company in relation to JULIUS BAER GLOBAL EXCELLENCE EQUITY is to achieve a high capital growth with a steady return, taking into consideration the preservation of the capital and the liquidity of the assets. As part of the application of its investment policy, JULIUS BAER GLOBAL EXCELLENCE EQUITY promotes environmental or social characteristics, but does not pursue the objective of sustainable investment. JULIUS BAER GLOBAL EXCELLENCE EQUITY does not use a benchmark index to achieve the environmental or social characteristics it promotes.

For this purpose, the Company invests at least two thirds of the assets of the Subfund in a portfolio of shares and other equity securities and equity rights of companies worldwide, including issuers in emerging market countries. This scope also includes shares and other equity securities of real estate companies and listed closed-ended real estate funds and listed real estate investment trusts (REITs).

Up to one third of the assets of the JULIUS BAER GLOBAL EXCELLENCE EQUITY may also be invested in the following securities: (i) fixed-interest or floating-rate securities as well as money market instruments (which have a total expiry period of up to 12 months at the time of issue) of issuers worldwide; (ii) sight deposits and deposits at

notice (iii) structured products on shares and other equity securities (up to max. 10% of the assets); (iv) units of other UCITS and/or UCI, including Exchange Traded Funds (up to max. 10% of the assets). In addition, up to max. 10% of the assets of the Subfund may be invested in Exchange Traded Commodities (ETCs) (so-called Delta 1 certificates); provided that the assets are settled in cash and payments in kind are excluded. ETCs are deemed to be suitable investment assets within the meaning of Article 41 (1) of the 2010 Law, in which no derivatives are embedded and where physical delivery of the underlying asset is excluded.

Ancillary liquid assets may amount to up to 20% of the total assets of the Subfund. These ancillary liquid assets are limited to demand deposits, such as cash, held in the Subfund's current bank accounts and available at all times. The 20% limit may only be exceeded temporarily for an absolutely necessary period if circumstances so require due to exceptionally unfavourable market conditions (e.g. wars, terrorist attacks, health crises or other similar events), and if such an excess is justified taking into account the best interests of the investors.

The Subfund may invest in liquid assets for liquidity purposes, i.e. money market instruments and as defined in section 5 of the General Part of this Prospectus as well as in money market funds and overnight deposits.

#### **PROMOTING ENVIRONMENTAL AND SOCIAL CHARACTERISTICS THROUGH JULIUS BAER GLOBAL EXCELLENCE EQUITY**

JULIUS BAER GLOBAL EXCELLENCE EQUITY promotes environmental and social characteristics by investing a substantial portion of the portfolio in companies with sound environmental, social and governance ("ESG") quality and good corporate governance. Both internal and external information, such as ESG ratings, scores or analyst reports, which may be qualitative or quantitative in nature, are used to assess the ESG quality of companies. Approximately ten different indicators are used to assess the ESG quality of a company, depending on the availability of data, and the number and type of indicators is constantly being expanded and developed.

**In addition, further information in relation to the environmental and social characteristics promoted by the JULIUS BAER GLOBAL EXCELLENCE EQUITY is set out in the Annex to this Special Part A.**

#### **ESG INTEGRATION STRATEGY OF JULIUS BAER GLOBAL EXCELLENCE EQUITY**

JULIUS BAER GLOBAL EXCELLENCE EQUITY pursues an ESG integration strategy that combines ESG factors with traditional financial analysis. The strategy examines companies' management of potentially costly ESG risks or the realisation of opportunities arising from key ESG issues and trends. The factors used to determine companies' management of ESG risks or realisation of opportunities related to ESG issues and trends can be both qualitative and quantitative in nature and come from a variety of internal and external sources. The ESG quality of a current or potential investment is assessed on the basis of these ESG factors, which may vary according to strategy, style, geographic focus, sector, company size and other factors. Various internal thresholds may be applied both in terms of the availability of ESG information and the level of ESG quality required to ensure a sound ESG quality of the investments selected for the Subfund's portfolio.

The objective of these thresholds is to provide an indicator of the desired overall level of environmental or social characteristics of the portfolio targeted by the Subfund. The ESG integration strategy is self-regulatory and will be continuously refined taking into account changing market standards, regulatory changes and the availability and quality of ESG data/information.

The Investment Manager continuously monitors the integration of ESG factors as part of the selection and portfolio construction process. Where discrepancies or conflicting views exist in the various ESG information sources, the relevant Investment Committee of the Investment Manager may, on a case-by-case basis, make judgements as to the fulfilment of certain minimum ESG quality requirements of a company to be invested in. During portfolio construction, the mandatory elements will be used to exclude investments with a lack of ESG quality. Furthermore, additional indicators to measure ESG quality are used to complement the financial analysis.

#### **EXCLUSION CRITERIA OF THE JULIUS BAER GLOBAL EXCELLENCE EQUITY**

To ensure a minimum ESG quality of the environmental or social characteristics promoted by the JULIUS BAER GLOBAL EXCELLENCE EQUITY, certain indicators are used as mandatory elements of the investment strategy. These mandatory indicators are as follows:

- **EXCLUSION CRITERIA:** The Investment Manager will use the following mandatory exclusion criteria: (1) violations of the United Nations Global Compact Principles, which are verified in the respective databases used by the Investment Manager; and (2) no investments are made in companies whose business activities involve controversial weapons (anti-personnel mines, cluster munitions, chemical and biological

weapons). Violations that have been registered and are likely to continue or have not been remedied by the invested company, or business activities involving controversial weapons that have been uncovered, will result in the exclusion of the company from the potential investment universe and the subsequent sale of existing investments in due course in the market.

The Investment Manager also assesses the governance practices of potential and existing investee companies, including the assessment of a sound management structure. In particular, it actively reviews the entire investment universe and uses various sources of information to assist its research analysts and portfolio managers in identifying material financial ESG risks in the investment process.

Corporate governance of invested companies is managed through risk mitigation, excluding companies with poor governance, e.g. companies that exhibit unethical behaviour, bribery or corruption.

This financial product promotes environmental characteristics. Therefore, in accordance with Article 6 of Regulation (EU) 2020/852 (the "**Taxonomy Regulation**"), it is necessary to indicate that the principle of "avoidance of significant detriment" applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities and that the investments underlying the remaining part of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

However, it should be noted that, notwithstanding the above, this financial product does not take into account the EU criteria for environmentally sustainable economic activities as defined in the Taxonomy Regulation and the adjustment of the portfolio to the Taxonomy Regulation is not calculated. Therefore, the principle of "avoidance of significant adverse impacts" does not apply to any of the investments of this financial product.

The JULIUS BAER GLOBAL EXCELLENCE EQUITY is denominated in USD. The investments may be denominated in the reference currency USD or may also be made in other currencies. Foreign currency risks may be fully or partially hedged. A depreciation caused by exchange rate fluctuations cannot be ruled out.

Securities lending to third parties is limited to 50% of the estimated total value of the instruments of the JULIUS BAER GLOBAL EXCELLENCE EQUITY, in derogation of the provisions of the General Part relating to the JULIUS BAER GLOBAL EXCELLENCE EQUITY.

For this Subfund, investments may also be acquired that are issued either by issuers in emerging countries (also known as emerging market countries) and/or are denominated in currencies of emerging market countries, or are linked economically to currencies of emerging market countries. The term "emerging markets" is generally taken to mean the markets of countries that are in the process of developing into modern industrialised countries and thus display a high degree of potential but also involve a greater degree of risk. They include, in particular, the countries included in the S&P Emerging Broad Market Index or the MSCI Emerging Markets Index. **In connection with investments in emerging market countries, please refer to the section "Information regarding investment in emerging market countries".**

Direct investments in the People's Republic of China can be made solely via "China-H" shares, i.e. shares of companies having their registered office in the People's Republic of China, which are listed on the Hong Kong Stock Exchange and denominated in Hong Kong dollars, and which are in accordance with Article 41 (1) of the 2010 Law.

*With regard to the Subfund, derivative financial instruments (derivatives) may be employed on a larger scale for the purpose of efficient portfolio management.*

The range of possible derivatives includes exchange-traded as well as OTC-instruments and in particular call and put-options, futures, forwards, warrants and swaps (including credit default swaps, "CDS") on transferable securities, interest rates and currencies, as well as on other derivative financial instruments and on financial indices. Investments in contracts for difference and total return swaps are not permitted. Investments in financial derivative instruments whose underlying track indices are permitted solely for the purpose of efficient portfolio management. **In connection with investments in derivatives instruments and structured products, please refer to the section "Information regarding investment in derivative instruments and structured products".**

## 2.3. INVESTMENT OBJECTIVES AND POLICY OF THE JULIUS BAER EQUITY FUND SPECIAL VALUE

The investment objective of the Company in relation to JULIUS BAER EQUITY FUND SPECIAL VALUE is to achieve an above-average long-term capital growth.

For this purpose, the JULIUS BAER EQUITY FUND SPECIAL VALUE invests worldwide at least two thirds of its assets in a portfolio of carefully selected shares and other equity securities of companies which, in the opinion of

the Company, are strongly undervalued and can expect a high market price and which have their place of business or the major part of their business activities in recognised countries. The country, sector and title selection are adjusted according to the market situation; therefore, the investment focus may greatly vary as appropriate.

Up to a maximum of one third of the assets of the JULIUS BAER EQUITY FUND SPECIAL VALUE may also be invested in fixed-interest or floating-rate securities as well as in convertible and warrant bonds (max. 25% of the assets) issued by issuers from recognised countries. Up to a maximum of 15% of the assets of the JULIUS BAER EQUITY FUND SPECIAL VALUE may be invested in warrants on shares and other equity securities. Purchases of such warrants involve higher risks due to the greater volatility of these investments. In addition, up to max. 10% of the assets of the Subfund may be invested in Exchange Traded Commodities (ETCs) (so-called Delta 1 certificates); provided that the assets are settled in cash and payments in kind are excluded. ETCs are deemed to be suitable investment assets within the meaning of Article 41 (1) of the 2010 Law, in which no derivatives are embedded and where physical delivery of the underlying asset is excluded.

The JULIUS BAER EQUITY FUND SPECIAL VALUE is denominated in EUR. The investments of the JULIUS BAER EQUITY FUND SPECIAL VALUE may be denominated in EUR or other currencies. Foreign currency risks may be fully or partially hedged. A depreciation caused by exchange rate fluctuations cannot be ruled out.

Securities lending to third parties is limited to 50% of the estimated total value of the instruments of the JULIUS BAER EQUITY FUND SPECIAL VALUE, in derogation of the provisions of the General Part relating to the JULIUS BAER EQUITY FUND SPECIAL VALUE. For this Subfund, investments may also be acquired that are issued either by issuers in emerging countries (also known as emerging market countries) and/or are denominated in currencies of emerging market countries, or are linked economically to currencies of emerging market countries. The term "emerging markets" is generally taken to mean the markets of countries that are in the process of developing into modern industrialised countries and thus display a high degree of potential but also involve a greater degree of risk. They include, in particular, the countries included in the S&P Emerging Broad Market Index or the MSCI Emerging Markets Index. **In connection with investments in emerging market countries, please refer to the section "Information regarding investment in emerging market countries".**

Direct investments in the People's Republic of China can be made solely via "China-H" shares, i.e. shares of companies having their registered office in the People's Republic of China, which are listed on the Hong Kong Stock Exchange and denominated in Hong Kong dollars, and which are in accordance with Article 41 (1) of the 2010 Law.

*With regard to the Subfund, derivative financial instruments (derivatives) may be employed on a larger scale for the purpose of efficient portfolio management.*

The range of possible derivatives includes exchange-traded as well as OTC-instruments and in particular call and put-options, futures, forwards, warrants and swaps (including credit default swaps, "CDS") on transferable securities, interest rates and currencies, as well as on other derivative financial instruments and on financial indices. Investments in contracts for difference and total return swaps are not permitted. Investments in financial derivative instruments whose underlying track indices are permitted solely for the purpose of efficient portfolio management. **In connection with investments in derivatives instruments and structured products, please refer to the section "Information regarding investment in derivative instruments and structured products".**

Ancillary liquid assets may amount to up to 20% of the total assets of the Subfund. These ancillary liquid assets are limited to demand deposits, such as cash, held in the Subfund's current bank accounts and available at all times. The 20% limit may only be exceeded temporarily for an absolutely necessary period if circumstances so require due to exceptionally unfavourable market conditions (e.g. wars, terrorist attacks, health crises or other similar events), and if such an excess is justified taking into account the best interests of the investors.

The Subfund may invest in liquid assets for liquidity purposes, i.e. money market instruments and as defined in section 5 of the General Part of this Prospectus as well as in money market funds and overnight deposits.

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

#### 2.4. INVESTMENT OBJECTIVES AND POLICY OF THE JULIUS BAER EQUITY GLOBAL EXCELLENCE EUROPE

The investment objective of the Company in relation to JULIUS BAER EQUITY GLOBAL EXCELLENCE EUROPE is to achieve a maximum of capital growth with a steady return, taking into consideration the principle of risk limitation and the liquidity of the assets. In application of its investment policy, JULIUS BAER EQUITY GLOBAL EXCELLENCE EUROPE promotes environmental or social characteristics but does not pursue the objective of

sustainable investment. JULIUS BAER EQUITY GLOBAL EXCELLENCE EUROPE does not use a benchmark index to achieve the environmental or social characteristics it promotes.

For this purpose, the Company will invest at least two-thirds of the assets of the Subfund in shares and other equity securities and equity rights of companies having their registered office or a major part of their business activities in Europe. This scope also includes shares and other equity securities of real estate companies and listed closed-ended real estate funds and listed real estate investment trusts (REITs). Up to one third of the assets of the JULIUS BAER EQUITY GLOBAL EXCELLENCE EUROPE may also be invested in the following securities: (i) shares and other equity securities of other companies worldwide; (ii) fixed-interest or floating rate securities as well as money market instruments (which have a total expiry period of up to 12 months at the time of issue) of issuers worldwide; (iii) sight deposits and deposits at notice; (iv) structured products on shares and other equity securities (in total less than 10% of the assets); (v) units of other UCITS and/or UCI, including Exchange Traded Funds (up to max. 10% of the assets). Investments in structured products as defined in (iv) and funds as defined in (v), which do not qualify as UCITS in the sense of Directive 2009/65/EC of 13 July 2009 (UCITS IV) or subsequent directives, must cumulatively fall below 10% of assets. In addition, up to max. 10% of the assets of the Subfund may be invested in Exchange Traded Commodities (ETCs) (so-called Delta 1 certificates) and commodity funds; provided that the assets are settled in cash and payments in kind are excluded. ETCs are deemed to be suitable investment assets within the meaning of Article 41 (1) of the 2010 Law, in which no derivatives are embedded and where physical delivery of the underlying asset is excluded.

Ancillary liquid assets may amount to up to 20% of the total assets of the Subfund. These ancillary liquid assets are limited to demand deposits, such as cash, held in the Subfund's current bank accounts and available at all times. The 20% limit may only be exceeded temporarily for an absolutely necessary period if circumstances so require due to exceptionally unfavourable market conditions (e.g. wars, terrorist attacks, health crises or other similar events), and if such an excess is justified taking into account the best interests of the investors.

The Subfund may invest in liquid assets for liquidity purposes, i.e. money market instruments and as defined in section 5 of the General Part of this Prospectus as well as in money market funds and overnight deposits.

#### **PROMOTING ENVIRONMENTAL AND SOCIAL CHARACTERISTICS THROUGH JULIUS BAER EQUITY GLOBAL EXCELLENCE EUROPE**

JULIUS BAER EQUITY GLOBAL EXCELLENCE EUROPE promotes environmental and social characteristics by investing a substantial portion of the portfolio in companies with sound environmental, social and governance ("ESG") quality and good corporate governance. Both internal and external information, such as ESG ratings, scores or analyst reports, which may be qualitative or quantitative in nature, are used to assess the ESG quality of companies. Depending on the availability of data, approximately ten different indicators are used to assess the ESG quality of a company, with the number and type of indicators being continuously expanded and developed.

**In addition, further information in relation to the environmental and social characteristics promoted by the JULIUS BAER EQUITY GLOBAL EXCELLENCE EUROPE is set out in the Annex to this Special Part A.**

#### **ESG INTEGRATION STRATEGY OF JULIUS BAER EQUITY GLOBAL EXCELLENCE EUROPE**

JULIUS BAER EQUITY GLOBAL EXCELLENCE EUROPE pursues an ESG integration strategy that combines ESG factors with traditional financial analysis. The strategy examines companies' management of potentially costly ESG risks or the realisation of opportunities arising from key ESG issues and trends. The factors used to determine companies' management of ESG risks or realisation of opportunities related to ESG issues and trends can be both qualitative and quantitative in nature and come from a variety of internal and external sources. The ESG quality of a current or potential investment is assessed on the basis of these ESG factors, which may vary according to strategy, style, geographic focus, sector, company size and other factors. Various internal thresholds may be applied both in terms of the availability of ESG information and the level of ESG quality required to ensure a sound ESG quality of the investments selected for the Subfund's portfolio.

The objective of these thresholds is to provide an indicator of the desired overall level of environmental or social characteristics of the portfolio targeted by the Subfund. The ESG integration strategy is self-regulatory and will be continuously refined taking into account changing market standards, regulatory changes and the availability and quality of ESG data/information.

The Investment Manager continuously monitors the integration of ESG factors as part of the selection and portfolio construction process. Where discrepancies or conflicting views exist in the various ESG information sources, the relevant Investment Committee of the Investment Manager may, on a case-by-case basis, make judgements as to

the fulfilment of certain minimum ESG quality requirements of a company to be invested in. During portfolio construction, the mandatory elements will be used to exclude investments with a lack of ESG quality. Furthermore, additional indicators to measure ESG quality are used to complement the financial analysis.

#### **EXCLUSION CRITERIA OF THE JULIUS BAER EQUITY GLOBAL EXCELLENCE EUROPE**

To ensure a minimum ESG quality of the environmental or social characteristics promoted by the JULIUS BAER EQUITY GLOBAL EXCELLENCE EUROPE, certain indicators are used as mandatory elements of the investment strategy. These mandatory indicators are as follows:

- **EXCLUSION CRITERIA:** The Investment Manager will use the following mandatory exclusion criteria: (1) violations of the United Nations Global Compact Principles, which are verified in the respective databases used by the Investment Manager; and (2) no investments are made in companies whose business activities involve controversial weapons (anti-personnel mines, cluster munitions, chemical and biological weapons). Violations that have been registered and are likely to continue or have not been remedied by the invested company, or business activities involving controversial weapons that have been uncovered, will result in the exclusion of the company from the potential investment universe and the subsequent sale of existing investments in due course in the market.

The Investment Manager also assesses the governance practices of potential and existing investee companies, including the assessment of a sound management structure. In particular, it actively reviews the entire investment universe and uses various sources of information to assist its research analysts and portfolio managers in identifying material financial ESG risks in the investment process.

Corporate governance of invested companies is managed through risk mitigation, excluding companies with poor governance, e.g. companies that exhibit unethical behaviour, bribery or corruption.

This financial product promotes environmental characteristics. Therefore, in accordance with Article 6 of Regulation (EU) 2020/852 (the "**Taxonomy Regulation**"), it is necessary to indicate that the principle of "avoidance of significant detriment" applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities and that the investments underlying the remaining part of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

However, it should be noted that, notwithstanding the above, this financial product does not take into account the EU criteria for environmentally sustainable economic activities as defined in the Taxonomy Regulation and the adjustment of the portfolio to the Taxonomy Regulation is not calculated. Therefore, the principle of "avoidance of significant adverse impacts" does not apply to any of the investments of this financial product.

JULIUS BAER EQUITY GLOBAL EXCELLENCE EUROPE is denominated in EUR. The investments may be denominated in the reference currency EUR or may also be made in other currencies. Foreign currency risks may be fully or partially hedged. A depreciation caused by exchange rate fluctuations cannot be ruled out.

The Subfund's aggregated risk exposure inherent to the use of derivative instruments amounts to a maximum of 200%.

With regard to the Subfund, derivative financial instruments (derivatives) may be employed on a larger scale for the purpose of hedging and efficient portfolio management as well as for active investment and active currency allocation. The range of possible derivatives includes exchange traded as well as OTC instruments and, in particular, call and put-options, futures, forwards, warrants, contracts for difference and swaps (including credit default swaps, "CDS") on transferable securities, interest and currencies as well as on other derivative financial instruments and on financial indices.

For this Subfund, investments may also be acquired that are issued either by issuers in emerging countries (also known as emerging market countries) and/or are denominated in currencies of emerging market countries, or are linked economically to currencies of emerging market countries. The term "emerging markets" is generally taken to mean the markets of countries that are in the process of developing into modern industrialised countries and thus display a high degree of potential but also involve a greater degree of risk. They include, in particular, the countries included in the S&P Emerging Broad Market Index or the MSCI Emerging Markets Index. **In connection with investments in emerging market countries, please refer to the section "Information regarding investment in emerging market countries".**

Direct investments in the People's Republic of China can be made solely via "China-H" shares, i.e. shares of companies having their registered office in the People's Republic of China, which are listed on the Hong Kong Stock Exchange and denominated in Hong Kong dollars, and which are in accordance with Article 41 (1) of the 2010 Law.

**In connection with investments in derivatives instruments and structured products, please refer to the section "Information regarding investment in derivative instruments and structured products".**

The Subfund is linked to the reference index MSCI Europe TR Net local, which represents the European equity market. JULIUS BAER EQUITY GLOBAL EXCELLENCE EUROPE is actively managed and aims to outperform the reference index over the long-term. The majority of the Subfund's securities will normally be included in the reference index. The Investment Manager may, at its discretion and in accordance with the Prospectus, also invest in securities not included in the reference index in order to take advantage of specific investment opportunities. The deviation of the Subfund's portfolio from the reference index may be significant both in terms of the selection and weighting of the Subfund's investments.

## 2.5. INVESTMENT OBJECTIVES AND POLICY OF THE JULIUS BAER FIXED INCOME EMERGING MARKETS CORPORATE

The investment objective of the Company in relation to JULIUS BAER FIXED INCOME EMERGING MARKETS CORPORATE is to achieve a maximum of capital growth with a steady return, taking into consideration the principle of risk limitation and the liquidity of the assets.

For this purpose, the Company will invest at least two-thirds of the assets of the Subfund in fixed-interest and floating-rate securities, debt securities and claims as well as other fixed-interest investments (including convertible and warrant bonds, inflation-linked bonds, emerging market bonds, high-yield bonds, CoCo bonds, hybrid bonds as well as asset backed securities [ABS] and mortgage backed securities [MBS]) issued or guaranteed by issuers having their registered office or the major part of their business activities in emerging market countries. The investments are denominated in the currencies of the emerging countries, with at least 70% denominated in USD.

At least 50% of the investments have a rating of at least BBB- ("Investment Grade") from Standard & Poor's or Moody's, or the equivalent of another recognised rating agency such as Fitch. Investments in ABS and MBS together amount up to a maximum of 20% of the Subfund's assets. Furthermore, investments in CoCo bonds and hybrid bonds in total are limited to a maximum of 20% of the Subfund's assets. **In connection with investments in asset and mortgage-backed securities and in CoCo bonds, please refer respectively to the sections "Information on ABS and MBS" and "Information on CoCo bonds".**

Up to one third of the assets of the Subfund in question may also be invested in the following securities: (i) fixed-interest or floating rate securities and money market instruments (which have a total expiry period of up to 12 months at the time of issue) of issuers worldwide; (ii) sight deposits and deposits at notice; (iii) structured products on fixed-interest or floating rate securities and similar investments (in total less than 10% of the assets); (iv) units of other UCITS and/or UCI, including Exchange Traded Funds (in total less than 10% of the assets). Investments in structured products as defined in (iii) and funds as defined in (iv), which do not qualify as UCITS in the sense of Directive 2009/65/EC of 13 July 2009 (UCITS IV) or subsequent directives, must cumulatively fall below 10% of assets.

Ancillary liquid assets may amount to up to 20% of the total assets of the Subfund. These ancillary liquid assets are limited to demand deposits, such as cash, held in the Subfund's current bank accounts and available at all times. The 20% limit may only be exceeded temporarily for an absolutely necessary period if circumstances so require due to exceptionally unfavourable market conditions (e.g. wars, terrorist attacks, health crises or other similar events), and if such an excess is justified taking into account the best interests of the investors.

The Subfund may invest in liquid assets for liquidity purposes, i.e. money market instruments and as defined in section 5 of the General Part of this Prospectus as well as in money market funds and overnight deposits.

In addition, the Subfund may invest up to a maximum of 10% of its assets in shares, stock rights, option rights and other equity securities, other capital shares and participation certificates acquired through the exercise of conversion and subscription rights or options. Shares acquired by exercise or subscription must be sold no later than 12 months after acquisition.

JULIUS BAER FIXED INCOME EMERGING MARKETS CORPORATE is denominated in USD. The investments may be denominated in the reference currency USD or may also be made in other currencies. Foreign currency risks may be fully or partially hedged. A depreciation caused by exchange rate fluctuations cannot be ruled out.

With regard to the Subfund, derivative financial instruments (derivatives) may be employed on a larger scale for the purpose of hedging and efficient portfolio management as well as for active investment and active currency allocation. The range of possible derivatives includes exchange traded as well as OTC instruments and, in particular, call and put-options, futures, forwards, warrants, contracts for difference and swaps (including credit default swaps, "CDS") on transferable securities, interest and currencies as well as on other derivative financial instruments and on financial indices. **In connection with investments in derivatives instruments and structured products, please refer to the section "Information regarding investment in derivative instruments and structured products".**

The Subfund's aggregated risk exposure inherent to the use of derivative instruments amounts to a maximum of 200%.

For this Subfund, investments may be acquired that are issued either by issuers in emerging countries (also known as emerging market countries) and/or are denominated in currencies of emerging market countries or are linked economically to currencies of emerging countries. The term "emerging markets" is generally taken to mean the markets of countries that are in the process of developing into modern industrialised countries and thus display a high degree of potential but also involve a greater degree of risk. In particular, these include the countries included in the ICE BofAML Emerging Markets Corporate Plus Index (EMCB) or JPM CEMBI Broad Diversified Index (JBDCOMP). **In connection with investments in emerging market countries, please refer to the section "Information regarding investment in emerging market countries".**

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

## 2.6. INVESTMENT OBJECTIVES AND POLICY OF THE JULIUS BAER FIXED INCOME INVESTMENT GRADE CORPORATE (USD)

The investment objective of the Company in relation to JULIUS BAER FIXED INCOME INVESTMENT GRADE CORPORATE (USD) is to achieve a maximum of return with limited risk, taking into consideration the liquidity of the assets.

For this purpose, the Company will invest at least two-thirds of the assets of the Subfund in fixed-interest and floating-rate securities, debt securities and claims as well as other fixed-interest investments (including convertible and warrant bonds, inflation-linked bonds, high-yield bonds as well as CoCo bonds, hybrid bonds, asset backed securities [ABS] and mortgage backed securities [MBS]) issued or guaranteed by issuers from developed countries. At least two thirds of the investments have a rating of at least BBB- ("Investment Grade") of the rating agency Standard & Poor's or the equivalent of another recognised rating agency such as Moody's or Fitch. Investments in ABS and MBS together amount up to a maximum of 20% of the Subfund's assets. Furthermore, investments in CoCo bonds and hybrid bonds in total are limited to a maximum of 20% of the Subfund's assets. **In connection with investments in Asset and Mortgage-Backed Securities and in Coco bonds, please refer respectively to the sections "Information regarding investments in ABS and MBS" and "Information on CoCo bonds".**

Up to one third of the assets of the Subfund may also be invested in the following securities:

(i) fixed-interest or floating rate securities as well as money market instruments (which have a total expiry period of up to 12 months at the time of issue), issued by issuers worldwide; (ii) sight deposits and deposits at notice; (iii) structured products on shares and other equity securities or similar investments (up to max. 10% of the assets); (iv) units of other UCITS and/or UCI, including Exchange Traded Funds (up to max. 10% of the assets). Investments in structured products as defined in (iii) and funds as defined in (iv), which do not qualify as UCITS in the sense of Directive 2009/65/EC of 13 July 2009 (UCITS IV) or subsequent directives, must cumulatively fall below 10% of assets.

Ancillary liquid assets may amount to up to 20% of the total assets of the Subfund. These ancillary liquid assets are limited to demand deposits, such as cash, held in the Subfund's current bank accounts and available at all times. The 20% limit may only be exceeded temporarily for an absolutely necessary period if circumstances so require due to exceptionally unfavourable market conditions (e.g. wars, terrorist attacks, health crises or other similar events), and if such an excess is justified taking into account the best interests of the investors.

The Subfund may invest in liquid assets for liquidity purposes, i.e. money market instruments and as defined in section 5 of the General Part of this Prospectus as well as in money market funds and overnight deposits.

In addition, the Subfund may invest up to a maximum of 10% of its assets in equity securities, equity rights and warrants, as well as shares, other capital shares and profit participation certificates acquired through the exercise



of conversion and subscription rights or options. The equity securities acquired by exercise or subscription must be sold no later than 12 months after acquisition. For this Subfund, investments of up to one third of the Subfund's assets may also be acquired, which are issued either by issuers in emerging countries (also known as emerging market countries) and/or are denominated in currencies of emerging market countries, or are linked economically to currencies of emerging market countries. The term "emerging markets" is generally taken to mean the markets of countries that are in the process of developing into modern industrialised countries and thus display a high degree of potential but also involve a greater degree of risk. In particular, these include the countries included in the ICE BofAML Emerging Markets Corporate Plus Index (EMCB) or JPM CEMBI Broad Diversified Index (JBCDCOMP). **In connection with investments in emerging market countries, please refer to the section "Information regarding investment in emerging market countries".**

With regard to the Subfund, derivative financial instruments (derivatives) may be employed on a larger scale for the purpose of hedging and efficient portfolio management as well as for active investment and active currency allocation. The range of possible derivatives includes exchange traded as well as OTC instruments and, in particular, call and put-options, futures, forwards, warrants, contracts for difference and swaps (including credit default swaps, "CDS") on transferable securities, interest and currencies as well as on other derivative financial instruments and on financial indices. **In connection with investments in derivatives instruments and structured products, please refer to the section "Information regarding investment in derivative instruments and structured products".**

The Subfund's aggregated risk exposure inherent to the use of derivative instruments amounts to a maximum of 200%.

JULIUS BAER FIXED INCOME INVESTMENT GRADE CORPORATE (USD) is denominated in USD. The investments may be denominated in the reference currency USD or may also be made in other currencies. Foreign currency risks may be fully or partially hedged. A depreciation caused by exchange rate fluctuations cannot be ruled out.

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

## 2.7. INVESTMENT OBJECTIVES AND POLICY OF THE JULIUS BAER FIXED INCOME GLOBAL QUALITY HIGH YIELD

The investment objective of the Company in relation to JULIUS BAER FIXED INCOME GLOBAL QUALITY HIGH YIELD is to achieve a high steady return while taking into consideration the preservation of the capital.

For this purpose, the Company will invest at least two thirds of the assets of the Subfund in the following assets:

- i. Direct investment in fixed-interest or floating-rate securities, debt securities and claims as well as other fixed-interest investments (including convertible and warrant bonds, as well as CoCo bonds and hybrid bonds, inflation-linked bonds, emerging market bonds, as well as asset backed securities (ABS) and mortgage backed securities (MBS) issued or guaranteed by issuers worldwide and which have been classed as under BBB- by a recognised rating agency such as Standard & Poor's, Moody's or Fitch;  
At least 51% of the investments must have a rating of BB- or higher from at least one of the recognised rating agencies, such as Standard & Poor's, Moody's or Fitch.

In addition, the Company may invest the assets of the Subfund in the following assets:

- ii. Investments referred to in (i), which have no official rating by a recognised rating agency such as Standard & Poor's, Moody's or Fitch (max. 30% of the assets of the Subfund);
- iii. Money market instruments (certificates of deposits, treasury bills, commercial papers, bankers' acceptances or similar) from issuers worldwide;
- iv. Up to a maximum of 10% of the Subfund's assets in equity securities, equity rights and warrants, as well as shares, other equity interests and participation certificates acquired through the exercise of conversion and subscription rights or options. The equity securities acquired by exercise or subscription must be sold no later than 12 months after acquisition.

- v. Structured products on fixed-interest or floating rate securities and similar investments (in total less than 10% of the assets of the Subfund);
- vi. Units of other UCITS and/or UCI, including Exchange Traded Funds (in total less than 10% of the assets);
- vii. Derivatives on fixed or floating rate securities, interest rates and currencies as well as other derivative financial instruments and on financial indices;
- viii. Sight deposits and deposits at notice (up to max. 49% of the assets of the Subfund).

Investments in structured products as defined in (v) and funds as defined in (vi), which do not qualify as UCITS in the sense of Directive 2009/65/EC of 13 July 2009 (UCITS IV) or subsequent directives, must cumulatively fall below 10% of assets. In addition, following limits apply: convertible and warrant bonds together to a max. of 10%, CoCo bonds and hybrid bonds together to a max. of 20%, as well as ABS and MBS together to a max. of 10% of the assets of the Subfund.

Ancillary liquid assets may amount to up to 20% of the total assets of the Subfund. These ancillary liquid assets are limited to demand deposits, such as cash, held in the Subfund's current bank accounts and available at all times. The 20% limit may only be exceeded temporarily for an absolutely necessary period if circumstances so require due to exceptionally unfavourable market conditions (e.g. wars, terrorist attacks, health crises or other similar events), and if such an excess is justified taking into account the best interests of the investors.

The Subfund may invest in liquid assets for liquidity purposes, i.e. money market instruments and as defined in section 5 of the General Part of this Prospectus as well as in money market funds and overnight deposits.

JULIUS BAER FIXED INCOME GLOBAL QUALITY HIGH YIELD is denominated in USD. The investments may be denominated in the reference currency USD or may also be made in other currencies, whereas the return of the fund is measured in USD. Foreign currency risks may be fully or partially hedged. A depreciation caused by exchange rate fluctuations cannot be ruled out.

The Subfund's aggregated risk exposure inherent to the use of derivative instruments amounts to a maximum of 200%.

With regard to the Subfund, derivative financial instruments (derivatives) may be employed on a larger scale for the purpose of hedging and efficient portfolio management as well as for active investment and active currency allocation. The range of possible derivatives includes exchange traded as well as OTC instruments and, in particular, call and put-options, futures, forwards, warrants, contracts for difference and swaps (including credit default swaps, "CDS") on transferable securities, interest and currencies as well as on other derivative financial instruments and on financial indices. The buying and selling of interest rate futures and credit derivatives (especially those on indexes) without respective underlying assets are permitted.

For this Subfund, investments may also be acquired that are issued either by issuers in emerging countries (also known as emerging market countries) and/or are linked to currencies of emerging market countries. The term "emerging markets" is generally taken to mean the markets of countries that are in the process of developing into modern industrialised countries and thus display a high degree of potential but also involve a greater degree of risk. In particular, these include the countries included in the ICE BofAML Emerging Markets Corporate Plus Index (EMCB) or JPM CEMBI Broad Diversified Index (JBCDCOMP). **In connection with investments in emerging market countries, please refer to the section "Information regarding investment in emerging market countries".**

**In connection with investments in derivatives instruments and structured products, please refer to the section "Information regarding investment in derivative instruments and structured products".**

**In connection with investments in Asset and Mortgage-Backed Securities, in Emerging Market Countries and in CoCo bonds, please refer respectively to the sections "Information regarding investments in ABS and MBS", "Information regarding investment in emerging market countries" and "Information on CoCo bonds".**

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

## 2.8. INVESTMENT OBJECTIVES AND POLICY OF THE JULIUS BAER MULTI-MANAGER FIXED INCOME UNCONSTRAINED

The investment objective of the Company in relation to Multicooperation SICAV — JULIUS BAER MULTI-MANAGER FIXED INCOME UNCONSTRAINED ("JULIUS BAER MULTI-MANAGER FIXED INCOME UNCONSTRAINED") is to achieve a maximum of return with limited risk.

For this purpose, the Subfund mainly invests in units of other UCITS and/or other UCI, including Exchange Traded Funds (ETF) (together: "target funds") investing their assets in accordance with their investment policy, primarily in fixed-interest and floating-rate securities (i.e. government or corporate bonds), convertible bonds and convertible preferred shares, index-linked securities, derivatives (including credit derivatives, interest derivatives and currency derivative contracts), cash and money market instruments from all over the world. In addition, the target funds may also invest in Coco bonds and hybrid bonds, inflation-linked bonds, high-yield bonds, emerging markets bonds, asset backed securities (ABS) and mortgage-backed securities (MBS), or debt securities and claims issued or guaranteed by issuers worldwide. **In connection with investments in asset and mortgage-backed securities, in high yield bonds and in Coco bonds, please refer respectively to the sections "Information regarding investments in ABS and MBS", "Information on high-yield bonds" and "Information on CoCo bonds".**

In addition, the Subfund may invest up to a total of 10% of its assets in listed units of investment companies, holding companies or closed-end UCIs or open-ended UCITS or UCIs that invest predominantly in so-called catastrophe bonds and other insurance-linked securities.

Investments in target funds amount to at least 70% of the assets of the Subfund in UCITS within the meaning of the Directives 85/611/EEC (as amended) and 2009/65/EC. Investments in other UCI can be made only within the meaning and subject to the restrictions of section 5 of the General Part. In addition, the Subfund may invest directly in fixed-interest and floating-rate securities (i.e. government or corporate bonds), convertible bonds and convertible preferred shares, index-linked securities, cash and money market instruments or other instruments, investing primarily in the types of assets or strategies mentioned above.

By way of derogation from the provisions of the General Part, up to 100% of the assets of the Subfund may be invested in target funds. In connection with investments in target funds, please refer to the section "Information on investments in fund-of-funds structures".

Ancillary liquid assets may amount to up to 20% of the total assets of the Subfund. These ancillary liquid assets are limited to demand deposits, such as cash, held in the Subfund's current bank accounts and available at all times. The 20% limit may only be exceeded temporarily for an absolutely necessary period if circumstances so require due to exceptionally unfavourable market conditions (e.g. wars, terrorist attacks, health crises or other similar events), and if such an excess is justified taking into account the best interests of the investors.

The Subfund may invest in liquid assets for liquidity purposes, i.e. money market instruments and as defined in section 5 of the General Part of this Prospectus as well as in money market funds and overnight deposits.

Derivative financial instruments (derivatives) may also be employed on a larger scale in the Subfund and/or indirectly via the target funds, both for the purpose of hedging and efficient portfolio management, as well as for active investment and active currency allocation. The range of possible derivatives includes exchange traded as well as OTC instruments and, in particular, call and put-options, futures, forwards, warrants, contracts for difference and swaps (including credit default swaps, "CDS") on transferable securities, interest and currencies as well as on other derivative financial instruments and on financial indices. **In connection with investments in derivative instruments, please refer to the section "Information regarding investment in derivative instruments and structured products".**

For this Subfund, investments may also be acquired directly or indirectly via the target funds that are issued either by issuers in emerging countries (also known as emerging market countries) and/or are denominated in currencies of emerging market countries, or are linked economically to currencies of emerging market countries. The term "emerging markets" is generally taken to mean the markets of countries that are in the process of developing into modern industrialised countries and thus display a high degree of potential but also involve a greater degree of risk. In particular, these include the countries included in the ICE BofAML Emerging Markets Corporate Plus Index (EMCB) or JPM CEMBI Broad Diversified Index (JBCDCOMP). **In connection with investments in emerging market countries, please refer to the section "Information regarding investment in emerging market countries" below.**

JULIUS BAER MULTI-MANAGER FIXED INCOME UNCONSTRAINED is denominated in USD. The investments may be denominated in USD or may also be made in other currencies. Foreign currency risks may be fully or partially hedged against the USD. A depreciation caused by exchange rate fluctuations cannot be ruled out.

The Subfund may invest indirectly in so-called catastrophe bonds. Catastrophe bonds are typically floating rate debt securities that transfer the risk of financial loss from catastrophic events from insurance companies, reinsurance companies, corporations, governments etc. to the capital markets. The repayment of principal and periodic interest payments ("unit certificates") on catastrophe bonds depends on the non-occurrence of a predefined triggering event ("trigger events").

Catastrophe bonds may cover different geographical areas (e.g. global, multinational, national and/or regional exposures), different transaction types and trigger events, including but not limited to natural catastrophes (e.g. earthquakes, hurricanes, wildfires, tornadoes, cyclones, blizzards, storms, hail, droughts, sinkholes, volcanic eruptions, tsunamis and/or floods etc.), man-made catastrophes (risks related to aviation, shipping, energy, technology, agriculture, satellites, fires, politics, terrorism, explosions etc.) and life, accident and health events (e.g. disability, longevity, mortality etc.). Investments in catastrophe bonds with trigger events related to natural catastrophes will typically represent the majority of the Subfunds' investments within catastrophe assets. **In connection with investments in catastrophe bonds, please refer to the section "Information regarding investment in catastrophe bonds".**

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

## 2.9. INVESTMENT OBJECTIVES AND POLICY OF THE JULIUS BAER EQUITY NEXT GENERATION

The investment objective of the Company in relation to the Multicooperation SICAV — JULIUS BAER EQUITY NEXT GENERATION ("JULIUS BAER EQUITY NEXT GENERATION") is to achieve a long-term capital growth by investing in global companies and sectors in structural growth areas resulting from changes in consumer spending and investment. This will provide the investor with direct or indirect access to certain key investment themes, such as the growing economies and middle classes in Asia, digital transformation and technological innovation, the energy transition, more sustainable food production as well as global demographic developments and lifestyle changes.

For this purpose, the Company invests at least two thirds of the assets of the Subfund in shares and other equity securities and equity rights of companies worldwide, which, in the opinion of the Company, can best benefit from these key investment themes.

The Subfund may also invest up to a total of one third of the assets in the following securities: (i) fixed-interest or floating-rate securities as well as money market instruments (which have a total expiry period of up to 12 months at the time of issue) of issuers worldwide; (ii) sight deposits and deposits at notice (iii) structured products on shares and other equity securities and equity rights (in total less than 10% of the assets); (iv) units of other UCITS and/or UCI, including Exchange Traded Funds (in total less than 10% of the assets). Investments in structured products as defined in point (iii) and funds, as defined in point (iv), which do not qualify as UCITS in the sense of Directive 2009/65/EC of 13 July 2009 (UCITS IV) or subsequent directives, must cumulatively fall below 10% of assets. In addition, up to max. 10% of the assets of the Subfund may be invested in Exchange Traded Commodities (ETCs) (so-called Delta 1 certificates); provided that the assets are settled in cash and payments in kind are excluded. ETCs are deemed to be suitable investment assets within the meaning of Article 41 (1) of the 2010 Law, in which no derivatives are embedded and where physical delivery of the underlying asset is excluded.

Ancillary liquid assets may amount to up to 20% of the total assets of the Subfund. These ancillary liquid assets are limited to demand deposits, such as cash, held in the Subfund's current bank accounts and available at all times. The 20% limit may only be exceeded temporarily for an absolutely necessary period if circumstances so require due to exceptionally unfavourable market conditions (e.g. wars, terrorist attacks, health crises or other similar events), and if such an excess is justified taking into account the best interests of the investors.

The Subfund may invest in liquid assets for liquidity purposes, i.e. money market instruments and as defined in section 5 of the General Part of this Prospectus as well as in money market funds and overnight deposits.

Direct investments in China are made in what are referred to as "China A", "China B", "China H" Shares or shares of Chinese companies that are quoted on another foreign exchange outside the People's Republic of China (PRC).

"China A" and "China B" Shares are securities quoted on the stock exchanges of Shanghai and/or Shenzhen. "China A" Shares are denominated in Renminbi and can be bought through the Shanghai Hong Kong Stock Connect Programme or Shenzhen-Hong Kong Stock Connect Programme. Investments in "China A" Shares comply with the conditions imposed by Article 41 paragraph 1 of the 2010 Law. The Subfund may invest a maximum of 10% of its assets in "China A" Shares. "China B" Shares are quoted on the stock exchanges of Shanghai or Shenzhen and represent equity of companies traded in foreign currency. The face value of "China B" Shares is determined in Renminbi. In Shanghai, "China B" Shares are traded in US dollars and in Shenzhen, in Hong Kong dollars. "China H" Shares are Shares of companies which have their registered office in the PRC, are listed on the Hong Kong Stock Exchange and are denominated in Hong Kong dollars.

Investments in China may also be made indirectly by purchasing share-based products, in particular ADRs (American depositary receipts) and GDRs (global depositary receipts), which comply with the provisions of Article 41 of the 2010 Law and in which no derivatives are embedded or Exchange Traded Funds (ETFs) and other investment funds.

**Furthermore, investors should be aware of the increased risk associated with investments in "China A" Shares, which is described in section 3.6 "Risks associated with investments in the People's Republic of China".**

*With regard to the Subfund, derivative financial instruments (derivatives) may be employed on a larger scale for the purpose of efficient portfolio management.*

The range of possible derivatives includes exchange traded as well as OTC-instruments and in particular call and put-options, futures, forwards, warrants and swaps (including credit default swaps, "CDS") on transferable securities, interest and currencies, as well as on other derivative financial instruments and on financial indices. Investments in contracts for difference and total return swaps are not permitted. Investments in financial derivative instruments whose underlying track indices are permitted solely for the purpose of efficient portfolio management. The Subfund's aggregated risk exposure inherent to the use of derivative instruments amounts to a maximum of 200%. **In connection with investments in derivative instruments, please refer to the section "Information regarding investment in derivative instruments and structured products".**

For this Subfund, investments may also be acquired that are issued either by issuers in emerging countries (also known as emerging market countries) and/or are denominated in currencies of emerging market countries, or are linked economically to currencies of emerging market countries. The term "emerging markets" is generally taken to mean the markets of countries that are in the process of developing into modern industrialised countries and thus display a high degree of potential but also involve a greater degree of risk. They include, in particular, the countries included in the S&P Emerging Broad Market Index or the MSCI Emerging Markets Index. **In connection with investments in emerging market countries, please refer to the section "Information regarding investment in emerging market countries" below.**

Securities lending to third parties is limited to 50% of the estimated total value of the instruments of the JULIUS BAER EQUITY NEXT GENERATION, in derogation of the provisions of the General Part relating to the JULIUS BAER EQUITY NEXT GENERATION.

The JULIUS BAER EQUITY NEXT GENERATION is denominated in USD. The investments may be denominated in USD or may also be made in other currencies. Foreign currency risks may be fully or partially hedged against the USD. A depreciation caused by exchange rate fluctuations cannot be ruled out.

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

## **2.13. FURTHER INVESTMENT RESTRICTIONS/INVESTMENT CONDITIONS FOR THE BJB-FUNDS**

- a) Unless stated otherwise in the respective investment policy, overall a maximum of 10% of the assets of each Subfund can be invested in other assets as mentioned under section 5.1. of the General Part of the Prospectus.
- b) Notwithstanding any provisions to the contrary in the Prospectus and the investment objectives and policies set out above, the Subfunds JULIUS BAER GLOBAL EXCELLENCE EQUITY, JULIUS BAER EQUITY SPECIAL VALUE, JULIUS BAER EQUITY GLOBAL EXCELLENCE EUROPE, JULIUS BAER GLOBAL EXCELLENCE NORTH AMERICA and JULIUS BAER EQUITY NEXT GENERATION invest continually in agreement with its respective investment policy, for as long as required, at least 51% of its net assets in shares

that qualify as equity funds within the meaning of the German Investment Tax Act 2018 ("GITA", as amended). The actual capital participation ratios (within the meaning of the GITA) of target investment funds can be taken into account.

### 3. RISK INFORMATION

**The Company makes every effort to achieve the Company's investment objectives for the Subfunds. However, no guarantee can be given that the investment objectives will actually be achieved. As a result, the net asset value of the shares may become greater or smaller, and different levels of positive as well as negative income may be earned.**

#### 3.1. INFORMATION REGARDING INVESTMENT IN EMERGING MARKET COUNTRIES

**The attention of potential investors in BJB-FUNDS is drawn to the fact that investments in emerging market countries involve increased risk.** In particular, the investments are subject to the following risks:

- a) trading volumes in relation to the securities may be low or absent on the securities market involved, which can lead to liquidity problems and serious price fluctuations;
- b) uncertainties surrounding political, economic and social circumstances, with the associated dangers of expropriation or seizure, the risk of unusually high inflation rates, prohibitive tax measures and other negative developments;
- c) potentially serious fluctuations in the foreign exchange rate, different legal frameworks, existing or potential foreign exchange export restrictions, customs or other restrictions, and any laws and other restrictions applicable to investments;
- d) political or other circumstances that restrict the investment opportunities of the Subfund, for example, restrictions with regard to issuers or industries deemed sensitive to relevant national interests;
- e) the absence of sufficiently developed legal structures governing private or foreign investments and the risk of potentially inadequate safeguards with respect to private ownership;
- f) the standards applied by supervisory authorities may not be comparable to those in developed markets;
- g) inflation and rapid fluctuations in inflation rates have had, and may continue to have, a negative impact on the economies and securities markets of some emerging and developing countries; and
- h) there is also a risk that competing demands may arise in relation to securities held by or to be transferred to the Subfund and that no compensation programmes exist or that existing compensation programmes are limited or insufficient to satisfy the Subfund's demands in any such case

Foreign exchange export restrictions and other related regulations in these countries may also lead to the delayed repatriation of all or some of the investments or may prevent them from being repatriated in full or in part, with the result that there may be a delay in the payment of the redemption price.

#### 3.2. INFORMATION REGARDING INVESTMENT IN DERIVATIVE INSTRUMENTS AND STRUCTURED PRODUCTS

The BJB-FUNDS may make considerable use of derivative instruments and other special investment techniques and financial instruments, in particular swaps, certificates and structured products. Consequently, in addition to the risk characteristics of securities, the risk characteristics of derivatives and other investment techniques and instruments must be taken into account. In general, they are exposed to the risks of the markets or instruments underlying them and therefore frequently involve greater risks than direct investments in securities. Potential risks of such instruments may, for example, arise from the complexity, non-linearity, high volatilities, low liquidity, restricted ability to be valued, risk of a loss of returns or even a total loss of the invested capital, or from the counterparty risk.

If a derivative is embedded in a security, this must also be taken into account when applying the investment restrictions and for risk monitoring.

In addition to the general risks, derivatives and structured products on commodity indices and/or commodity sub-indices and/or individual commodities involve an additional risk potential. These risks consist, in particular, of political, military, economic (e.g. supply and demand) and natural (e.g. weather or environmental disasters) influences as well as terrorist or criminal activities, which may, inter alia, impair the production of or trade in commodities, or which may adversely affect the availability or the price of the commodity concerned.

In addition to general risks, derivatives and structured products based on hedge funds and/or hedge fund indices involve an additional risk potential. Hedge funds are investment funds that employ alternative investment strategies and are subject to no or only minimal statutory or other restrictions. Depending on the respective hedge fund strategy, a reinforcement of the general market trend or a distinctly contrary market trend may occur, with significant upwards and downwards fluctuations.

### 3.3. INFORMATION ON CoCo BONDS

CoCo bonds, also referred to as "CoCos" are contingent convertible bonds. They qualify as securities with a hybrid character as far as they are issued in the form of bonds, which may lose their nominal value (i.e. be written down) or, following a particular trigger event, be transformed in equity. The trigger event will notably materialise when the prudential ratio (the "Tier One") of the issuing bank falls under a certain threshold or upon a decision of the competent supervisory authority. In such a case, the CoCo bonds initially issued under the form of a bond will automatically be converted into equity without the holder of the CoCo bond first being consulted. Investment in CoCo bonds may entail the following risks (non-exhaustive list):

- **Liquidity risks:** In certain circumstances, finding a ready buyer for CoCo bonds may be difficult and the seller may have to accept a significant discount to the expected value of the CoCo bond in order to sell it.
- **Capital structure inversion risk:** Contrary to traditional capital hierarchies, investors in CoCo bonds may suffer a complete loss of capital when equity holders do not.
- **Trigger level risk:** Trigger levels determine exposure to conversion risk depending on the distance of the capital ratio to the trigger level. It might be difficult for the portfolio manager of a Subfund to anticipate the triggering events that would require the debt to convert into equity.
- **Conversion risk:** It might be difficult for the portfolio manager of the Subfund to assess how the securities will behave upon conversion. In case of conversion into equity, the portfolio manager might be forced to sell these new equity shares because the investment policy of the Subfund does not allow equity in its portfolio. This forced sale may itself lead to liquidity risks for these shares.
- **Coupon cancellation:** For some CoCo bonds, coupon payments are entirely discretionary and may be cancelled by the issuer at any point, for any reason and for any length of time.
- **Call extension risk:** Some CoCo bonds are issued as perpetual instruments, callable at pre-determined levels only with the approval of the competent authority.
- **Sector concentration risk:** CoCo bonds are issued by banking/insurance institutions. If a Subfund invests significantly in CoCo bonds, its performance will depend to a greater extent on the overall condition of the financial services industry than a Subfund following a more diversified strategy.
- **Unknown risks:** The structure of CoCo bonds is innovative and yet untested.

A detailed analysis of the risks inherent in CoCo bonds may be found in the statement ESMA/2014/944

(<http://www.esma.europa.eu/content/Potential-Risks-Associated-Investing-Contingent-Convertible-Instruments>).

### 3.4. INFORMATION ON HIGH YIELD BONDS

For securities of issuers that—according to market assessments—do not have a good credit rating, a higher-than-average volatility compared to investment-grade bonds must be expected or, as the case may be, even the complete loss of individual investments cannot be ruled out. Careful monitoring and a wide diversification of the issuers are used to reduce such risks.

### 3.5. INFORMATION REGARDING INVESTMENT IN CATASTROPHE BONDS

#### *Regional or sector concentration risk*

The Subfunds concerned may be invested in securities of issuers located in a particular country or region. Such a concentration exposes the Subfund to the risk of adverse social, political or economic events that may occur in that country or region. The risk is increased if the country or region in question is an emerging market.

#### *Insurance events and other types of underlying insurance-linked risks*

The performance of the Subfunds will generally depend on the occurrence or non-occurrence of certain insurance events. There are many different types of insurance events, but they are generally characterised by frequency (how often the event occurs) and severity (how costly the event is when it occurs). The estimated severity and frequency of the various insurance risks are based on historical data and actuarial analysis. The occurrence of insurance events such as hurricanes or earthquakes is inherently unpredictable. In addition to natural disasters such as hurricanes, earthquakes, wildfires, typhoons, hailstorms, floods, tsunamis, tornadoes, windstorms, extreme temperatures and weather events, the Subfunds may be exposed to numerous other types of insurance risks, including aviation, space, political, terrorism, energy, shipping, crop, facultative and attrition risks. In these areas, large assets are at risk from both manufactured and natural events. Insurable manufactured catastrophes include explosions, fires, terrorist events, mechanical failures, human error and accidents. As with natural events, the frequency and severity of insured events in these areas are inherently unpredictable. Insurable life and health risks include longevity risk, which is the risk that members of a reference population will live longer on average than expected, and mortality risk, which is the risk that members of a reference population will live shorter on average than expected. There is no guarantee that the actual losses incurred on insurance-linked instruments will be as expected. The ultimate impact of an event may be difficult to quantify accurately by institutional brokers over a long period of time and determining the net asset value of the Subfunds may be more volatile. The result of actual losses incurred may have a material adverse effect on the Subfunds' portfolio. The net asset value of the Subfunds can be expected to fluctuate, inter alia, (i) in the event of insurance events or (ii) due to market expectations of ultimate losses related to insurance events that have occurred.

Increasing values and geographic concentrations of insured property and the impact of inflation have resulted in increased severity of industry losses in recent years and these factors will increase the severity of catastrophe losses in the future. In addition, climate cycles or climatic changes or both, as well as geological changes, may increase the severity or frequency of catastrophe losses in the future. As with any reinsurance company, there can be no assurance that the risks underwritten by the primary insurer will not result in losses and investors losing the full amount of their investment. Catastrophe bonds may at any time be subject to loss reserves that may prove insufficient to cover actual loss experience. To the extent that loss reserves are insufficient to cover actual losses or allocated loss adjustment expenses, the Subfunds may suffer a reduction in profitability and a reduction in capital.

#### *Risk associated with the availability of suitable investment opportunities.*

The identification and realisation of an attractive investment opportunity is highly competitive and involves a high degree of uncertainty. The Subfunds compete for investment opportunities with many other investors, some of whom may have greater resources than the Subfunds. These competitors may include other investment funds as well as individuals, insurance and reinsurance companies, financial institutions and other institutional investors. Additional funds with similar investment objectives may be established in the future by other unaffiliated parties. In addition, the availability of investment opportunities generally depends on market conditions and, in some cases, the prevailing regulatory or political climate. As a result, the identification of attractive investment opportunities is difficult and involves a high degree of uncertainty and competition for such opportunities may intensify.

#### *Valuation Risk*

The Subfunds are subject to valuation risk, which is the risk that one or more of the instruments in which the Subfunds invest may be valued on the basis of institutional broker price lists that may not reflect the effective prices at which the relevant security would have sold in the market or may be incorrect due to factors such as incomplete data, market instability or human error. Certain data used by the Subfunds' Investment Manager to value catastrophe bonds may not be regularly updated by institutional brokers, which may result in the Subfunds' weekly net asset value being calculated based on data that is out of date or materially different from information obtained from other sources. In addition, due to the unpredictability of insurance events, it is difficult to determine whether a



particular catastrophe bond is fairly priced in normal trading in the secondary market, if such trading occurs. Catastrophe bond prices may also be affected by a number of factors, such as the nature of the trigger event, whether a trigger event is likely to occur or has occurred, or whether a catastrophe season has passed. The valuation used in the catastrophe bond markets attempts to simulate fundamentally unpredictable events and there could be periods when trading is halted or suspended due to the inability of the market to price the instruments. Due to the inherent market uncertainty, it could be difficult at times for institutional brokers to accurately determine insured losses caused by certain insurance events and the extent of insurance and reinsurance claims. The lack of an actively traded market also creates potential uncertainty for institutional brokers in terms of pricing. A number of brokers regularly offer indicative prices for certain publicly traded catastrophe bonds. However, the final value of the securities may vary. Even after the occurrence of a natural disaster or other trigger event, the pricing of catastrophe bonds is subject to uncertainty for a period of time until the event parameters, final loss amount and other factors are finalised.

### 3.6. INFORMATION REGARDING INVESTMENTS IN ABS AND MBS

The liquidity level of the individual Asset Backed Securities ("ABS") and Mortgage-Backed Securities ("MBS") in which the Subfund invests may be achieved only partially by the investment. As a result, the Subfund may redeem such positions with substantial difficulty and, as the case may be, at a disadvantageous price compared to its intrinsic value. This effect is aggravated by the fact that the ABS and MBS can, under certain circumstances, have a very long expiry period.

For certain ABS and MBS, there is the additionally risk of premature repayment (prepayment risk) or repayment after the due date (extension risk).

The intrinsic value of the collateral pool (credit pool) underlying the ABS and MBS is subject to credit risks, liquidity risks and interest rate risks, and generally oscillates depending on the interest rate level, the general economic situation, the creditworthiness of the debtor and similar factors. A deterioration of these factors may increase the number of delayed payments or declarations of insolvency on the part of the debtors, and, consequently, may lead to the non-reimbursement of the collaterals underlying the ABS and MBS.

### 3.7. RISKS ASSOCIATED WITH INVESTMENTS IN THE PEOPLE'S REPUBLIC OF CHINA (PRC)

Where indicated in the relevant investment policy, the respective Subfund may invest directly in "China A" Shares. "China A" Shares are quoted in Renminbi on the stock exchanges of Shanghai and Shenzhen, of companies founded on mainland China and can be purchased within the possibilities described below:

#### Shanghai or Shenzhen Hong Kong Stock Connect Programmes

The respective Subfund may invest directly in certain permissible China A shares through the Shanghai Hong Kong Stock Connect Programme (the "Stock Connect Programme"). The Stock Connect Programme is a securities trading and clearing programme developed by Hong Kong Exchanges and Clearing Limited ("HKEx"), the Shanghai Stock Exchange ("SSE") and China Securities Depository and Clearing Corporation Limited ("ChinaClear"), whose objective is to provide reciprocal access to the stock markets of Hong Kong and the PRC.

Under the Stock Connect Programme, overseas investors (including the Subfunds) can trade certain China A Shares listed on the SSE (the "SSE Securities") (known as Northbound Trading), subject to the currently applicable regulations governing the Northbound Trading Link. Conversely, investors in Mainland China will have the opportunity to participate in the trading of selected securities listed on the HKEx through the SSE or SZSE and clearing houses in Shanghai or Shenzhen (Southbound Trading).

The SSE Securities comprise the scope of all Shares included in the SSE 180 Index and the SSE 380 Index at the relevant time and all China A Shares listed on the SSE. The SZSE Securities include all shares included in the SZSE Component Index and the SZSE Small/Mid Cap Innovation Index at the relevant time that have a market capitalisation of at least RMB 6 billion, and all SZSE traded A Shares that have an associated H Share listed on the Stock Exchange of Hong Kong Limited ("SEHK"), except for (i) SZSE Shares that are not traded in RMB and (ii) SZSE Shares that are under risk supervision. Shareholders are also advised that under the applicable regulations, a security may be removed from the scope of the Stock Connect Programme. This may affect the corresponding Subfund's ability to achieve its investment objective, for example, if the Investment Manager wishes to purchase a security that has been removed from the scope of the Stock Connect Programme.

Further information and details on the shares traded through the Stock Connect Programme can be obtained or viewed on the HKEx website.

Apart from risks connected with investments in international markets and emerging countries, and other general investment risks, which are described above and also apply to investments in China, investors should also consider the additional specific risks related to Shanghai-Hong-Kong Stock Connect, which are set out below:

*Quota risk*

Trading is also subject to a cross-border maximum quota ("Aggregate Quota") and to a daily quota ("Daily Quota"). The Aggregate Quota relates to the restriction on the absolute funds flows to Mainland China through the Northbound Trading Link. The Daily Quota limits the maximum net cross-border trading purchases that can be made on a daily basis under the Stock Connect Programme. Once the remaining balance of the Northbound Daily Quota reaches zero or is exceeded at the beginning of the session, new buy orders may be rejected.

In addition, there are restrictions on the aggregate holdings of overseas investments applicable to all Hong Kong and overseas investors, as well as restrictions on the holdings of individual overseas investors. Due to this quota restriction, there may be adverse effects in that timely investment in China A Shares through the Stock Connect Programme may not be possible, thereby preventing the investment strategy from being implemented efficiently.

*Restriction of foreign Share ownership*

The PRC requires that the existing buying restrictions for foreign investors also be applied in conjunction with the Stock Connect Programme. Hong Kong and foreign investors fall within the scope of these Share ownership restrictions. The limits are subject to change at any time and are currently as follows:

- Holdings by individual foreign investors (including the Subfunds) from any Hong Kong or foreign investor in China A Shares shall not exceed 10% of the issued Shares.
- Participation by all foreign investors from all Hong Kong and foreign investors in China A Shares shall not exceed 30% of the issued Shares.

*SSE price limit*

The SSE Securities are subject to a general price limit calculated on the basis of the previous day's closing price. The price limit for shares and mutual funds is currently between +/- 10% and for shares under special treatment +/- 5%. All orders must be within this price limit, which may change from time to time.

*Suspension risk*

Where it is necessary to ensure an orderly and fair market and to manage risks prudently, both the SEHK and the SSE or SZSE reserve the right to suspend trading. This may have a negative impact on the respective Subfund's ability to access the PRC market.

*Different trading days*

The Stock Connect Programme is only available when both the PRC and Hong Kong markets are open for trading and the banks in both markets are also open on the relevant settlement days.

Therefore, there may be a normal trading day for the PRC market during which the Hong Kong market is closed and Hong Kong investors (such as the Subfunds) will not be able to trade in China A Shares. During this period, the respective Subfund may be exposed to the risk of price fluctuations in China A Shares due to the fact that the Stock Connect Programme is not available for trading.

*Short selling*

PRC law requires that there must be sufficient shares in the account before an investor can sell shares. If this is not the case, the SSE or SZSE will reject the respective sell orders. The SEHK checks sell orders from its participants (i.e. stock brokers) in respect of China A Shares prior to trading to ensure that there is no short selling.

*Settlement models*

Various stock connect models have been devised for the settlement of orders. One of these is the "integrated model" in which the Subfund's local sub-custodian bank and broker belong to the same group. This allows the

broker to confirm the availability of the securities without transferring them and to settle on the books of the local sub-custodian bank with the guarantee that the securities will not be delivered until the payment of the consideration has also been made (hence the name "synthetic DvP"). In another model, however, the respective shares are transferred to a broker one day before the planned purchase.

Another model is the "multi-broker model" or "SPSA model", in which not only one but up to 20 brokers can be appointed in addition to a local sub-custodian bank. This model only became possible after the Special Segregated Accounts (SPSA) devices were created by the authorities in March 2015, allowing local sub-custodians to open an SPSA directly with the Hong Kong Securities Clearing Company Limited ("HKSCC"). In this process, each investor is identified by a specific ID number. This allows confirmation that the securities are available for delivery without the need to deliver the securities to a specific broker in advance. The SPSA model thus also addresses any concerns about beneficial ownership of shares. Once a separate account is opened, the Investment Manager and the name of the Subfund in question will appear on the account belonging to the beneficial owner of the respective shares held in the account, according to the Hong Kong Stock Exchange ("HKEx"). However, under the classic SPSA "multi-broker model", the settlement process can give rise to the risk that the cash settlement of securities sold by a broker for one of its customers takes place only a few hours after the securities are transferred and credited to the customer.

#### *Clearing and settlement risks*

The Hong Kong Securities Clearing Company Limited ("HKSCC") and ChinaClear provide the clearing connection by entering into mutual shareholdings in order to facilitate the clearing and settlement of cross-border transactions.

As the national central counterparty for the PRC's securities market, ChinaClear operates a comprehensive network with clearing, settlement and Share depository infrastructure. ChinaClear has established a risk management concept and measures that are approved and monitored by the China Securities Regulatory Commission ("CSRC").

In the unlikely event of a default by ChinaClear and ChinaClear is unable to meet its payment obligations, HKSCC will only be liable under its clearing contracts with the market participants of the Northbound Trading Link to the extent that such market participants are assisted in bringing their claims against ChinaClear. The HKSCC will attempt in good faith to settle and obtain the outstanding securities and funds through the available legal channels or apply for liquidation of ChinaClear. In this event, the Subfund may be delayed or unable to fully recover its losses from transactions with ChinaClear. On the other hand, a failure or a delay by HKSCC in fulfilling its obligations may lead to a settlement default or the loss of Stock Connect securities or related monies, which may subsequently cause losses to the Subfunds and their shareholders.

#### *Nominee arrangements for the holding of China A Shares*

If the Subfund in question acquires securities through the SSE/SZSE Stock Connect Programme, HKSCC will be the "Nominee Holder". HKSCC, in turn, holds the Stock Connect Shares of all participants as a single nominee through a collective securities account (Single Nominee Omnibus Securities Account) maintained in its name with ChinaClear. The HKSCC acts only as the Nominee Holder, while the Subfunds remain the beneficial owners of the Stock Connect Shares.

The Stock Connect Rules issued by the CSRC expressly provide that investors who acquire securities through the Stock Connect Programme SSE/SZSE, as the case may be, may enforce their rights, which are in accordance with applicable Chinese law. However, it is uncertain whether the Chinese courts would recognise the ownership rights of Stock Connect investors and would give them the opportunity to take legal action against Chinese companies if this were necessary.

Therefore, the Subfund concerned and the Depositary cannot ensure that the ownership of these securities by the Subfund concerned is guaranteed under all circumstances.

Furthermore, under the HKSCC Clearing Rules for securities listed or traded on the SEHK, the HKSCC, as Nominee Holder, is not obliged to take legal action or institute legal proceedings to enforce rights for investors in respect of the SSE/SZSE securities in the PRC or elsewhere. Therefore, problems or delays may occur for the Subfund concerned in enforcing its rights in relation to China A Shares, even if the ownership of the corresponding Subfund is ultimately recognised.

If it is assumed that HKSCC performs custodial functions in relation to assets held through it, it should be noted that the Depositary and the Subfunds concerned have no legal relationship with HKSCC and have no direct

recourse against HKSCC if the Subfund concerned should sustain losses due to the performance or insolvency of HKSCC.

*Trading costs*

In connection with Northbound trades of China A-Shares through the Stock Connect Programme, in addition to the payment of trading and stamp taxes, there will be other costs such as new portfolio fees, dividend taxes and income taxes arising from Share transfers as determined by the relevant authorities.

*Regulatory risk*

The Stock Connect Programme is a novel programme subject to various PRC and Hong Kong regulations. Furthermore, the implementation policies of the securities exchanges participating in the Stock Connect Programme apply. Due to the novelty of this programme, the regulations have not yet been tested and there is no certainty as to how they will be applied. The current rules are subject to change at any time. Furthermore, there are no assurances as to the continuation of the Stock Connect Programme in the future.

The attention of the shareholders of the Subfund concerned who may invest in the markets of Mainland China through the Stock Connect Programme is therefore drawn to the fact that they have to expect change, which may have a detrimental effect.

**Taxation of investments in the PRC**

Tax regulations in the PRC are subject to change, possibly with retroactive effect. Changes in tax regulations may reduce the relevant Subfund's after-tax profits or capital invested in the PRC.

The Subfunds investing in securities and deposits in the PRC may be subject to a withholding tax and other taxes levied in the PRC, including the following:

Dividends and interest paid by companies in the PRC are subject to a withholding tax. The company in the PRC paying these dividends and this interest is currently responsible for withholding the tax when the payment is made.

Gains from the trading of securities in the PRC may be subject to a tax, although there are currently no clear guidelines for the way in which it will be imposed. Gains from the sale of China A Shares via the Stock Connect Programme by foreign investors on or after 17 November 2014 are provisionally exempt from taxation, although no termination date for this exemption is currently known. There is no guarantee that this provisional exemption will remain in place in future or that it will not be cancelled, possibly with retroactive effect.

The Management Company and/or the Company reserve(s) the right at any time to make provisions for taxes or gains of the relevant Subfund that invests in assets in the PRC; this may affect the valuation of the relevant Subfund.

Given the uncertainty as to whether and how certain income from investments will be taxed in the PRC, and the possibility that the laws and practices in the PRC will change and that taxes may possibly also be levied retroactively, the tax provisions formed for the relevant Subfund may turn out to be excessive or insufficient to settle the final tax liabilities in the PRC. As a result, investors in the relevant Subfund may be advantaged or disadvantaged depending on the ultimate taxation of such income, the actual amount of the provision and the timing of the purchase and/or sale of their shares in the Subfund in question. In particular, if the actual provisions are less than the final tax liabilities, and this gap has to be covered by the assets of the relevant Subfund, this would have a negative impact on the value of the assets of the relevant Subfund and, consequently, on the current investors; in any case, the net asset value of the Subfund concerned is not recalculated during the period of the missing, insufficient or excessive provisions.

#### **4. INVESTOR PROFILE**

**JULIUS BAER GLOBAL EXCELLENCE EQUITY, JULIUS BAER EQUITY FUND SPECIAL VALUE, JULIUS BAER EQUITY GLOBAL EXCELLENCE EUROPE, JULIUS BAER FIXED INCOME GLOBAL QUALITY HIGH YIELD AND JULIUS BAER EQUITY NEXT GENERATION.**

Each of these Subfunds is suitable for investors who have experience with volatile investments, have a sound knowledge of the capital markets and who wish to participate in the development of the capital markets in order to pursue their specific investment objectives. Investors must expect fluctuations in value, which can also temporarily lead to high losses in value. Each of these Subfunds may be used as a basic investment within the portfolio.

**JULIUS BAER STRATEGY INCOME (EUR), JULIUS BAER FIXED INCOME EMERGING MARKETS CORPORATE, JULIUS BAER FIXED INCOME INVESTMENT GRADE CORPORATE (USD) and JULIUS BAER MULTI-MANAGER FIXED INCOME UNCONSTRAINED.**

Each of these Subfunds is suitable for investors who have experience with volatile investments, have a sound knowledge of the capital markets and who wish to participate in the development of the capital markets in order to pursue their specific investment objectives. Investors have to expect fluctuations in value, which can also temporarily lead to increased losses in value. Each of these Subfunds may be used as a basic investment within the portfolio.

## 5. INVESTMENT MANAGER

The respective Investment Manager is authorised, without limitation, to make investments directly for the BJB-FUNDS, taking into account the investment objectives, policy and limits of the Company or the BJB-FUNDS, as applicable, and under the ultimate supervision of the Management Company or the Board of Directors or the auditor(s) appointed by the Management Company. With the approval of the Management Company, the respective Investment Manager can claim the support of Investment Advisers.

The Management Company and the Company may delegate the portfolio management of some or all of the BJB-FUNDS to one or more Investment Managers under their supervision and ultimate responsibility, subject to the prior approval of the CSSF. The current names of the Investment Managers are as follows:

- **Bank Julius Bär & Co. AG**, Bahnhofstrasse 36, CH-8001 Zurich

Bank Julius Bär & Co. AG is the Investment Manager of the following BJB-FUNDS:

- JULIUS BAER STRATEGY INCOME (EUR)
- JULIUS BAER GLOBAL EXCELLENCE EQUITY
- JULIUS BAER EQUITY FUND SPECIAL VALUE
- JULIUS BAER EQUITY GLOBAL EXCELLENCE EUROPE
- JULIUS BAER FIXED INCOME EMERGING MARKETS CORPORATE
- JULIUS BAER FIXED INCOME INVESTMENT GRADE CORPORATE (USD)
- JULIUS BAER FIXED INCOME GLOBAL QUALITY HIGH YIELD
- JULIUS BAER MULTI-MANAGER FIXED INCOME UNCONSTRAINED
- JULIUS BAER EQUITY NEXT GENERATION

The history of Bank Julius Bär & Co. AG stretches back to 1890. It is now established as a Swiss public limited company and is a wholly owned subsidiary of Julius Bär Group AG, Zurich. Bank Julius Bär & Co. AG is a bank within the meaning of the Swiss Banking Act ("*schweizerisches Bankengesetz*") and as such is subject to the supervision of the Swiss Financial Market Supervision Authority (FINMA). The authorisation of FINMA also covers the activities of an asset manager.

## 6. DESCRIPTION OF THE SHARES IN THE BJB-FUNDS

After the initial issue date, the Company may issue shares of the BJB-FUNDS in the following categories:

Share Category	Description
A Shares	distributing, as described hereafter;
Am Shares	distributing, on a monthly basis, as described hereafter;
Aq Shares	distributing, on a quarterly basis, as described hereafter;

Share Category	Description
B Shares	accumulating, as described hereafter;
C Shares	accumulating, for institutional investors, as described hereafter;
Ca Shares	distributing, for institutional investors, as described hereafter;
Cm Shares	distributing, on a monthly basis, for institutional investors, as described hereafter;
Cq Shares	distributing, on a quarterly basis, for institutional investors, as described hereafter;
E Shares	accumulating, for certain Distributors, as described hereafter;
G Shares	accumulating, with a minimum subscription amount, as described hereafter;
Ga Shares	distributing, with a minimum subscription amount, as described hereafter;
Gm Shares	distributing, on a monthly basis, with a minimum subscription amount, as described hereafter;
Gq Shares	distributing, on a quarterly basis, with a minimum subscription amount, as described hereafter;
J Shares	accumulating, for institutional investors, with a minimum subscription amount, as described hereafter;
Ja Shares	distributing, for institutional investors, with a minimum subscription amount, as described hereafter;
Jm Shares	distributing, on a monthly basis, for institutional investors, with a minimum subscription amount, as described hereafter;
Jq Shares	distributing, on a quarterly basis, for institutional investors, with a minimum subscription amount, as described hereafter;
K Shares	accumulating, with a minimum subscription amount, as described hereafter;
Ka Shares	distributing, with a minimum subscription amount, as described hereafter;
Km Shares	distributing, on a monthly basis, with a minimum subscription amount, as described hereafter;
Kq Shares	distributing, on a quarterly basis, with a minimum subscription amount, as described hereafter;
M Shares	accumulating, as described hereafter;
Ma Shares	distributing, as described hereafter;
Mm Shares	distributing, on a monthly basis, as described hereafter;
Mq Shares	distributing, on a quarterly basis, as described hereafter;
N Shares	accumulating, for certain Distributors, as described hereafter;
Na Shares	distributing, for certain Distributors, as described hereafter;
Nm Shares	distributing, on a monthly basis, for certain Distributors, as described hereafter;
Nq Shares	distributing, on a quarterly basis, for certain Distributors, as described hereafter;
U Shares	accumulating, for certain investors, as described hereafter;
Ua Shares	distributing, for certain investors, as described hereafter;
Um Shares:	distributing, on a monthly basis, for certain investors, as described hereafter;
Uq Shares:	distributing, on a quarterly basis, for certain investors, as described hereafter;

Share Category	Description
V Shares	accumulating, with a minimum subscription amount, as described hereafter;
Va Shares	distributing, with a minimum subscription amount, as described hereafter;
Vm Shares	distributing, on a monthly basis, with a minimum subscription amount, as described hereafter;
Vq Shares	distributing, on a quarterly basis, with a minimum subscription amount, as described hereafter;
W Shares	accumulating, for institutional investors, as described hereafter;
Wa Shares	distributing, for institutional investors, as described hereafter;
Wm Shares	distributing, on a monthly basis, for institutional investors, as described hereafter:
Wq Shares	distributing, on a quarterly basis, for institutional investors, as described hereafter:
X Shares	accumulating, with a minimum subscription amount, as described hereafter;
Xa Shares	distributing, with a minimum subscription amount, as described hereafter;
Xm Shares	distributing, on a monthly basis, with a minimum subscription amount, as described hereafter;
Xq Shares	distributing, on a quarterly basis, with a minimum subscription amount, as described hereafter;
Y Shares	accumulating, for institutional investors, as described hereafter;
Ya Shares	distributing, for institutional investors, as described hereafter;
Ym Shares	distributing, on a monthly basis, for institutional investors, as described hereafter:
Yq Shares	distributing, on a quarterly basis, for institutional investors, as described hereafter:
Z Shares	accumulating, for certain institutional investors, as described hereafter;
Za Shares	distributing, for certain institutional investors, as described hereafter;
Zm Shares	distributing, on a monthly basis, for institutional investors, as described hereafter:
Zq Shares	distributing, on a quarterly basis, for institutional investors, as described hereafter:
A, B, C, Ca, Cm, Cq, E, G, Ga, Gm, Gq, J, Ja, Jm, Jq, K, Ka, Km, Kq, M, Ma, Mm, Mq, N, Na, Nm, Nq, U, Ua, Um, Uq, V, Va, Vm, Vq, W, Wa, Wm, Wq, X, Xa, Xm, Xq, Y, Ya, Ym, Yq, Z, Za, Zm and Zq Shares with the suffix "h"	Share Category with full currency-hedging as described hereafter,
A, B, C, Ca, Cm, Cq, E, G, Ga, Gm, Gq, J, Ja, Jm, Jq, K, Ka, Km, Kq, M, Ma, Mm, Mq, N, Na, Nm, Nq, U, Ua, Um, Uq, V, Va, Vm, Vq, W, Wa, Wm, Wq, X, Xa, Xm, Xq, Y, Ya,	Share Category with partial currency-hedging, as described hereafter.

Share Category	Description
Ym, Yq, Z, Za, Zm and Zq Shares with the suffix "p"	

Shares are issued only in registered form.

With regards to all BJB-FUNDS, Share Categories can be issued either in the Subfund's accounting currency, or alternatively, in the currencies depicted in the table (section 16 of the General Part). Details of the Share Categories available in each case can be obtained from the Management Company, the Central Administration Agent or from the information agents and Distributors, as well as at [www.carnegroup.com](http://www.carnegroup.com).

If a Share Category is labelled with the suffix "2", it refers to a Share Category for which no investor tax reporting in any jurisdiction is provided.

### Currency hedging

The above Share Categories (if available) may be offered in different currencies at the discretion of the Management Company. If a Share Category is offered in a currency other than the accounting currency of the relevant Subfund, it may be offered either without or with currency-hedging and will be labelled accordingly.

If a Share Category is labelled with the suffix "h", it refers to a currency-hedged Share Category, in which the shares of the Share Category are fully hedged against the accounting currency of the Subfund. Alternatively, if a Share Category is labelled with the suffix "p", it refers to a partially currency-hedged Share Category, in which 50% of the accounting currency of the respective Subfund is hedged against the currency of the Share Category.

Share Categories without the suffix "h" and "p" do not have currency-hedging between the accounting currency of the Subfund and the currency of the Share Category. In this regard, further information on currency-hedging of Share Categories can be found in the General Part, in the section "Description of Shares"

### Description of the Share Categories

**A, Am and Aq Shares** (including, if applicable, currency-hedged Shares with the suffix "h" and "p") are available to all investors, without a minimum subscription amount.

**B Shares** (including, if applicable, currency-hedged Shares with the suffix "h" and "p") are available to all investors, without a minimum subscription amount.

**C, Ca, Cm and Cq Shares** (including, if applicable, currency-hedged Shares with the suffix "h" and "p") may only be purchased by "institutional investors" within the meaning of Article 174 et seq. of the 2010 Law. For legal entities incorporated in the EU, the definition of "institutional investor" includes, inter alia, all eligible counterparties and all clients considered to be professional clients per se within the meaning of Directive 2014/65/EC on Markets in Financial Instruments ("MIFID") and who have not applied for treatment as a non-professional client.

**E Shares** (including, if applicable, currency-hedged Shares with the suffix "h" and "p") are issued exclusively to Distributors domiciled in Spain or in Italy and to other specified distributors in other distribution markets, provided the Board of Directors of the Company has decided on a special authorisation for the latter to distribute the E shares (including, if applicable, currency-hedged shares with the suffix "h" and "p"). All other Distributors are not allowed to acquire E Shares (including, if applicable, currency-hedged shares with the suffix "h" and "p").

**G, Ga, Gm and Gq Shares** (including, if applicable, currency-hedged Shares with the suffix "h" and "p") are available to all investors subject to the minimum subscription amount (cf. below on minimum subscription).

**J, Ja, Jm and Jq Shares** (including, if applicable, currency-hedged Shares with the suffix "h" and "p") may only be acquired by "institutional investors" within the meaning of Art. 174 et seq. of the 2010 Law, subject to compliance with the minimum subscription amount. For entities incorporated in the EU, the definition of "Institutional Investor" includes, inter alia, all eligible counterparties and all clients who are considered to be professional clients per se within the meaning of MIFID and who have not requested treatment as non-professional clients.

**K, Ka, Km and Kq Shares** (including, if applicable, currency-hedged Shares with the suffix "h" and "p") are available to all investors, provided the minimum subscription amount is invested (see below minimum subscription



amount) or to employees of the Julius Baer Group AG, including its affiliates or subsidiaries (the “**Julius Baer Group**”) who are exempted from the minimum subscription amount or to a company of the Julius Baer Group that acquires the shares as part of an asset management mandate. Regarding the distribution, offering or holding of such shares (including, if applicable, currency-hedged shares with the suffix “h” and “p”), the Company will not pay any fees, commissions or other monetary or non-monetary benefits.

**M, Ma, Mm and Mq Shares** (including, if applicable, currency-hedged Shares with the suffix “h” and “p”) are only available to employees of the Julius Baer Group who hold the shares in a bank account with an entity of the Julius Baer Group and have not entered into a discretionary management agreement for such account. These Share Categories are non-transferable unless approved by the Investment Manager. No fees, commissions or other monetary or non-monetary benefits will be paid by the Company for sales and intermediary services in connection with the distribution, offering or holding of these Share Categories. The Shares are available without a minimum subscription amount.

**N, Na, Nm and Nq Shares** (including, if applicable, currency-hedged Shares with the suffix “h” and “p”) are available exclusively to certain Distributors who are not permitted to accept and retain fees, commissions or other monetary or non-monetary benefits of a third party or a person acting on behalf of a third party, whether (i) by virtue of legal provisions or (ii) on the grounds that they have entered into discretionary individual asset management or investment advisory mandates with separate fee agreements with their clients that exclude such payments. Regarding the distribution, offering or holding of such shares (including, if applicable, currency-hedged shares with the suffix “h” and “p”), the Company will not pay any fees, commissions or other monetary or non-monetary benefits.

**U, Ua, Um and Uq Shares** (including, if applicable, currency-hedged shares with the suffix “h” and “p”) are issued exclusively to investors that have entered into an investment advisory mandate with separate fee agreement with Julius Baer International Limited, 1 St Martin's Le Grand, London EC1A 4AS, England or that have entered into investment advisory mandates with separate fee agreements with another company of the Julius Baer Group and that receive advice from Julius Baer International Limited, 1 St. Martin's Le Grand, London EC1A 4AS, England or from Julius Baer International Limited, Branch Ireland, 2 Hume Street, Dublin 2 D02 FT82, Ireland within the framework of this advisory mandate. Regarding the distribution, offering or holding of such shares (including, if applicable, currency-hedged shares with the suffix “h” and “p”), the Company will not pay any fees, commissions or other monetary or non-monetary benefits.

**V, Va, Vm and Vq Shares** (including, if applicable, currency-hedged Shares with the suffix “h” and “p”) are available to all investors, provided the minimum subscription amount is invested (see below minimum subscription amount)

**W, Wa, Wm and Wq Shares** (including, if applicable, currency-hedged Shares with the suffix “h” and “p”) provided the minimum subscription amount is invested, these shares may be purchased only by “institutional investors” within the meaning of Article 174 et seq. of the 2010 Law. For legal entities incorporated in the EU, the definition of “institutional investor” includes, inter alia, all eligible counterparties and all clients considered to be professional clients per se within the meaning of MIFID and who have not applied for treatment as a non-professional client.

**X, Xa, Xm and Xq Shares** (including, if applicable, currency-hedged Shares with the suffix “h” and “p”) are available to all investors, provided the minimum subscription amount is invested (see below minimum subscription amount)

**Y, Ya, Ym and Yq Shares** (including, if applicable, currency-hedged shares with the suffix “h” and “p”) provided the minimum subscription amount is invested, these shares may be purchased only by “institutional investors” within the meaning of Article 174 et seq. of the 2010 Law. For legal entities incorporated in the EU, the definition of “institutional investor” includes, inter alia, all eligible counterparties and all clients considered to be professional clients per se within the meaning of MIFID and who have not applied for treatment as a non-professional client.

**Z, Za, Zm and Zq Shares** (including, if applicable, currency-hedged shares with the suffix “h” and “p”) are issued primarily, but not exclusively to Subfunds of the Multicooperation SICAV or other financial instruments, which are managed by Bank Julius Bär & Co. AG or another company of the Julius Baer Group and to “institutional investors”, within the meaning of Article 174 et seq. of the 2010 Law. In particular, this includes the Subfunds Multicooperation SICAV — JULIUS BAER STRATEGY INCOME (EUR) and Multicooperation SICAV — JULIUS BAER MULTI-MANAGER FIXED INCOME UNCONSTRAINED. The Board of Directors of the Company may, at its discretion, also accept subscription requests from other investment funds (including investment funds which are not necessarily Subfunds of Multicooperation SICAV). Unless approved by the Board of Directors, no other investors may acquire such shares.

## 7. DIVIDEND POLICY

The Company intends to distribute appropriate dividends taking into account the following aspects for the distributing Shares in accordance with Luxembourg law, the articles of association as well as this Full Prospectus:

- the net income generated by the Subfund (i.e. interest, dividends, other income);
- the capital and foreign-currency gains generated by the Subfund.

The annual distributions for the distributing Share Categories ("A" or with the addition "a", "m" and "q") are generally made within one month of the determination of the dividend in the currency of the respective Share Category. For the Share Categories with distribution on a monthly basis (with the suffix "m") and quarterly basis (with the suffix "q"), a regular interim dividend in the currency of the respective Share Category is provided for, the payment of which shall in principle be made monthly or quarterly in the currency of the respective Share Category.

The amount of dividend paid is not fixed and varies according to economic and other circumstances. The Company reserves the right to modify the distribution policy at any time in the interest of the shareholders, particularly also for tax reasons.

Occasionally, dividends may be distributed from the capital if the income/capital gains generated by the Subfund are insufficient. This may, in certain circumstances, reasonably maintain a constant payment per Share. The Subfund is managed in the interest of all shareholders in accordance with the stated investment objectives and not with the aim of maintaining a stable pay-out per Share for a particular Share Category. Shareholders should note in this regard that the payment of dividends from the capital represents a return or withdrawal of part of the amount they originally invested or of the capital gains attributable to the original investment. Such distributions may result in an immediate decrease in the net asset value per Share of the Subfund.

## 8. FEES AND COSTS

### A) Management Fee

For the management and advisory services relating to the securities portfolio and related administrative services as well as for distribution services, an annual maximum management fee based on the net asset value of the respective Subfund shall be debited to the latter, as follows:

Subfunds	Max. Management Fee ***** p.a. as % of net asset value							
	- A*) - B*) - E*) ****) Shares	- G*) - J*) - K*) ****) Shares	- C*) - K*) ****) Shares	- N*) ****) Shares	- U*) ****) Shares	- V*) - W*) ****) Shares	- X*) - Y*) - M*) ****) Shares	- Z*) ****) Shares
JULIUS BAER STRATEGY INCOME (EUR)	1.30%	0.60%	0.80%	0.90%	0.80%	0.70%	0.60%	0.00%
JULIUS BAER GLOBAL EXCELLENCE EQUITY	1.65%	0.70%	0.90%	1.10%	0.90%	0.80%	0.70%	0.00%
JULIUS BAER EQUITY FUND SPECIAL VALUE	2.00%	0.65%	0.85%	0.95%	0.85%	0.75%	0.65%	0.00%
JULIUS BAER EQUITY GLOBAL EXCELLENCE EUROPE	1.65%	0.70%	0.90%	0.90%	0.90%	0.80%	0.70%	0.00%
JULIUS BAER FIXED INCOME EMERGING MARKETS CORPORATE	1.10%	0.50%	0.60%	0.70%	0.60%	0.55%	0.50%	0.00%
JULIUS BAER FIXED INCOME INVESTMENT GRADE CORPORATE (USD)	1.10%	0.50%	0.60%	0.70%	0.60%	0.55%	0.50%	0.00%
JULIUS BAER FIXED INCOME GLOBAL QUALITY HIGH YIELD	1.10%	0.50%	0.60%	0.70%-	0.60%	0.55%	0.50%	0.00%

Subfunds	Max. Management Fee ***** p.a. as % of net asset value							
	- A*) - B*) - E*) ****) Shares	- G*); **) - J*); **) Shares	- C*); **) - K*); ***) Shares	- N*); ****) Shares	- U*); ***) Shares	- V*); **) - W*); **) Shares	- X*); **) - Y*); **) - M*); **) Shares	- Z*); **) Shares
JULIUS BAER MULTI-MANAGER FIXED INCOME UNCONSTRAINED	1.10%	0.50%	0.60%	0.70%	0.60%	0.55%	0.50%	0.00%
JULIUS BAER EQUITY NEXT GENERATION	2.00%	0.80%	1.00%	1.10%	1.00%	0.90%	0.80%	0.00%

- \*) These shares are also available with the suffix or suffixes "a", "m", "q", "h", "p" and "2", as defined in more detail in the section "Description of the shares of BJB-FUNDS".
- \*\*) Regarding the distribution, offering or holding of these shares, the Company will not pay any commission for any distribution services.
- \*\*\*) Regarding the distribution, offering or holding of these shares, the Company will not pay any fees, commissions or other monetary or non-monetary benefits for distribution and intermediary services.
- \*\*\*\*) An additional distribution fee of maximum 0.75% p.a. may be charged for these shares.
- \*\*\*\*\*) This percentage rate represents a maximum rate. The effective rate applied will be stated in the annual and semi-annual reports of the Company.

The remuneration of the Management Company, the Depositary, the Central Administration Agent, the Principal Paying Agent, the Registrar and Transfer Agent, as well as the fee for currency hedging at currency category level is paid separately and amounts to a maximum of 0.30% p.a.

## B) Additional charges

The Company also pays costs relating to its business operations. These include, inter alia, the following:

Costs of operational management and supervision of the Company's business, for taxes and tax services, costs of legal and auditing services, annual and semi-annual reports and prospectuses, publication costs in relation to the convening of the general meeting, share certificates and the payment of dividends, registration fees and other costs arising from or relating to reporting requirements to the authorities in the different distribution countries, sales support, paying agents and representatives, SSB-LUX (provided it is not already included in the aforementioned fee according to the provisions in the Special Part concerned), fees and expenses of the Board of Directors of the Company, insurance premiums, interest, stock exchange listing fees and brokerage fees, as well as for research services, including the special settlement of an analysis fee to be paid to the Investment Manager from the funds of the Company, via a separate account, a so-called Research Payment Account ("RPA"), as defined in section 22, section "Incentives" of the General Part, purchase and sale of securities, public charges, licence fees, reimbursement of expenses to the Depositary and all other contractual parties of the Company, as well as the costs of publishing the net asset value per Share and the Share prices.

Where such expenses and costs apply to all Subfunds equally, each Subfund is charged the costs corresponding to its share of the volume of the Company's total assets on a pro rata basis. Where expenses and costs only apply to one or some of the Subfunds, the costs are charged in full to the Subfund or Subfunds in question. Marketing and advertising expenditure may only be charged in individual cases following a resolution of the Board of Directors.

## C) Information regarding investments in fund-of-funds structures

In addition to the costs related to the JULIUS BAER MULTI-MANAGER FIXED INCOME UNCONSTRAINED levied in accordance with the provisions of this Prospectus and the articles of association, costs for the activity of the Management Company, the remuneration of the Depositary, costs related to the auditors, taxes, as well as other costs, commissions and fees may apply for the target funds and, in consequence, multiple debits for similar costs may occur. The Management Fees charged to the target funds by their respective service providers generally amount to a maximum of 3.00%.

## 9. ISSUE OF SHARES

### A) General information

After expiry of the initial subscription period, the shares of BJB-FUNDS shall be issued on each valuation day. The issue price is based on the net asset value of the shares on the applicable valuation day in each case and shall be rounded to two decimal places.

Pursuant to the provisions contained in the General Part of the Prospectus, a selling fee of a maximum of 5% may be charged additionally. In the case of large orders, the selling fee can be reduced accordingly, in which case investors investing the same amounts over the same period must be treated equally.

### B) Minimum subscription amount

At the initial subscription, certain Share Categories are subject to minimum subscription amount per Subfund as shown in the table below:

Share Category	Minimum subscription amount per Subfund in the respective reference currency of the respective Subfund or the equivalent amount in the currency of the Share Category concerned
C, Ca, Cm and Cq Shares (including, if applicable, currency-hedged Shares with the suffix "h", "p" and "2")	500,000
G, Ga, Gm and Gq Shares (including, if applicable, currency-hedged Shares with the suffix "h", "p" and "2")	75,000,000
J, Ja, Jm and Jq Shares (including, if applicable, currency-hedged Shares with the suffix "h", "p" and "2")	75,000,000
K, Ka, Km and Kq Shares (including, if applicable, currency-hedged Shares with the suffix "h", "p" and "2")	500,000
V, Va, Vm and Vq Shares (including, if applicable, currency-hedged Shares with the suffix "h", "p" and "2")	10,000,000
W, Wa, Wm and Wq Shares (including, if applicable, currency-hedged Shares with the suffix "h", "p" and "2")	10,000,000
X, Xa, Xm and Xq Shares (including, if applicable, currency-hedged Shares with the suffix "h", "p" and "2")	25,000,000
Y, Ya, Ym and Yq Shares (including, if applicable, currency-hedged Shares with the suffix "h", "p" and "2")	25,000,000

For companies of the Julius Baer Group acquiring the Shares for their own account, no minimum subscription amounts are provided for.

The Company's Board of Directors may, at its own discretion, accept initial subscription applications for an amount lower than the stated minimum subscription amount. Further subscriptions of the above-mentioned Shares are not subject to a minimum subscription amount.

### C) Application procedure

Investors may subscribe to Shares at any time directly with the principal paying agent in Luxembourg named in the General Part of the Prospectus (or, as applicable, with appointed local Distributors or paying agents in individual

distribution countries). The exact identity of the subscriber, the name of the Subfund and the category of the Shares being subscribed must be stated.

All subscriptions of shares in the Subfunds, received by the principal paying agent on a valuation day (as defined in the section "Calculation of net asset value") no later than 15:00, and, respectively, in the Subfunds JULIUS BAER STRATEGY INCOME (EUR) and JULIUS BAER EQUITY NEXT GENERATION received no later than 11:00 Luxembourg local time (cut-off time) will be made at the issue price determined on the next valuation day. Subscriptions received after this time will be made at the issue price of the valuation day after the following valuation day.

All subscriptions of shares in the Subfund JULIUS BAER MULTI-MANAGER FIXED INCOME UNCONSTRAINED received by the principal paying agent on a valuation day (as defined in the section "Calculation of net asset value" of the General Part) no later than 11:00 a.m. Luxembourg local time (cut-off time), will be made at the issue price determined on the subsequent third (3) valuation day. Subscriptions received after this time will be made at the issue price of the fourth (4) valuation day.

The value of the total amount of the subscription must be credited to the account indicated in the General Part of this Prospectus within four (4) Luxembourg banking days of the applicable valuation day in which the issue price has been determined.

No Share coupons or Share certificates will be delivered.

The Company reserves the right to reject applications or to accept them only in part or to request further information and/or documents. If an application is rejected in whole or in part, the subscription amount or the corresponding balance will be transferred back to the applicant.

If investors no longer meet the requirements of a Share Category as set out in this Prospectus, the Company may: (a) request that the investors concerned return their Shares within thirty (30) calendar days; or (b) request that the investors concerned transfer their Shares to a person who meets the aforementioned requirements; or (c) compulsorily redeem and/or cancel the affected Shares in accordance with the articles of association of the Company; or (d) convert the affected Shares into Shares of another Category at their discretion. Subject to and in accordance with the requirements of the applicable laws and regulations, the Board of Directors and/or the Management Company have the right in their sole discretion to waive the Category restrictions outlined in this Prospectus (if any) at any time.

#### **D) Investment restrictions for US persons**

The BJB-FUNDS have not been and will not be registered in the US under the Investment Company Act of 1940, as amended. The Shares of the BJB-FUNDS have not been and will not be registered in the United States under the Securities Act of 1933, as amended ("**Securities Act**") or under the securities laws of any state of the United States. The shares made available under this product range may not be offered or sold, directly or indirectly, in the United States or to or for the benefit of any US person (as defined in Rule 902 of Regulation S under the Securities Act). Applicants may be required to make a declaration that they are not a US person and that they are not applying to subscribe for shares on behalf of a US person or acquiring shares with the intention of selling them to a US person. Should a shareholder become a US person, they may be subject to US withholding taxes and US tax reporting.

## **10. REDEMPTION OF SHARES**

### **A) General information**

Shares of BJB-FUNDS shall be redeemed on any valuation day by application to the principal paying agent in Luxembourg named in the General Part of the Prospectus (or where applicable to local Distributors or paying agents appointed in individual distribution countries).

All requests for redemption of Shares in the Subfunds received by the principal paying agent on a valuation day by no later than 15:00 and, respectively, in the Subfunds JULIUS BAER STRATEGY INCOME (EUR) and JULIUS BAER EQUITY NEXT GENERATION no later than 11:00 Luxembourg local time (cut-off time) will be made at the redemption price determined on the next valuation day. Applications received by the Depositary after this cut-off time will be made at the redemption price of the valuation day after the following valuation day.

All requests for redemption of Shares in the Subfund JULIUS BAER MULTI-MANAGER FIXED INCOME UNCONSTRAINED received by the principal paying agent on a valuation day (as defined in the section "Calculation of net asset value" of the General Part) no later than 11:00 a.m., Luxembourg local time (cut-off time) will be made at the redemption price determined on the subsequent third (3) valuation day. Redemptions received after this time will be made at the redemption price of the fourth (4) valuation day.

The redemption price is based on the net asset value of the shares on the valuation day applicable in each case and is rounded to the nearest hundredth. If no selling fee was charged when the shares were issued, a redemption fee of up to a maximum of 3% of the net asset value may be charged instead.

In general, payments are made in the currency of the respective Subfund or in the reference currency of the corresponding Share Category within four (4) Luxembourg banking days of the applicable valuation day in which the redemption price has been determined.

## **B) Price setting procedure**

The following price setting procedure shall come into effect for the BJB-FUNDS:

- (i) at mid prices; provided the valuation rules are applied consistently to each Subfund for the duration of its existence;
- (ii) at the bid and offer prices at the cut-off time, if bid and offer prices are used to establish the prices at which Shares are issued and redeemed; or
- (iii) at the quoted bid prices if the value of all redemption requests received on a trading day exceeds the value of all subscription requests received for that trading day, or at the quoted offer price if the value of all subscription requests received on a trading day exceeds the value of all redemption requests received for that trading day, in order to maintain the value of the shares of the existing shareholders in any case.

## **11. SWITCHING OF SHARES**

Shares of BJB-FUNDS may be switched for shares of other active Subfunds of the Company to which such a switch is permitted in return for payment of a switching fee of up to maximum 1% of the net asset value of the aforesaid shares. No switching fee shall be charged for switching to shares of another Subfund of the Company launched on behalf of BANK JULIUS BÄR & CO. AG.

Shareholders of the BJB-FUNDS are entitled to switch some or all of their Shares for Shares in another Subfund on a valuation day that is applicable for both Subfunds, as well as within the BJB-FUNDS to switch Shares of one Share Category into Shares of another Share Category. All the qualification prerequisites and minimum subscription amounts ("Minimum Switching Value") and the other conditions applicable to the original Share Category or the new Share Category shall apply for the Distributors and/or shareholders effecting a switch. The Company's Board of Directors may, at its discretion, accept initial switching applications for an amount lower than the stated minimum switching amount.

Furthermore, the same modalities apply to requests for switching of shares as to redemptions of shares, and the provisions of the General Part of the Prospectus are applicable.

## **12. ANNEX — PRE-CONTRACTUAL DISCLOSURE FOR THE FINANCIAL PRODUCTS REFERRED TO IN ARTICLE 8, PARAGRAPHS 1, 2 AND 2A OF REGULATION (EU) 2019/2088 AND ARTICLE 6, PARAGRAPH 1 OF REGULATION (EU) 2020/852**

## ANNEX II

**Template pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852**

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU taxonomy** is a classification system defined in Regulation (EU) 2020/852 and contains a list of **environmentally sustainable economic activities**. This regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective may or may not be compliant with the taxonomy.

**Product name:** Multicooperation SICAV — Julius Baer Global Excellence Equity

**Legal entity identifier:** LEI 549300U71NPUORWI6U91

### Environmental and/or social characteristics

**Does this financial product have a sustainable investment objective?**

☐ **Yes**

☐ It will make a minimum of **sustainable investments with an environmental objective: \_\_\_\_%**

☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy

☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

☐ It will make a minimum of **sustainable investments with a social objective: \_\_\_\_%**

☒ **No**

☐ It **promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of \_\_\_\_% of sustainable investments.

☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy

☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

with a social objective

☒ It promotes E/S characteristics, but **will not make any sustainable investments**



### What environmental and/or social characteristics are promoted by this financial product?

JULIUS BAER EQUITY GLOBAL EXCELLENCE EUROPE (the "**Subfund**") promotes environmental and social characteristics by investing in companies that comply with the proprietary ESG investment assessment methodology of Bank Julius Bär & Co. AG (the "**Investment Manager**") (the "**ESG Methodology**"). The ESG Methodology is structured on three levels:

- (i) At the first level, unprocessed ESG data is collected from various external data providers as well as internal thematic research on investment topics related to sustainable objectives;
- (ii) Then, certain thematic scores are calculated from the unprocessed ESG data and internal thematic research;
- (iii) At the final level, four different ESG categories are derived from a combination of the thematic scores and certain indicators (processed ESG data such as ratings) are provided directly by various ESG data providers.

The four ESG categories derived from the process are ESG Risk, Traditional, Responsible and Sustainable (each as defined below). At least 70% of the Subfund's assets must at all times be invested in financial instruments that are considered responsible or sustainable by the Investment Manager. The remaining 30% may be invested in financial instruments classified as Traditional.

Financial instruments categorised as ESG Risk are generally not permitted unless the Subfund has been granted an ESG or general exemption by one of the governing bodies.

The thematic scores calculated at the second level of the process are divided into environmental scores, social scores and governance scores.

The environmental scores are the Climate Score and the Nature Capital Score. The Climate Score addresses the issue of greenhouse gas emissions and a company's commitment to moving towards a net zero world.

The Natural Capital Score addresses the issues of biodiversity, air pollution and other contaminants and enables the identification of companies that have significant exposure to and impact on environmental issues beyond climate.

The social scores are the Human Capital Score and the Value Score.

The Human Capital Score refers to employees' human rights and working conditions, such as pay, secondary benefits, workplace policies on diversity, inclusion and prevention of harassment.

The Value Score measures whether a company is involved in the production/sale of conventional arms.

The Governance Score looks at a company's business conduct in its pure definition, i.e. in terms of policy, organisational structures, ethics, code of conduct or accountability.

For a financial instrument to receive a Responsible ESG category, the thematic scores as well as the ESG data processed (e.g. ratings) must be at a level that confirms to the Investment Manager that the financial instrument has clear ESG characteristics and does not show a clear weakness in any of the indicators considered. In order to obtain a Sustainable ESG categorisation, the requirements are higher and ensure that a financial instrument must have at least average scores on all indicators considered and above average strength on some of the indicators considered, such as the Human Capital Score, the Governance Score and the Climate Score.

With this approach, the Subfund promotes a broad range of environmental and social characteristics and ensures a minimum level of good governance practices.

If certain indicators related to controversies, controversial activities, breaches of global norms or material negative sentiment on ESG aspects suggest that a financial instrument has clear issues indicating significant risks related to ESG, a financial instrument will be categorised as ESG Risk. The Subfund will not normally

**Sustainability indicators** measure how the environmental or social characteristics promoted by the financial product are attained.



invest in such instruments unless the Investment Manager's Responsible Investment Committee have approved an exception.

Last but not least, a financial instrument that is neither an ESG Risk nor a responsible or sustainable risk will be classified in the Traditional category. This is the remaining category and can be considered the default value for an instrument that does not have any material ESG aspects leading to an ESG Risk classification, but also no specific ESG features leading to a Responsible classification. Traditionally, it can be considered a neutral value.

- **What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?**

To measure the achievement of the Subfund's environmental characteristics, the following sustainability indicator is currently used: Greenhouse gas intensity of investee companies.

To measure the achievement of the Subfund's social characteristics, the following two sustainability indicators are currently used:

- Violations of the principles of the UN Global Compact
- Organisation for Economic Co-operation and Development ("OECD") Guidelines for Multinational Enterprises and engagement in controversial arms (together the "indicators").

The metrics currently used to measure the indicators are:

- (i) GHG intensity of investee companies: tonnes emitted/sales in millions;
- (ii) Violations of the UN Global Compact and the OECD Guidelines for Multinational Enterprises; and
- (iii) Exposure to Controversial Weapons.

The Investment Manager and the Management Company intend to amend and/or expand the sustainability indicators used as more ESG data relevant to the Subfund becomes available.

- **What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?**

N/A

- **How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?**

N/A

*The EU Taxonomy sets out a "do no significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.*

The "do not significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

*Any other sustainable investments must also not significantly harm any environmental or social objectives.*

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.



### Does this financial product consider principal adverse impacts on sustainability factors?

- ☐ Yes
- ☒ No

As no periodic disclosures are currently made in respect of the Subfund, which could report on the principal adverse impacts, the principal adverse impacts on sustainability factors are not currently included in the pre-contractual information and the website. The Investment Manager's objective is to produce periodic disclosures that can report on the principal adverse impacts considered in the investment strategy. Once such disclosure has been established, investment decisions will also take into account the principal adverse impacts.



### What investment strategy does this financial product follow?

The Subfund's investment strategy is set out in detail in section 2.4 "Investment strategies and policy of Julius Baer Global Excellence Equity" of Special Part A of the Prospectus.

- **What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?**

The Subfund promotes environmental and social characteristics by investing a substantial portion of the portfolio in companies with sound ESG quality and good governance based on the Investment Manager's ESG methodology described above.

Various internal thresholds will be applied both in terms of availability of ESG information and the required level of ESG quality to ensure sound ESG quality of the investments selected for the Subfund's portfolio.

As mandatory elements, ESG criteria are taken into account by excluding certain companies based on exclusion criteria and for a portion of the Subfund's assets based on the ESG methodology, i.e. at least 70% of the Subfund's assets must always be invested in responsible or sustainable financial instruments. The remaining 30% may also be invested in financial instruments classified as Traditional.

Financial instruments categorised as ESG Risk are generally not permitted unless the Subfund has been granted an ESG or general exemption by one of the governing bodies.

In addition, the Subfund may not invest directly in companies falling under any of the following mandatory exclusion categories:

- (i) Companies engaged in one or more of the following: Production and/or distribution of prohibited war material as defined in the Swiss War Material Act of 13 December 1996, including chemical/biological weapons, cluster munitions, landmines, as well as weapons, ammunition and armaments containing enriched uranium;
- (ii) Companies that the Investment Manager considers to be in breach of the principles of the UN Global Compact. Such assessment may be qualitative and/or quantitative in nature and may be based on multiple internal and external data sources and/or internal research and analysis, as available.

- **What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?**

N/A

- **What is the policy to assess good governance practices of the investee companies?**

Good governance of investee companies is managed by reducing risk through the exclusion of companies with poor governance, such as those with controversy, unethical behaviour, bribery or corruption.

The **investment strategy** guides investment decisions based on factors such as investment objectives and risk tolerance.

**Good governance** practices include sound management structures, employee relations, remuneration of staff and tax compliance.

Good governance is ensured in particular through the Investment Manager's own Governance and Human Capital Scores. The Governance Score refers to the business conduct of the investee companies in terms of their organisational and management structures, business ethics, accountability and tax compliance. The Human Capital Score assesses companies in terms of working conditions and labour management, covering aspects such as workplace policies on diversity and inclusion, health and safety, and harassment prevention.



### What is the asset allocation planned for this financial product?

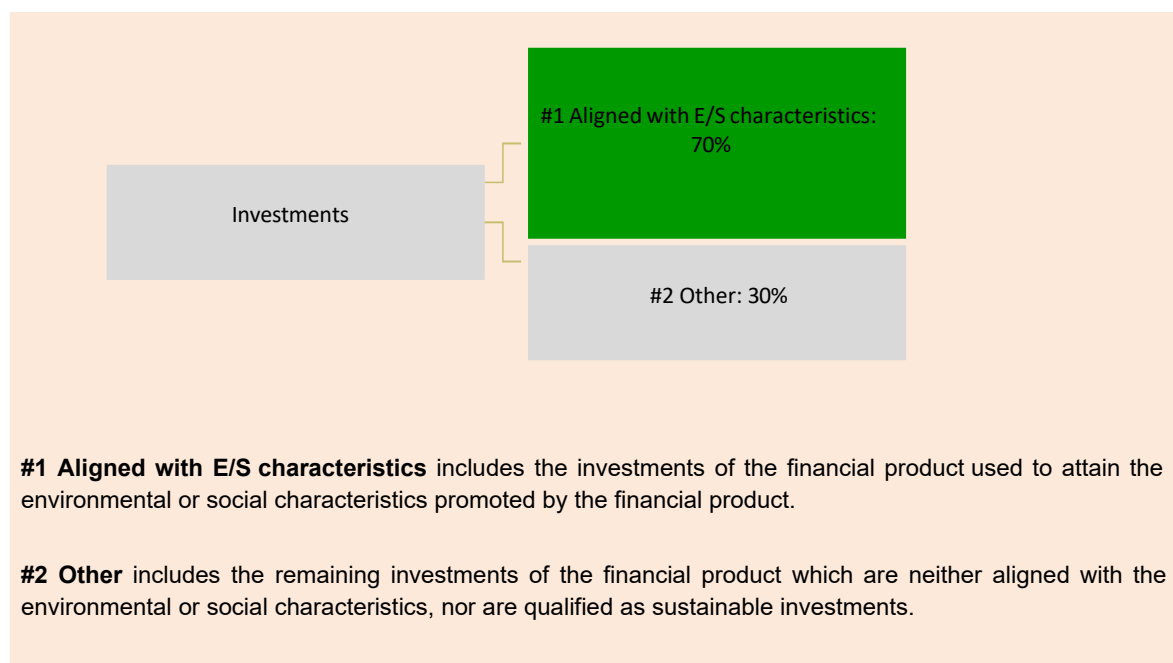
At least 70% of the Subfund's assets must always be invested in responsible or sustainable financial instruments. The remaining 30% may also be invested in financial instruments classified as Traditional.

In particular, at least two thirds of the financial product shall be invested in Shares and other equity securities and equity rights of companies worldwide, including issuers in emerging market countries. Up to a total of one third of the assets of the financial product may also be invested in the following:

- (i) Fixed or floating-rate transferable securities and money market instruments with a total term of up to 12 months from issuers worldwide;
- (ii) Sight deposits and deposits repayable on demand;
- (iii) Structured products on Shares and other equity securities;
- (iv) Units of other UCITS and/or UCIs, including Exchange Traded Funds.

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.



- **How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?**

Derivatives will not be used to achieve the environmental or social characteristics promoted by the Subfund.



### To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

The minimum amount of the Subfund's investments that are compliant with the EU taxonomy is 0%.

**Asset allocation** describes the share of investments in specific assets.

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

- **Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy<sup>2</sup>?**

☐ Yes:

☐ In fossil gas

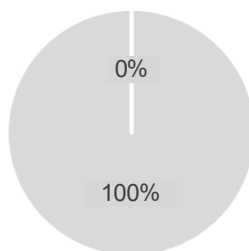
☐ In nuclear energy

☒ No

**The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds\*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.**

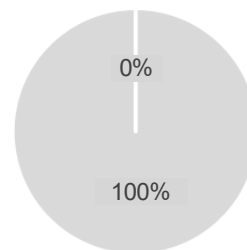
**1. Taxonomy-alignment of the investments including sovereign bonds\***

- Taxonomy-aligned: Fossil gas
- Taxonomy-aligned: Nuclear
- Taxonomy-aligned (no fossil gas & nuclear)
- Non Taxonomy-aligned



**2. Taxonomy-alignment of investments excluding sovereign bonds\***

- Taxonomy-aligned: Fossil gas
- Taxonomy-aligned: Nuclear
- Taxonomy-aligned (no fossil gas & nuclear)
- Non Taxonomy-aligned



This graph represents 100% of the total investments.

\* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.

- **What is the minimum share of investments in transitional and enabling activities?**

N/A

**What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?**

N/A

**What is the minimum share of socially sustainable investments?**

N/A

<sup>2</sup> Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective — see explanatory note in the left-hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.



**What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?**

As explained above, a substantial portion of the Fund's investments will contribute to either the promoted environmental or social characteristics. The Subfund may invest a maximum of 30% of its assets in financial instruments classified as Traditional according to the ESG methodology, which constitutes the "other" part of the Subfund.

Financial instruments classified as ESG Risk are generally not permitted unless the Subfund has been granted an ESG or general exemption by one of the governing bodies.

In addition, the investment strategy allows the use of derivatives for hedging purposes and efficient portfolio management. This is necessary to ensure the Subfund's investment objective.

These investments have no minimum environmental or social safeguards.



**Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?**

No reference benchmark was determined for the achievement of the environmental or social characteristics promoted by the Subfund.

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.



**Where can I find more product specific information online? More product-specific information can be found on the website:**

Further product-specific information is available on the Management Company's website at <https://www.juliusbaer.com/en/legal/luxembourg/sustainability-related-disclosures/equity-global-excellence-mandate/> and is updated on an ongoing basis.

## ANNEX II

Template pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

**Product name:** Multicooperation SICAV — Julius Baer Equity Global Excellence Europe

**Legal entity identifier:** LEI 549300SFO0DKOD7FGE13

### Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?

☐ Yes

☐ It will make a minimum of **sustainable investments with an environmental objective: \_\_\_\_%**

☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy

☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

☐ It will make a minimum of **sustainable investments with a social objective: \_\_\_\_%**

☒ No

☐ It **promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of \_\_\_\_% of sustainable investments.

☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy

☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

with a social objective

☒ It promotes E/S characteristics, but **will not make any sustainable investments**

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU taxonomy** is a classification system defined in Regulation (EU) 2020/852 and contains a list of **environmentally sustainable economic activities**. This regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective may or may not be compliant with the taxonomy.



**Sustainability indicators** measure how the environmental or social characteristics promoted by the financial product are attained.

### What environmental and/or social characteristics are promoted by this financial product?

JULIUS BAER EUROPE GLOBAL EXCELLENCE EUROPE (the "**Subfund**") promotes environmental and social characteristics by investing in companies that comply with the proprietary ESG investment assessment methodology of Bank Julius Bär & Co. AG (the "**Investment Manager**") (the "**ESG Methodology**"). The ESG Methodology is structured on three levels:

- (i) At the first level, unprocessed ESG data is collected from various external data providers as well as internal thematic research on investment topics related to sustainable objectives;
- (ii) Then, certain thematic scores are calculated from the unprocessed ESG data and internal thematic research;
- (iii) At the final level, four different ESG categories are derived from a combination of the thematic scores and certain indicators (processed ESG data such as ratings) are provided directly by various ESG data providers.

The four ESG categories derived from the process are ESG Risk, Traditional, Responsible and Sustainable (each as defined below). At least 70% of the Subfund's assets must at all times be invested in financial instruments that are considered responsible or sustainable by the Investment Manager. The remaining 30% may be invested in financial instruments classified as Traditional.

Financial instruments categorised as ESG Risk are generally not permitted unless the Subfund has been granted an ESG or general exemption by one of the governing bodies.

The thematic scores calculated at the second level of the process are divided into environmental scores, social scores and governance scores.

The environmental scores are the Climate Score and the Nature Capital Score.

The Climate Score addresses the issue of greenhouse gas emissions and a company's commitment to moving towards a net zero world.

The Natural Capital Score addresses the issues of biodiversity, air pollution and other contaminants and enables the identification of companies that have significant exposure to and impact on environmental issues beyond climate.

The social scores are the Human Capital Score and the Value Score.

The Human Capital Score refers to employees' human rights and working conditions, such as pay, secondary benefits, workplace policies on diversity, inclusion and prevention of harassment.

The Value Score measures whether a company is involved in the production/sale of conventional arms.

The Governance Score looks at a company's business conduct in its pure definition, i.e. in terms of policy, organisational structures, ethics, code of conduct or accountability.

For a financial instrument to receive a Responsible ESG category, the thematic scores as well as the ESG data processed (e.g. ratings) must be at a level that confirms to the Investment Manager that the financial instrument has clear ESG characteristics and does not show a clear weakness in any of the indicators considered. In order to obtain a Sustainable ESG categorisation, the requirements are higher and ensure that a financial instrument must have at least average scores on all indicators considered and above average strength on some of the indicators considered, such as the Human Capital Score, the Governance Score and the Climate Score.

With this approach, the Subfund promotes a broad range of environmental and social characteristics and ensures a minimum level of good governance practices.

If certain indicators related to controversies, controversial activities, breaches of global norms or material negative sentiment on ESG aspects suggest that a financial instrument has clear issues indicating significant risks related to ESG, a financial instrument will be categorised as ESG Risk. The Subfund will not normally invest in such instruments unless the Investment Manager's Responsible Investment Committee have approved an exception.

Last but not least, a financial instrument that is neither an ESG Risk nor a responsible or sustainable risk will be classified in the Traditional category. This is the remaining category and can be



considered the default value for an instrument that does not have any material ESG aspects leading to an ESG Risk classification, but also no specific ESG features leading to a Responsible classification. Traditionally, it can be considered a neutral value.

● **What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?**

Both internal and external information is used to assess the ESG quality of companies, such as ESG ratings, scores or analyst reports, which can be both qualitative and quantitative in nature. Depending on the availability of data, approximately ten different indicators are used to assess the ESG quality of a company, with the number and type of indicators being continuously expanded and developed.

To ensure a minimum ESG quality of the environmental or social characteristics promoted by the Subfund, certain indicators are used as mandatory elements of the investment strategy.

To measure the achievement of the Subfund's environmental characteristics, the following sustainability indicator is currently used: Greenhouse gas intensity of investee companies.

To measure the achievement of the Subfund's social characteristics, the following two sustainability indicators are currently used:

- Violations of the principles of the UN Global Compact
- Organisation for Economic Co-operation and Development ("OECD") Guidelines for Multinational Enterprises and engagement in controversial arms (together the "Indicators"). The metrics currently used to measure the indicators are:
  - (i) GHG intensity of investee companies: tonnes emitted/sales in millions;
  - (ii) Violations of the UN Global Compact and the OECD Guidelines for Multinational Enterprises; and
  - (iii) Exposure to Controversial Weapons.

The Investment Manager and the Management Company intend to amend and/or expand the sustainability indicators used as more ESG data relevant to the Subfund becomes available.

● **What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?**

N/A

● **How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?**

N/A

*The EU Taxonomy sets out a "do no significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.*

The "do not significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

*Any other sustainable investments must also not significantly harm any environmental or social objectives.*

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.





### Does this financial product consider principal adverse impacts on sustainability factors?

- ☐ Yes
- ☒ **No**

As no periodic disclosures are currently made in respect of the Subfund, which could report on the principal adverse impacts, the principal adverse impacts on sustainability factors are not currently included in the pre-contractual information and the website. The Investment Manager's objective is to produce periodic disclosures that can report on the principal adverse impacts considered in the investment strategy. Once such disclosure has been established, investment decisions will also take into account the principal adverse impacts.



### What investment strategy does this financial product follow?

The Subfund's investment strategy is set out in detail in section 2.7 "Investment strategies and policy of Julius Baer Global Excellence Europe" of Special Part A of the Prospectus.

The **investment strategy** serves as a guideline for investment decisions, taking into account certain criteria such as investment objectives or risk tolerance.

- **What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?**

The Subfund promotes environmental and social characteristics by investing a substantial portion of the portfolio in companies with sound ESG quality and good governance based on the Investment Manager's ESG methodology described above.

Various internal thresholds will be applied both in terms of availability of ESG information and the required level of ESG quality to ensure sound ESG quality of the investments selected for the Subfund's portfolio.

As mandatory elements, ESG criteria are taken into account by excluding certain companies based on exclusion criteria and for a portion of the Subfund's assets based on the ESG methodology, i.e. at least 70% of the Subfund's assets must always be invested in responsible or sustainable financial instruments. The remaining 30% may also be invested in financial instruments classified as Traditional.

Financial instruments categorised as ESG Risk are generally not permitted unless the Subfund has been granted an ESG or general exemption by one of the governing bodies.

In addition, the Subfund may not invest directly in companies falling under any of the following mandatory exclusion categories:

- Companies engaged in one or more of the following: Production and/or distribution of prohibited war material as defined in the Swiss War Material Act of 13 December 1996, including chemical/biological weapons, cluster munitions, landmines, as well as weapons, ammunition and armaments containing enriched uranium;
- Companies that the Investment Manager considers to be in breach of the principles of the UN Global Compact. Such assessment may be qualitative and/or quantitative in nature and may be based on multiple internal and external data sources and/or internal research and analysis, as available.

- **What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?**

N/A

- **What is the policy to assess good governance practices of the investee companies?**

Good governance of investee companies is managed by reducing risk through the exclusion of companies with poor governance, such as those with controversy, unethical behaviour, bribery or corruption.

Good governance is ensured in particular through the Investment Manager's own governance and human capital scores. The Governance Score refers to the business conduct of the investee companies in terms of their organisational and management structures, business

**Good governance** practices include sound management structures, employee relations, remuneration of staff and tax compliance.



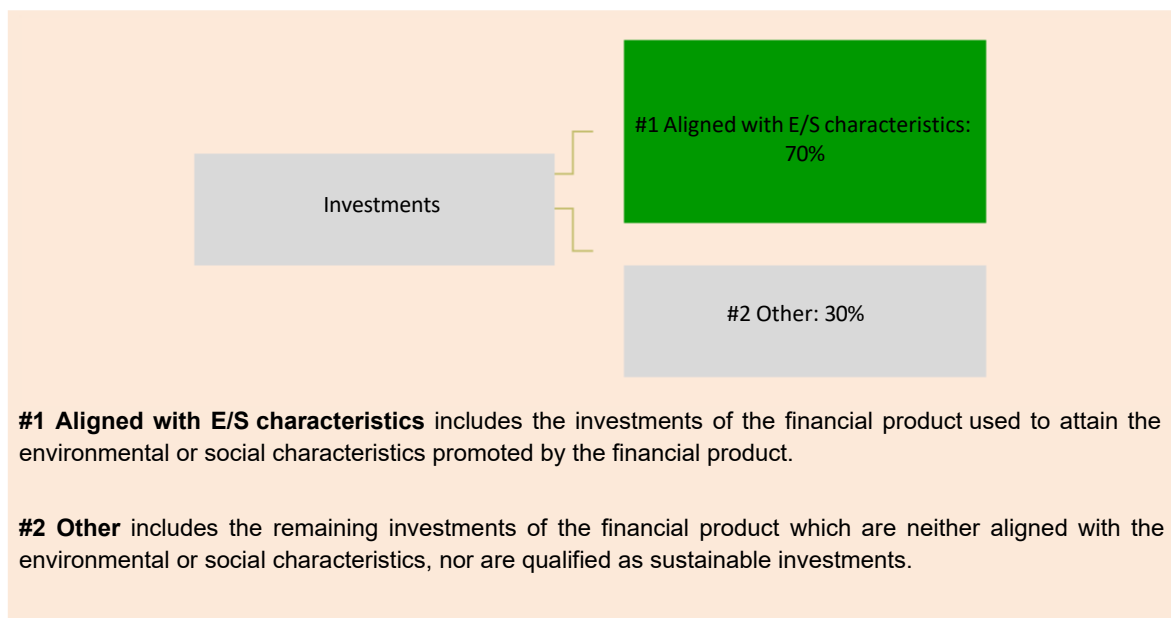
ethics, accountability and tax compliance. The Human Capital Score assesses companies in terms of working conditions and labour management, covering aspects such as workplace policies on diversity and inclusion, health and safety, and harassment prevention.

### What is the asset allocation planned for this financial product?

At least 70% of the Subfund's assets must always be invested in responsible or sustainable financial instruments. The remaining 30% may also be invested in financial instruments classified as Traditional.

In particular, the financial product will invest at least two thirds in Shares and other equity securities and equity rights of companies having their registered office or a major part of their business activities in Europe. Up to a total of one third of the assets of the financial product may also be invested in the following:

- (i) Shares and other equity securities and equity rights of companies worldwide.
- (ii) Fixed or floating-rate transferable securities and money market instruments with a total term of up to 12 months from issuers worldwide;
- (iii) Sight deposits and deposits repayable on demand;
- (iv) Structured products on Shares and other equity securities;
- (v) Units of other UCITS and/or UCIs, including Exchange Traded Funds



- **How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?**

Derivatives will not be used to achieve the environmental or social characteristics promoted by the Subfund.



### To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

The minimum amount of the Subfund's investments that are compliant with the EU taxonomy is 0%.

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

- **Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy<sup>2</sup>?**

☐ Yes:

☐ In fossil gas

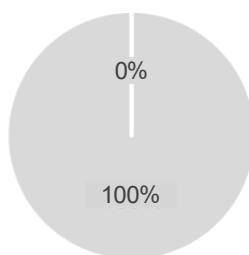
☐ In nuclear energy

☒ No

**The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds\*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.**

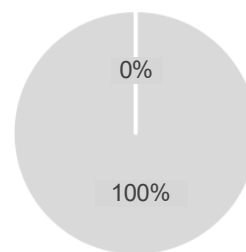
**1. Taxonomy-alignment of the investments including sovereign bonds\***

- Taxonomy-aligned: Fossil gas
- Taxonomy-aligned: Nuclear
- Taxonomy-aligned (no fossil gas & nuclear)
- Non Taxonomy-aligned



**2. Taxonomy-alignment of investments excluding sovereign bonds\***

- Taxonomy-aligned: Fossil gas
- Taxonomy-aligned: Nuclear
- Taxonomy-aligned (no fossil gas & nuclear)
- Non Taxonomy-aligned



This graph represents 100% of the total investments.

*\* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.*

- **What is the minimum share of investments in transitional and enabling activities?**


N/A

**What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?**

N/A

**What is the minimum share of socially sustainable investments?**

N/A

 are sustainable investments with an environmental objective that do not take into account the criteria for environmentally sustainable economic activities under the EU Taxonomy.



<sup>2</sup> Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective — see explanatory note in the left-hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.



**What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?**

As explained above, a substantial portion of the Fund's investments will contribute to either the promoted environmental or social characteristics. The Subfund may invest a maximum of 30% of its assets in financial instruments classified as Traditional according to the ESG methodology, which constitutes the "other" part of the Subfund.

Financial instruments classified as ESG Risk are generally not permitted unless the Subfund has been granted an ESG or general exemption by one of the governing bodies.

In addition, the investment strategy allows the use of derivatives for hedging purposes and efficient portfolio management. This is necessary to ensure the Subfund's investment objective.

These investments have no minimum environmental or social safeguards.



**Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?**

No reference benchmark was determined for the achievement of the environmental or social characteristics promoted by the Subfund.

**Reference benchmarks**  
are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.



**Where can I find more product specific information online?**

**More product-specific information can be found on the website:**

Further product-specific information is available on the Management Company's website at <https://www.juliusbaer.com/en/legal/luxembourg/sustainability-related-disclosures/equity-global-excellence-mandate/> and is updated on an ongoing basis.

## **MULTICOOPERATION SICAV**

# **OLIVENBAUM MULTI ASSET STRATEGY**

A sub-fund of the MULTICOOPERATION SICAV, established under the laws of Luxembourg, which was launched for Bank Julius Bär & Co. AG, Zurich, by Carne Global Fund Managers (Luxembourg) S.A.

### **SPECIAL PART B: 11 AUGUST 2025**

This part of the Prospectus supplements the General Part with respect to the Subfund Olivenbaum Multi Asset Strategy.

The following provisions must be read in conjunction with the relevant statements in the General Part of the Prospectus.



## 1. ISSUE OF SHARES

The shares in the Olivenbaum Multi Asset Strategy sub-fund (the “**Subfund**”) were offered for subscription for the first time as set out below. The stated initial issue price is understood to apply per share.

SUBFUND	ISSUE PRICE	SELLING FEE
Olivenbaum Multi Asset Strategy	EUR 100	N/A

## 2. INVESTMENT OBJECTIVES AND POLICY

The name of the Subfund, Olivenbaum Multi Asset Strategy, makes reference to the longevity and persistency of olive trees, which reflects the Subfund’s long-term investment approach.

The investment objective of the Company in respect of the Subfund is to achieve a maximum of return with limited risk, taking into consideration the liquidity of assets.

For this purpose, the Subfund invests opportunistically predominantly in the global bond and equity markets or in liquid assets with the following investment restrictions:

The Subfund may invest up to 100% of its assets in fixed-interest and floating rate securities, debt instruments or debt rights as well as other interest-bearing assets (incl. convertible bonds and bonds with warrants, and high-yield bonds), which are issued or guaranteed by corporate, governmental and supranational issuers from around the globe.

The Subfund will have the following investment restrictions:

- It may invest up to one third of its assets in high-yield bonds; and
- It may invest up to 20% of its assets in hybrid securities (i.e. securities that combine characteristics of both equity and debt securities), including CoCo-Bonds up to 10% of its net assets.

**In connection with investments in High Yield Bonds and in Coco-Bonds, please refer respectively to the sections “Information on High Yield Bonds” and “Information on CoCo-Bonds” below.**

The Subfund may also invest up to 100% of its assets in equities, equity rights and equity-related securities (including, common shares, preferred shares, depositary receipts (ADRs and GDRs), rights issues, listed closed-ended real estate investment trusts (REITs), convertible stock, equity warrants (held as a result of a corporate action only), stock options, and initial public offering (IPO) equities.

The Subfund may also invest up to 100% of its assets in units of other UCITS (in the sense of Directive 2009/65/EC of 13 July 2009 (the “**UCITS IV Directive**”) or subsequent directives) and/or UCI, including exchange traded funds (ETFs) (together, “**Target Funds**”). Of these investments, up to 10% of its assets can be invested in such UCITS or UCI which provide direct or indirect exposure to alternative assets classes such as hedge fund strategies or private equity or real estate subject to such Target Funds being eligible in the sense of the UCITS IV Directive, or subsequent directives. The management fees charged to the Target Funds by their respective service providers generally amount to a maximum of 3.00%.

Furthermore, up to a maximum of 20% of the assets of the Subfund can be invested in Exchange Traded Commodities (“**ETCs**”) (so-called Delta 1 certificates), provided that the assets are settled in cash and no

physical delivery occurs. The ETCs are permissible investments according to Art. 41 (1) of the Law of 2010, which do not contain embedded derivatives and exclude physical delivery of the underlying asset.

The Subfund may invest up to 100% of total assets in liquid assets, i.e. money market instruments and as defined in Chapter 5 of the General Part of this Prospectus, as well as in money market funds and deposits redeemable on demand, both for liquidity and investment purposes. Ancillary liquid assets may amount to up to 20% of the total net assets of the Subfund. Such ancillary liquid assets shall be limited to bank deposits at sight, such as cash held in the Subfund's current bank accounts and accessible at any time. This 20% limit may only be breached temporarily for a period of time strictly necessary when, because of exceptionally unfavourable market conditions, circumstances so require (circumstances such as wars, terrorist attacks, health crises or other similar events) and where such breach is justified having regard to the best interests of the investors.

The Subfund shall invest globally with at least two-thirds of its NAV in developed markets and up to one third of its NAV in emerging and frontier markets including China. **In connection with investments in Emerging Market Countries, please refer to the section "Information on investments in Emerging Market Countries" below.**

Direct investments in China are made in what is referred to as "China-A" shares or shares of Chinese companies that are quoted on another foreign exchange outside the People's Republic of China (PRC). "China A" shares are securities quoted on the stock exchanges of Shanghai and/or Shenzhen. "China A" shares are denominated in Renminbi and can be bought through the Shanghai Hong Kong Stock Connect Programme or Shenzhen-Hong Kong Stock Connect Programme. Investments in "China A" shares comply with the conditions imposed by article 41 paragraph 1 of the 2010 Law. The Subfund may invest a maximum of 10% of its assets in China-A shares.

**Furthermore, investors should be aware of the increased risk associated with investments in "China A" shares, which is described in the section 3.4 "Risks associated with investments in the People's Republic of China".**

The Subfund is denominated in Euro. The investments of the Subfund will be denominated in Euro or any other currencies. Foreign currency risks can be fully or partially hedged. A loss of value due to currency fluctuations cannot be ruled out.

The Subfund may invest in derivatives for the purpose of hedging and efficient portfolio management.

The range of possible derivatives includes both exchange-traded and OTC instruments, particularly call and put options, futures, forwards, warrants, and swaps (including credit default swaps, "CDS") on securities, interest rates, and currencies as well as on other derivative financial instruments and financial indices. Investments in contracts for difference and total return swaps are not permissible. Investments in derivative financial instruments whose underlying assets replicate indices are exclusively permissible for the purpose of efficient portfolio management. **In connection with investments in derivative instruments and structured products, please refer to the section "Information on Investment in Derivative Instruments and Structured Products".**

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



### 3. RISK INFORMATION

#### 3.1 Information on High Yield Bonds

For securities of issuers which – according to market assessments – do not have a good credit rating, a higher-than-average volatility, compared to investment-grade bonds, must be expected or, as the case may be, even the complete loss of individual investments cannot be ruled out. Careful monitoring and a wide diversification of the issuers are used to reduce such risks.

#### 3.2 Information on CoCo-Bonds

CoCo-Bonds, also referred to as “CoCos” are contingent convertible bonds. They qualify as securities with a hybrid character insofar as they are issued in the form of bonds, which may lose their nominal value (i.e. be written down) or, following a determined trigger event, be transformed in equity. The trigger event will notably materialise when the prudential ratio (the so called “Tier One”) of the issuing bank falls under a certain threshold or upon a decision of the competent supervisory authority. In such case, the CoCo-Bonds initially issued under the form of a bond will be automatically converted into equity without the holder of the CoCo-Bond being preliminarily consulted. Investment in CoCo-Bonds may entail the following risks (non-exhaustive list):

- **Liquidity risk:** in certain circumstances finding a ready buyer for Co-Co-Bonds may be difficult and the seller may have to accept a significant discount to the expected value of the bond in order to sell it.
- **Capital structure inversion risk:** contrary to classical capital hierarchy, CoCo-Bonds’ investors may suffer a loss of capital when equity holders do not.
- **Trigger level risk:** trigger levels determine exposure to conversion risk depending on the distance of the capital ratio to the trigger level. It might be difficult for the portfolio manager of a Subfund to anticipate the triggering events that would require the debt to convert into equity.
- **Conversion risk:** it might be difficult for the portfolio manager of the Subfund to assess how the securities will behave upon conversion. In case of conversion into equity, the portfolio manager might be forced to sell these new equity shares because of the investment policy of the Subfund does not allow equity in its portfolio. This forced sale may itself lead to liquidity issue for these shares.
- **Coupon cancellation:** for some CoCo-Bonds, coupon payments are entirely discretionary and may be cancelled by the issuer at any point, for any reason and for any length of time.
- **Call extension risk:** some CoCo-Bonds are issued as perpetual instruments, callable at pre-determined levels only with the approval of the competent authority.
- **Sector concentration risk:** CoCo-Bonds are issued by banking/insurance institutions. If a Subfund invests significantly in CoCo-Bonds its performance will depend to a greater extent on the overall condition of the financial services industry than a Subfund following a more diversified strategy.
- **Unknown risk:** The structure of CoCo-Bonds is innovative and yet untested.

A detailed analysis of the risks inherent to CoCo-Bonds may be found in the statement ESMA/2014/944 (Potential Risks Associated with Investing in Contingent Convertible Instruments (europa.eu)).

### 3.3 Information on investments in emerging market countries

**The attention of potential investors in the Subfund is drawn to the fact that investments in emerging market countries involve increased risk.** In particular, the investments are subject to the following risks:

- trading volumes in relation to the securities may be low or absent on the securities market involved, which can lead to liquidity problems and serious price fluctuations;
- uncertainties surrounding political, economic and social circumstances, with the associated dangers of expropriation or seizure, unusually high inflation rates, prohibitive tax measures and other negative developments;
- potentially serious fluctuations in the foreign exchange rate, different legal frameworks, existing or potential foreign exchange export restrictions, customs or other restrictions, and any laws and other restrictions applicable to investments;
- political or other circumstances which restrict the investment opportunities of the Subfund, for example restrictions with regard to issuers or industries deemed sensitive to relevant national interests,
- the absence of sufficiently developed legal structures governing private or foreign investments and the risk of potentially inadequate safeguards with respect to private ownership;
- the standards applied by supervisory authorities may not be comparable to those in developed markets;
- inflation and rapid fluctuations in inflation rates have had, and may continue to have, a negative impact on the economies and securities markets of some emerging and developing countries; and
- there is also a risk that competing demands may arise in relation to securities held by or to be transferred to the Subfund and that no compensation programs exist or that existing compensation programs are limited or insufficient to satisfy the Subfund's demands in any such case.

Foreign exchange export restrictions and other related regulations in these countries may also lead to the delayed repatriation of all or some of the investments or may prevent them from being repatriated in full or in part, with the result that there may be a delay in the payment of the redemption price.

### 3.4 Risks associated with investments in the People's Republic of China (PRC)

The Subfund may invest directly in so-called "China-A" shares. "China-A" shares are quoted in Renminbi on the stock exchanges of Shanghai and Shenzhen, of companies founded on mainland China and can be purchased within the possibilities described below:

#### **Shanghai-or Shenzhen Hong Kong Stock Connect Programs**

The Subfund may invest directly in certain permissible China A shares through the Shanghai Hong Kong Stock Connect Programme (the "**Stock Connect Programme**"). The Stock Connect Programme is a securities trading and clearing programme developed by Hong Kong Exchanges and Clearing Limited ("**HKEx**"), the Shanghai Stock Exchange ("**SSE**") and China Securities Depository and Clearing Corporation Limited ("**ChinaClear**"), whose objective is to provide mutual access to the stock markets of Hong Kong and the PRC.

Under the Stock Connect Programme, foreign investors (including the Subfund) can trade certain China A shares listed on the SSE (the "SSE securities") (known as Northbound Trading), subject to the currently

applicable regulations governing the Northbound Trading Link. Conversely, investors in Mainland China have an opportunity to participate through the SSE and clearing houses in Shanghai (Southbound Trading) in trading in selected securities listed on the HKEx.

The SSE securities comprise the scope of all shares contained at the relevant time in the SSE 180 Index and in the SSE 380 Index, as well as all China A shares listed on the SSE. Furthermore, shareholders' attention is drawn to the fact that under the applicable ordinances, a security may be removed from the scope of the Stock Connect Programme. This may impair the ability of the Subfund to achieve its investment objective, for example, if the investment manager would like to buy a security that has been removed from the scope of the Stock Connect Programme.

Further information on the Stock Connect Programme can be obtained on the HKEx website.

Apart from risks connected with investments in international markets and emerging countries, and other general investment risks, which are described above and also apply to investments in China, investors should also consider the additional specific risks related to Shanghai-Hong-Kong Stock Connect, which are set out below:

- QUOTA RISK

Trading is also subject to a cross-border maximum quota ("**Aggregate Quota**") and to a daily quota ("**Daily Quota**"). The Aggregate Quota relates to the restriction on the absolute funds flows to Mainland China through the Northbound trading link. The Daily Quota restricts the maximum net buying trades that may be conducted in cross-border trading on a daily basis under the Stock Connect Programme. As soon as the remaining balance of the Northbound Daily Quota reaches zero or is exceeded at the beginning of a session, new buying orders may be rejected.

In addition, there are restrictions on the aggregate holdings of foreign investments that apply to all investors from Hong Kong and abroad, as well as restrictions on the holdings of individual investors from abroad. On account of this quota restriction, impairments may occur if a pending investment in China A shares is not possible through the Stock Connect Programme and, as a result, the investment strategy cannot be efficiently implemented.

- RESTRICTION OF FOREIGN SHARE OWNERSHIP

The PRC requires that the existing buying restrictions for foreign investors also be applied in conjunction with the Stock Connect Programme. Hong Kong and foreign investors come within the scope of this restrictions on share ownership. The limits may be altered at any time and are currently as follows:

- Shareholdings of foreign individual investors (including the Subfund), of each Hong Kong or foreign investor in China A shares, may not exceed 10% of the shares issued.
- Shareholdings of all foreign investors, of all Hong Kong and foreign investors in China A shares may not exceed 30% of the shares issued.

- SSE PRICE LIMIT

SSE securities are subject to a general price limit, which is calculated on the basis of the closing price of the previous day. The price limit for shares and investment funds is currently between +/-10% and for shares under special treatment +/-5%. All orders must be within this price limit, which may change from time to time.

- **EXPOSURE RISK**

Both the Stock Exchange of Hong Kong Limited ("SEHK") and the SSE reserve the right to suspend trading if it is necessary to ensure an orderly and fair market, and to control the risks prudentially. This may have a negative influence on the ability of the Subfund to gain access to the market of the PRC.

- **DIFFERENT TRADING DAYS**

The Stock Connect Programme is only available when both the markets in the PRC and those in Hong Kong are open for trading, and when the banks in both markets are also open on the settlement days concerned.

It may therefore happen that it is a usual trading day for the market in the PRC, whereas the market in Hong Kong is closed and investors from Hong Kong (such as, for example, the Subfund) cannot trade China A shares. During this period, the Subfund may be exposed to the risk of price fluctuations on China A shares owing to the fact that the Stock Connect Programme is not available for trading.

- **SHORT SELLING**

The legal regulations of the PRC provide that sufficient shares must be available on the account before an investor may sell shares. If this is not the case, the SSE rejects the sales orders concerned. Before trading, the SEHK checks the sales orders of its exchange participants (i.e. share brokers) in relation to China A shares in order to make sure that no short selling is taking place.

- **PROCESSING MODELS**

Various Stock Connect Models have been developed for order processing. One of these is the "integrated model" in which the Subfund's local sub-custodian bank and broker belong to the same group. This allows the broker to confirm the availability, without transfer, of the securities, and the local sub-custodian bank to settle the account with a guarantee that the securities will not be transferred until the payment of the trade has been carried out (hence the name "synthetic DvP"). In another model, however, the respective shares are transferred to a broker one day before the planned purchase.

Another model is the "multi-broker model" or "SPSA model", in which up to 20 brokers can be appointed in addition to a local sub-custodian bank. This model only became possible in March 2015, when the authorities introduced the Special Segregated Accounts (SPSA) which enables local sub-custodian banks to open a SPSA directly with Hong Kong Securities Clearing Company Limited ("**HKSCC**"). Each investor is identified by a specific ID number. Thereby, the availability of securities can be confirmed, without them having to be transferred to a particular broker in advance. Thus, the SPSA model also takes into account all concerns regarding the beneficial ownership of shares. Once a separate account is opened, the Investment Manager and the name of the Subfund will appear on the account belonging to the beneficial owner of the respective shares held in the account, according to the Hong Kong Stock Exchange ("**HKEx**"). However, under the classic SPSA "multi-broker model", the settlement process can give rise to the risk that the cash settlement of securities sold by a broker for one of his customers takes place only a few hours after the securities are transferred and credited to the customer.

- **CLEARING AND SETTLEMENT RISKS**

The Hong Kong Securities Clearing Company Limited ("**HKSCC**") and ChinaClear provide the clearing connection by entering into mutual shareholdings in order to facilitate the clearing and settlement of cross-border transactions. As the national central counterparty for the PRC's securities market, ChinaClear operates a comprehensive network with clearing, settlement and share depository infrastructure. ChinaClear has established a risk management concept and measures that are approved and monitored by the China Securities Regulatory Commission ("**CSRC**").

In the unlikely event of a payment default by ChinaClear and the latter being unable to meet its payment obligations, HKSCC shall only be liable in its clearing contracts with the market participants of the Northbound trading link to the extent that these market participants will receive support in enforcing their claims against ChinaClear. The HKSCC will attempt in good faith to settle and obtain the outstanding securities and funds through the available legal channels or apply for liquidation of ChinaClear. In this case, the Subfund may only be able to call in its losses resulting from transactions with ChinaClear late or not in their entirety. On the other hand, an omission or a delay on the part of HKSCC in fulfilling its obligations may lead to a settlement failure or the loss of Stock Connect securities or related funds, which may subsequently cause losses to the Subfund and its shareholders.

▪ **NOMINEE ARRANGEMENTS FOR THE HOLDING OF CHINA A SHARES**

If the Subfund acquires SSE securities through the Stock Connect programme, HKSCC is the “nominee holder”. HKSCC for its part holds the Stock Connect shares of all participants as a single nominee through a collective securities account (single nominee omnibus Securities account), which is held in its name with ChinaClear. HKSCC acts only as the nominee holder, whereas the Subfund remains the beneficial owner of the Stock Connect shares.

The Stock Connect rules laid down by the CSRC expressly provide that investors who acquire SSE securities through the Stock Connect Programme can enforce their rights, which are in accordance with currently applicable Chinese law. However, it is uncertain whether the Chinese courts would recognize the ownership rights of Stock Connect investors and would give them the opportunity to take legal action against Chinese companies, if this were necessary.

Therefore the Subfund and the Depositary cannot ensure that the ownership of these securities by the Subfund is guaranteed under all circumstances.

Furthermore, according to the HKSCC Clearing rules for securities listed or traded on the SEHK, HKSCC as the nominee holder is not under any obligation to take legal action or to conduct judicial proceedings to enforce rights for investors in relation to SSE securities in the PRC or elsewhere. Therefore problems or delays may occur for the Subfund in enforcing its rights in relation to China A shares, even if the ownership of the Subfund is ultimately recognized.

If it is assumed that HKSCC performs custodial functions in relation to assets held through it, it should be noted that the Depositary and the Subfund have no legal relationship with HKSCC and have no direct recourse against HKSCC if the Subfund should sustain losses due to the performance or insolvency of HKSCC.

▪ **TRADING COSTS**

In connection with Northbound trades of China A shares through the Stock Connect Programme, in addition to payment of trading taxes and stamp duty, further costs are also incurred such as new portfolio fees, dividend taxes and income taxes from share transfers, which taxes are determined by the competent authorities.

▪ **REGULATORY RISK**

The Stock Connect Programme is a new programme that is subject to the various regulations of the PRC and Hong Kong. Furthermore the implementing directives of the securities exchanges participating in the Stock Connect Programme are applicable. Since this programme is new, the regulations have not yet been tried and tested, so that there is not yet any certainty about the way in which they will be applied. The

current regulations may be altered at any time. Moreover, there are no commitments with regard to the continued existence of the Stock Connect Programme in the future.

The attention of the shareholders of the Subfund is therefore drawn to the fact that they have to expect change, which may have a detrimental effect.

### **TAXATION OF INVESTMENTS IN THE PRC**

The tax regulations in the PRC are subject to change, possibly with retroactive effect. Changes in tax regulations may reduce the Subfund's after-tax profits and/or the capital invested in the PRC.

The Subfund investing in securities and deposits in the PRC may be subject to a withholding tax and other taxes levied in the PRC, including the following:

Dividends and interest paid by companies in the PRC are subject to a withholding tax. The company in the PRC paying these dividends and this interest is currently responsible for withholding the tax when the payment is made.

Gains from the trading of securities in the PRC may be subject to a tax, although there are currently no clear guidelines for the way in which it will be imposed. Gains from the sale of China A shares via the Stock Connect Programme by foreign investors on or after 17 November 2014 are provisionally exempt from taxation, although no termination date for this exemption is currently known. There is no guarantee that this provisional exemption will remain in place in future or that it will not be cancelled, possibly with retroactive effect.

The Management Company and/or the Company reserve(s) the right at any time to make provisions for taxes or gains of the Subfund which invests in assets in the PRC; this may affect the valuation of the Subfund.

Given the uncertainty as to whether and how certain income from investments will be taxed in the PRC, and the possibility that the laws and practices in the PRC will change and that taxes may possibly also be levied retroactively, the tax provisions formed for the Subfund may turn out to be excessive or insufficient to settle the final tax liabilities in the PRC. Consequently, this may work to the advantage or disadvantage of investors, depending on the final taxation of this income, the actual amount of the provision and the time of the purchase and/or sale of their units in the Subfund. In particular, if the actual provisions are less than the final tax liabilities, and this gap has to be covered by the assets of the Subfund, this would have a negative impact on the value of the assets of the Subfund and, consequently, on the current investors; in any case, the net asset value of the Subfund is not recalculated during the period of the missing, insufficient or excessive provisions.

### **3.5 Information on investments in derivative instruments and structured products**

The Subfund may make considerable use of derivative instruments and other special investment techniques and financial instruments, in particular swaps, certificates and structured products. The range of possible derivatives includes exchange-traded as well as OTC-instruments and in particular call and put-options, futures, forwards, warrants and swaps (including credit default swaps, "CDS") on transferable securities, interest rates and currencies, as well as on other derivative financial instruments and on financial indices. As a result, the risk features of derivatives and other investment techniques and instruments in addition to the risk features of securities must be considered. In general, they are exposed to the risks of the markets or instruments underlying them and therefore frequently involve greater risks than direct investments in securities. Potential risks of such instruments may, for example, arise from the

complexity, non-linearity, high volatilities, low liquidity, restricted ability to be valued, risk of a loss of returns or even a total loss of the invested capital, or from the counterparty risk.

If a derivative is embedded in a security, this must also be taken into account when applying the investment restrictions and for risk monitoring.

In addition to the general risks, derivatives and structured products on commodity indices and/or commodity sub-indices or individual commodities involve an additional risk potential. These risks consist in particular of political, military, economic (e.g. supply and demand) and natural (e.g. weather or environmental disasters) influences as well as terrorist or criminal activities, which may, inter alia, impair the production of or trade in commodities or which may adversely affect the availability or the price of the commodity concerned.

In addition to general risks, derivatives and structured products based on hedge funds and/or hedge fund indices involve an additional risk potential. Hedge funds are investment funds which employ alternative investment strategies and are subject to no or only minimal statutory or other restrictions. Depending on the respective hedge fund strategy, a reinforcement of the general market trend or a distinctly contrary market trend may occur, with significant upward and downward fluctuations.

#### 4. INVESTMENT PROFILE

The Subfund is suitable for investors who have experience with volatile investments, have a sound knowledge of the capital markets and who wish to participate in the development of the capital markets in order to pursue their specific investment objectives. Investors have to expect fluctuations in value, which can also temporarily lead to high losses in value.

#### 5. INVESTMENT MANAGERS

The investment managers described below (each, an “**Investment Manager**” and together, the “**Investment Managers**”) will coordinate their activities and make the investment decisions in favour of the Subfund. Each of the Investment Managers manages its own sub-portfolio of the Subfund at its own discretion and, in each case, in line with the investment objectives, policies and restrictions of the Company or the Subfund, as the case may be, and under the ultimate control of the Management Company or the Board of Directors or the control agent(s) appointed by the Management Company. In particular, the Subfund’s investment restrictions shall be applied by each Investment Manager at the level of the sub-portfolio it manages. The Investment Managers may, with the consent of the Management Company, request the assistance of investment advisors.

The current names of the Investment Managers are as follows:

- **Julius Baer Gestion SGIIC, S.A.**, Paseo de la Castellana 7, 2<sup>nd</sup> floor, 28046, Madrid, Spain

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Julius Baer Gestion SGIIC, S.A. has the overall responsibility for the allocation of subscription and redemptions proceeds between the two sub-portfolios of the Subfund.

- **J.P. Morgan SE – Luxembourg Branch**, 6 route de Trèves, L-2633, Senningerberg, Grand Duchy of Luxembourg.

J.P. Morgan SE – Luxembourg Branch is the Luxembourg branch of a European public company (societas europea) and is supervised as such by the Commission de Surveillance du Secteur Financier under registration number B255938.

## 6. DESCRIPTION OF SHARES

After the initial issue Date, the Company may issue Shares of the Subfund in the following categories:

B Shares	accumulating, as defined hereinafter
C Shares	accumulating, for institutional investors, as defined hereinafter

Only registered shares are issued.

### Description of the share categories

**B Shares** (including, if applicable, currency-hedged shares with the suffix “h” and “p”) are available to all investors, without a minimum subscription amount.

**C Shares** (including, if applicable, currency-hedged shares with the suffix “h” and “p”) may only be purchased by “institutional investors” within the meaning of Article 174 et seq. of the 2010 Law. For legal entities incorporated in the EU, the definition of “institutional investor” includes, inter alia, all eligible counterparties and all clients per se considered to be professional clients within the meaning of Directive 2014/65/EC on Markets in Financial Instruments (“MIFID”) and who have not applied for treatment as a non-professional client.

## 7. FEES AND COSTS

### A) MANAGEMENT FEE

For the management and advisory services relating to the securities portfolio and related administrative services as well as for distribution services, the following annual maximum management fee based on the net asset value of the Subfund shall be debited to the Subfund:

SHARE CATEGORY	MAX. MANAGEMENT FEE*) P.A. AS % OF NET ASSET VALUE
B Shares	0,40%
C Shares	0,40%

\*) This percentage represents a maximum. The actual percentage applied is reported in the Company's semi-annual and annual reports.

### B) SERVICING FEE

The remuneration of the Management Company, the Custodian, the Central Administration Agent, the Principal Paying Agent, the Registrar and the Transfer Agent, as well as the fee for currency hedging at



currency category level, shall be paid separately and shall amount to a maximum of 0.15% p.a. ("Servicing Fee").

### **C) ADDITIONAL CHARGES**

The Company also pays costs relating to its business operations. These include, inter alia, the following:

Costs of operational management and supervision of the Company's business, for taxes and tax services, costs of legal and auditing services, annual and semi-annual reports and prospectuses, publication costs in relation to the convening of the general meeting, share certificates and the payment of dividends, registration fees and other costs arising from or relating to reporting requirements to the authorities in the different distribution countries, sales support, paying agents and representatives, SSB-LUX, fees and expenses of the Board of Directors of the Company, insurance premiums, interest, stock exchange listing fees and brokerage fees, as well as for research services, including the special settlement of an analysis fee to be paid to the Investment Manager from the funds of the Company, via a separate account, a so-called Research Payment Account ("RPA"), as defined in Chapter 23, section "Incentives" of the General Part, purchase and sale of securities, public charges, license fees, reimbursement of expenses to the custodian and all other contractual parties of the Company as well as the costs of publishing the net asset value per share and the share prices.

Where such expenses and costs apply to all sub-funds of the Company equally, each sub-fund is charged pro rata the costs corresponding to its share of the volume of the Company's total assets. Where expenses and costs only apply to one or some of the sub-funds, the costs are charged in full to the sub-fund or sub-funds in question. Marketing and advertising expenditure may only be charged in individual cases following a resolution of the Board of Directors.

### **D) INFORMATION REGARDING INVESTMENTS IN FUND-OF-FUNDS STRUCTURES**

In addition to the costs related to the Subfund levied in accordance with the provisions of this Prospectus and the Articles of Association, costs for the activity of the Management Company, the remuneration of the custodian, costs related to the auditors, taxes, as well as other costs, commissions and fees may apply for the Target Funds and, in consequence, multiple debit for similar costs may occur. The Management Fees charged to the Target Funds by their respective service providers generally amount to a maximum of 3.00%.

## **8. ISSUE OF SHARES**

### **A) GENERAL INFORMATION**

After expiry of the initial subscription period, the shares of the Subfund shall be issued on each valuation date at a price. The issue price is based on the net asset value of the shares on the applicable Valuation Date in each case and shall be rounded to two decimal places, as further described in Chapter 17 of the General Part.

### **B) MINIMUM SUBSCRIPTION AMOUNT**

At the initial subscription, certain share categories are subject to minimum subscription amount as shown in the table below:

SHARE CATEGORY	MINIMUM SUBSCRIPTION AMOUNT IN EUR
B SHARES	N/A
C SHARES	500.000,-

The Board of Directors of the Company may at its discretion accept initial subscription applications of a lower amount than the minimum subscription amount indicated. Further subscriptions of the above-mentioned shares are not subject to a minimum subscription amount.

### C) APPLICATION PROCEDURE

Investors may subscribe to shares in the Subfund at any time directly through the Principal Paying Agent in Luxembourg specified in the General Part of the Prospectus (or, where applicable, through local distributors and paying agents appointed in individual distribution countries). The exact identity of the subscriber, the name of the Subfund and the share class to be subscribed must be stated.

For all subscriptions of shares in the Subfund, received by the Principal Paying Agent on a Valuation Day (as defined in the section "Determination of the Net Asset Value") no later than 15:00 Luxembourg time (cut-off time), the issue price determined on the following Valuation Day will apply. For subscriptions received by the Principal Paying Agent after this time, the issue price of the next but one Valuation Day will apply.

The value of the total amount of the subscription must be credited in value to the account specified in the General Part of this Prospectus within two (2) Luxembourg Banking Days after the relevant Valuation Day.

No share coupons or share certificates will be delivered.

The Company reserves the right to reject applications, to accept them only in part or to require further information and documents. If an application is rejected in whole or in part, the subscription amount or the corresponding balance will be returned to the applicant.

## 9. REDEMPTION OF SHARES

### A) GENERAL INFORMATION

Shares in the Subfund will be redeemed on any Valuation Day by application to the Principal Paying Agent in Luxembourg specified in the General Part of the Prospectus (or, where applicable, to local distributors and paying agents appointed in individual distribution countries).

All applications for redemptions of Shares of the Subfund received by the Principal Paying Agent on a Valuation Day no later than 15:00 Luxembourg time (cut-off time) will be made at the redemption price determined on the following Valuation Day. For applications received by the Principal Paying Agent after this cut-off time, the redemption price of the next but one Valuation Day shall apply.

The redemption price is based on the Net Asset Value of the shares on the applicable Valuation Day and is rounded to two decimal places.

Payments will normally be made in the currency of the Subfund or Reference Currency of the relevant Share Class within a maximum of two (2) Luxembourg Banking Days after the relevant Valuation Day.

**B) PRICE SETTING PROCEDURE**

The following price setting procedure shall come into effect for the Subfund:

- (i) at mid prices; provided that the valuation rules are applied consistently to the Subfund for the duration of its existence;
- (ii) at the bid and offer prices at the cut-off time if bid and offer prices are used to establish the prices at which shares are issued and redeemed; or
- (iii) at the quoted bid prices if the value of all redemption requests received on a trading day exceeds the value of all subscription requests received for that trading day, or at the quoted offer price if the value of all subscription requests received on a trading day exceeds the value of all redemption requests received for that trading day, in order in any case to maintain the value of the shares of the existing shareholders.

**10. SWITCHING OF SHARES**

Shares of Subfund may be switched for shares of other active sub-funds of the Company to which such a switch is permitted in return for payment of a switching fee of up to 1% maximum of the net asset value of the aforesaid shares. No switching fee shall be charged for switching to shares of another Subfund of the Company launched on behalf of BANK JULIUS BÄR & CO. AG.

Shareholders of the Subfund are entitled to switch some or all of their shares for shares in another sub-fund on a valuation day which is applicable for both sub-funds, as well as within the Subfund to switch shares of one share category into shares of another share category. All the qualification prerequisites and minimum subscription amounts ("Minimum Switching Value") and the other conditions applicable to the original share category or the new share category shall apply for the Distributors and/or shareholders effecting a switch. The Company's Board of Directors may at its discretion accept initial switching applications for an amount lower than the stated minimum switching amount.

Furthermore, the same modalities apply to requests for switching of shares as to redemptions of shares, and the provisions of the General Part of the prospectus are applicable.

**MULTICOOPERATION SICAV**

# **GAM GALENA COMMODITIES**

**SPECIAL PART C: 3 July 2025**

This part of the Prospectus supplements the General Part with regard to the GAM GALENA COMMODITIES (hereinafter referred to as the "**GAM GALENA COMMODITIES**" or "**Subfund**").

The following provisions must be read in conjunction with the relevant statements in the General Part of the Prospectus.

**TABLE OF CONTENTS: SPECIAL PART C**

1.	Issue of Shares.....	3
2.	Investment objectives and policy.....	3
2.1	Investment objectives and policy.....	3
2.2.	Information regarding investments in derivative instruments and special investment techniques and financial instruments .....	4
2.3.	Information regarding sustainability risks.....	4
3.	Leverage.....	5
4.	Investor profile .....	5
5.	Investment Manager .....	5
6.	Description of Shares.....	6
7.	Dividend policy.....	6
8.	Fees and costs.....	7
9.	Issue and redemption of Shares.....	8
10.	Switching of Shares.....	8
11.	Application procedure .....	9

## 1. ISSUE OF SHARES

The Shares in the GAM GALENA COMMODITIES were offered for the first time under the then name of COMMODITY FUND (USD) from 21 to 28 February 2006 at an initial issue price of USD 100 per Share, plus a selling fee payable to the Distributor of up to 5% of the issue price.

## 2. INVESTMENT OBJECTIVES AND POLICY

### 2.1 INVESTMENT OBJECTIVES AND POLICY

The investment objective of the Company in relation to the Multicooperation SICAV — GAM GALENA COMMODITIES ("**GAM GALENA COMMODITIES**") is to indirectly participate in the growth potential of the international commodity and futures markets and thus to achieve long-term capital growth.

For this purpose, GAM GALENA COMMODITIES mainly invests in financial derivative instruments whose underlying assets represent several commodity indices, which may also be commodity sub-indices ("**Benchmark Commodity Indices**"). GAM GALENA COMMODITIES may also use certificates and structured products on Benchmark Commodity Indices and/or on individual commodities.

As a result, it is possible to actively vary the exposure of GAM GALENA COMMODITIES to different commodity categories by combining investments in different Benchmark Commodity Indices and additionally by over- or under-weighting Benchmark Commodity Indices through long positions or synthetic short positions, according to the assessment of the market situation.

The performance of the Benchmark Commodity Indices underlying the financial derivative instruments is tracked by concluding one or more cash-settled swap agreements (e.g. total return swaps). The counterparties are exclusively first-class financial institutions specialising in these transactions.

When implementing the investment policy using derivative financial instruments, only Benchmark Commodity Indices that comply with the rules contained in the General Part of the Prospectus in section 6.10 "Investments in financial indices pursuant to Article 9 of the Grand Ducal Regulation of 8 February 2008" are used.

All commodity benchmark indices used for the Subfund will reflect a representative, balanced selection of commodities from the respective, relevant commodity universe. Investments in individual commodity indices are excluded. The individual commodity benchmark indices may use the higher diversification limits as described in section 6.10. Reasons for this may arise from the respective, applicable commodity universe, in which certain index components may have a superior ranking.

In general, the commodity benchmark indices used for the Subfund can be rebalanced on a weekly to yearly basis.

Information on the commodity benchmark indices in which the Subfund is invested from time to time may be viewed at any time at the registered office of the company and on the website [www.funds.gam.com](http://www.funds.gam.com), including information about a publicly accessible website of the index sponsor on which a description of the index as well as information about its composition, method of calculation, performance etc. is available.

The exposure to such commodity markets and commodity futures is at least two-thirds of the assets of GAM GALENA COMMODITIES, although physical delivery is excluded in all cases. At no time is any investment made in derivatives whose underlying security is commodities themselves.

In order to implement its strategies, GAM GALENA COMMODITIES intends to make full use of the possibility of investing in derivatives or of using special investment techniques, as set out in the General Part of the Prospectus in the section "Special investment techniques and financial instruments", while complying with the restrictions laid down therein in each case.

The obligations contracted through the use of financial derivative instruments are covered at all times by liquid assets such as fixed or floating-rate securities, debt securities and claims (including zero-coupon bonds) of good credit rating, money market paper, cash and cash-equivalent instruments in order to be able to cover at all times the obligations of GAM GALENA COMMODITIES resulting from its positions in financial derivative instruments (including short positions).

Up to a maximum of one third of the assets of GAM GALENA COMMODITIES may be invested in other assets, including financial derivative instruments, permissible under Article 41 paragraph 1 of the 2010 Law and according to the ordinances enacted and supervisory circulars issued on such instruments.

Furthermore, in the interests of efficient portfolio management and for hedging purposes, financial derivative instruments and special investment techniques may also be used.

The overall risk of the GAM GALENA COMMODITIES is monitored using the VaR method.

Ancillary liquid assets may amount to up to 20% of the total assets of the Subfund. These ancillary liquid assets are limited to demand deposits, such as cash, held in the Subfund's current bank accounts and available at all times. The 20% limit may only be exceeded temporarily for an absolutely necessary period if circumstances so require due to exceptionally unfavourable market conditions (e.g. wars, terrorist attacks, health crises or other similar events), and if such an excess is justified taking into account the best interests of the investors.

The Subfund may invest in liquid assets for liquidity purposes, i.e. money market instruments and as defined in section 5 of the General Part of this Prospectus as well as in money market funds and overnight deposits.

The GAM GALENA COMMODITIES is denominated in USD. The reference currency (USD) is not identical in every case to the currency of investment. Foreign currency risks may be fully or partially hedged against the USD. A depreciation caused by exchange rate fluctuations cannot be ruled out.

## **2.2. INFORMATION REGARDING INVESTMENTS IN DERIVATIVE INSTRUMENTS AND SPECIAL INVESTMENT TECHNIQUES AND FINANCIAL INSTRUMENTS**

In order to achieve its investment objective, the GAM GALENA COMMODITIES may, instead of direct investments, mainly make use of derivative instruments and other special investment techniques and financial instruments, in particular swaps, certificates and structured products to build up and to maintain commodity markets and commodity futures exposure. The provisions in the General Part of the Prospectus, section 6.9 "Swaps and other financial derivatives with similar characteristics" will be taken into account. Consequently, in addition to the risk characteristics of securities, the risk characteristics of derivatives and other investment techniques and instruments must be taken into account. In general, they are exposed to the risks of the markets or instruments underlying them and therefore frequently involve greater risks than direct investments in securities. Potential risks of such instruments may, for example, result from the complexity, non-linearity, high volatility, low liquidity, restricted ability to be valued, risk of a loss of earnings or even a total loss of the invested capital or from the counterparty risk. In addition to the general risks, derivatives, certificates and structured products on commodity indices, commodity sub-indices involve an additional risk potential. These risks consist, in particular, of political, military, economic (e.g. supply and demand) and natural (e.g. weather or environmental disasters) influences as well as terrorist or criminal activities, which may, inter alia, impair the production of or trade in commodities, or which may adversely affect the availability or the price of the commodity concerned.

## **2.3. INFORMATION REGARDING SUSTAINABILITY RISKS**

The Subfund invests mainly in the international commodity and futures markets and therefore does not take into account sustainability risks as described and defined in the Sustainable Financial Product Disclosure section of the Prospectus.

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

### **EXCLUSION POLICY**

The Investment Manager's exclusion criteria are detailed in the Investment Manager's proprietary exclusion policy, published and available on <https://www.gam.com/corporate-responsibility/responsible-investing>. The exclusion policy is actively monitored to ensure it remains current and that the ESG preferences of investors are effectively integrated.

### 3. LEVERAGE

The market risk that may be entered into on behalf of the GAM GALENA COMMODITIES through the use of derivative financial instruments, as provided for in CSSF Circular 11/512, is monitored and limited using the relative value-at-risk method (VaR method) (see section 5 "Investment limits", point 2 (a)).

In the case of calculations based on the VaR method, CSSF Circular 11/512 also requires that the leverage resulting from the use of derivatives be indicated. The CSSF stipulates that the Sum of Notional Approach method shall be used to calculate the leverage, where the leverage is a measure of the total use of derivatives and is calculated as the sum of absolute nominal values of the derivative instruments in the GAM GALENA COMMODITIES.

In normal market conditions, the leverage calculated using the Sum of Notional Approach with respect to the fund volume should exhibit the following value for the GAM GALENA COMMODITIES. This leverage may change over time, and the actual values may exceed or fall below the expected figures indicated below by a significant amount. The actual value of the leverage in the past reporting period is indicated in the annual report of the Subfund. The expected and maximum leverage values are indicators and do not constitute limits laid down by the supervisory authority.

Multicooperation SICAV	Expected value	Maximum value
GAM GALENA COMMODITIES	450%	500%

The leverage describes the quotient of (i) the sum of nominal values or the derivatives and (ii) the Subfund's assets.

Furthermore, the GAM GALENA COMMODITIES may not borrow for investment purposes — one exception to this rule being the possibility of short-term borrowing of up to 10% of the net asset value of the Subfund, as explained in section 5 "Investment restrictions" in point 2. (I) (B).

### 4. INVESTOR PROFILE

The GAM GALENA COMMODITIES is suitable for investors who have experience with volatile investments, have sound knowledge of the capital markets and wish to participate in the performance of the capital markets so as to pursue their specific investment objectives. Investors must expect fluctuations in value, which can also temporarily lead to high losses in value. The Subfund may be used as a supplementary investment within a widely diversified portfolio.

### 5. INVESTMENT MANAGER

The following Investment Manager has been appointed for the Subfund:

GAM International Management Limited, 8 Finsbury Circus, London EC2M 7GB, United Kingdom.

The Investment Manager is authorised, while taking into account the investment objectives, policy and limits of the Company, to make investments directly for the Subfund, under the ultimate supervision of the Management Company and/or Board of Directors or the auditor(s) appointed by the Management Company. With the approval of the Management Company, the Investment Manager can claim the support of Investment Advisers. Shareholders can obtain detailed information on the Investment Manager at the registered office of the Management Company.

In accordance with the above provisions, GAM International Management Limited has appointed the following sub-investment manager for the Subfund:

- Galena Asset Management SA, 1 rue du Jargonant, 1207 Geneva, Switzerland



## 6. DESCRIPTION OF SHARES

After the initial issue date, the Company may issue Shares in the following categories:

- Distributing "A" Shares
- Accumulating "B" Shares
- Accumulating "C" Shares (for "institutional investors", as described hereafter)
- Distributing "Ca" Shares (for "institutional investors", as described hereafter)
- Accumulating "E" Shares (for certain Distributors, as described hereafter)
- Capital growth "R" Shares (for specific intermediaries, as described hereafter)
- Distributing "Ra" Shares (for specific intermediaries, as described hereafter)
- Accumulating "S" Shares (for specific intermediaries, as described hereafter)
- Distributing "Sa" Shares (for specific intermediaries, as described hereafter)

Shares are issued only in registered form. In relation to the Subfund, provision is made for Share Categories to be offered both in the currency of account and in "Swiss francs" or "CHF" (referring to the currency of Switzerland), "Euros" or "EUR" (referring to the currency of the European Economic and Monetary Union), "£ sterling" or "GBP" (referring to the currency of the United Kingdom), "Japanese yen" or "JPY" (referring to the currency of Japan), "SEK" (referring to the currency of Sweden), "NOK" (referring to the currency of Norway), "DKK" (referring to the currency of Denmark) and "AUD" (referring to the currency of Australia).

**C and Ca Shares** may be purchased only by "Institutional investors" within the meaning of Article 174 et seq. of the 2010 Law (as regards minimum subscriptions, see the sections "Issue and redemption of Shares" and "Switching of Shares" below). For entities incorporated in the EU, the definition of "institutional investors" includes, among others, all eligible counterparties and all clients considered per se to be professionals pursuant to Directive 2014/65/EU on markets in financial instruments ("MIFID") who have not requested non-professional treatment.

**E Shares** are issued exclusively to Distributors domiciled in Spain and Italy and to certain other distributors in other distribution markets, provided the Board of Directors of the Company has decided for the latter on a special authorisation for the distribution of E Shares. No other Distributors are allowed to acquire E Shares.

**R, Ra, S and Sa Shares** are only available for specified intermediaries who are not allowed to accept and retain fees, commissions or any monetary or non-monetary benefits (except for minor non-monetary benefits) paid or provided by any third party or a person acting on behalf of a third party, be this (i) due to legal requirements or (ii) due to the fact that they have concluded contractual agreement (e.g. individual discretionary portfolio management or advisory agreements with separate fee arrangements or other agreements) with their customers that exclude such payments (as regards minimum subscriptions, see the sections "Issue and redemption of Shares" and "Switching of Shares" below).

## 7. DIVIDEND POLICY

The Company intends to distribute appropriate dividends taking into account the following aspects for the distributing Shares in accordance with Luxembourg law, the articles of association as well as this Full Prospectus:

- the net income generated by the Subfund (e.g. interest, dividends, other income).
- the capital and foreign-currency gains generated by the Subfund.

The annual distributions for the distributing Share Categories ("A" or with the addition "a") are generally made within one month of the determination of the dividend in the currency of the respective Share Category.

The amount of dividend paid is not fixed and varies according to economic and other circumstances. The Company reserves the right to modify the distribution policy at any time in the interest of the shareholders, particularly also for tax reasons.

## 8. FEES AND COSTS

### Management Fee

The "Management Fee" serves as remuneration (a) for the Investment Managers and/or Investment Advisers and (b) for Distributors, together in each case with associated support services. All or part of the Management Fee may be paid to Distributors, placement agents and similar financial intermediaries as commission, retrocession or rebate.

The Management Fee may be charged by the Management Company at different rates for individual Subfunds and/or Share Categories within a given Subfund or may be waived in full. The annual maximum Management Fee is shown in the table below.

### Servicing Fee

In addition, a "Servicing Fee" will be debited by the Management Company to each Subfund and/or Share Category. The Servicing Fee constitutes remuneration for the following services rendered by the Management Company or its appointees and delegates:

- **Custody and administration of securities:** business activities in accordance with custody and sub-custody services, registrar and transfer agency, central administration (fund administration, fund accounting), principal paying agency;
- **Operational management:** remuneration of the Management Company for the operational management and supervision of the business activities of the Company; Risk Management; remuneration and expenses of the Board of Directors of the Company; expenses in relation to the convening of general meetings of shareholders; notary fees;
- **Sales and marketing:** sales and marketing expenses, further distribution support, licence fees;
- **Regulatory:** public charges: taxes (particularly the *taxe d'abonnement* for Subfunds governed by Luxembourg law); mandatory fund documents (full Prospectus, KIID, annual and semi-annual reports); auditing fees; costs associated with registration and reporting to supervisory authorities in different distribution countries; listing fees; publication costs for net asset values and corporate actions;
- **Other services:** Legal and tax services; paying agents and representatives; insurance premiums; and any other costs incurred by the Management Company on behalf of the Company.

The Servicing Fee may be charged by the Management Company at different rates for individual Subfunds and/or Share Categories within a given Subfund or may be waived in full. The annual maximum Servicing Fee is shown in the table below.

Both the Management Fee and the Servicing Fee will be calculated on the basis of the net asset value of the respective Subfund and/or Share Category and debited to such Subfund and/or such Share Category on each valuation day (as defined in the section "Calculation of net asset value" in the General Part) and will be payable monthly in arrears.

The Management Fee and the Servicing Fee together constitute the Total Expense Ratio (TER) of the respective Subfund and/or Share Category.

As shown in the table below, the Management Fee and the Servicing are both capped. Any costs exceeding this cap are borne by the Management Company.

Subfunds	Maximum fee p.a. in % of the net asset value (NAV)			
	Share Category	Management Fee	Servicing Fee	Total Expense Ratio (TER)
GAM GALENA COMMODITIES	A/B	1.30%	0.70%	2.00%
	E*)	2.05%	0.70%	2.75%
	R/Ra**)	0.65%	0.55%	1.20%

	C/Ca**)	0.65%	0.55%	1.20%
	S/Sa**)	0.65%	0.55%	1.20%

\*) An additional distribution fee of up to a maximum of 0.75% p.a. is included in the Management Fee.

\*\*) In connection with the distribution, offering or holding of C and Ca shares, the Company will not pay any commission to the Distributors for any additional distribution services. Furthermore, regarding the distribution, offering or holding of R, Ra, S and Sa Shares, the Company will not pay any fees, commissions or any monetary or non-monetary benefits (except for minor non-monetary benefits) for distribution and intermediary services.

In addition, the terms of the General Part of this Prospectus (cf. section "Fees and costs") shall also apply.

## 9. ISSUE AND REDEMPTION OF SHARES

### Issue

On expiry of the initial subscription period, the Shares in the Subfund are issued on each valuation day at a price ("Issue Price") based on the net asset value of the Shares on the applicable valuation day (cf. the section "Issue of Shares" in the General Part of this Prospectus). The Issue Price is rounded to two decimal places and a selling fee of currently up to 5% payable to the Distributor or to the Company is added. In the case of larger transactions, the selling fee may be reduced accordingly, but shareholders investing the same amounts during the same period must be treated equally.

### Redemption

Shares will be redeemed on any valuation day on application with the Company or with the principal paying agent in Luxembourg (or any appointed local paying agent or Distributor, as the case may be). The Shares are redeemed at a price ("Redemption Price") based on the net asset value of the Shares on the applicable valuation day. This Redemption Price is rounded to two decimal places. If no selling fee was charged, a redemption fee of up to 3% of the applicable net asset value may be charged by the Distributor instead.

### Minimum subscription amount

A minimum subscription as stated below is planned for initial subscription of certain Share Categories.

Share Category	Minimum subscription per Subfund in EUR or the equivalent amount in the currency of the Share Category concerned
C and Ca Shares (Shares for institutional investors)	500,000
S and Sa Shares (Shares for certain intermediaries)	10,000,000

The Company's Board of Directors may, at its own discretion, accept initial subscription applications for an amount lower than the stated minimum subscription amount. Further subscriptions of the above-mentioned Shares are not subject to a minimum subscription amount.

## 10. SWITCHING OF SHARES

Shares in the Subfund may be switched for Shares in other Subfunds of the Company upon payment of a switching fee of up to a maximum of 1% of the net asset value of said Shares. Such switching may be effected through the principal paying agent in Luxembourg (or any appointed local paying agent or Distributor, as the case may be). The switching procedure is subject to the provisions in the General Part of this Prospectus (cf. section "Switching of Shares").

Shareholders in the Subfund are entitled to convert some or all of their Shares into Shares of another Subfund on a valuation day valid for both Subfunds as well as convert between different Share Categories within a Subfund. All the qualification prerequisites and minimum subscription amounts ("Minimum Switching Value") and the other

conditions applicable to the original Share Category or the new Share Category shall apply for the Distributors and/or shareholders effecting a switch. The Company's Board of Directors may, at its discretion, accept initial switching applications for an amount lower than the stated minimum switching amount.

## **11. APPLICATION PROCEDURE**

Shares may be issued, redeemed and switched at all times at the principal paying agent in Luxembourg named in the General Part of the Prospectus (or, as the case may be, at any of the appointed local Distributors or paying agents in the individual distribution countries). The exact identity of the applicant and the name of the Subfund and the Share Category concerned must be stated.

All issues, redemptions and switches of Shares received by the principal paying agent no later than 15:00 local time (cut-off time) on one valuation day (as defined in the section "Calculation of net asset value") are covered by the Issue, Redemption or Switching Price determined on the following valuation day. Applications received after this time are covered by the Issue, Redemption or Switching Price of the day after the following valuation day.

In the case of issues, the total amount of the subscription must be credited to the relevant account described in the General Part of this Prospectus within four (4) Luxembourg banking days from the applicable valuation day.

No Share coupons or certificates will be delivered but will be held on behalf of the shareholder by the paying agent or a bank designated by the paying agent instead. The Company reserves the right to reject applications or to accept them only in part or to request further information and/or documents. If an application is rejected in whole or in part, the subscription amount or the corresponding balance will be transferred back to the applicant.

# MULTICOOPERATION SICAV

## GAM MULTI ASSET STRATEGIC ALLOCATION

A Subfund of the SICAV under Luxembourg law  
MULTICOOPERATION SICAV, launched by GAM  
(Luxembourg) S.A., on behalf of GAM (Italia) S.G.R.  
launched by GAM (Luxembourg) S.A., Luxembourg

### SPECIAL PART I: 9 DECEMBER 2024

This part of the Prospectus supplements the General Part with regard to the GAM MULTI ASSET STRATEGIC ALLOCATION (hereinafter referred to as the "**GAM MULTI ASSET STRATEGIC ALLOCATION**" or "**Subfund**").  
The provisions below must be read in conjunction with the corresponding provisions in the General Part of the Prospectus.



**TABLE OF CONTENTS: SPECIAL PART I**

1.	Issue of Shares .....	3
2.	Investment objectives and policy .....	3
3.	Leverage .....	5
4.	Investor profile.....	5
5.	Investment Manager.....	6
6.	Description of Shares .....	6
7.	Dividend policy .....	7
8.	Fees and costs.....	8
9.	Issue of Shares .....	14
10.	Redemption of Shares .....	15
11.	Switching of Shares.....	15

## 1. ISSUE OF SHARES

The Shares of the Subfund were first offered for subscription as set out below. The initial Issue Price is quoted per Share.

Subfunds	Subscription deadline	Issue price
GAM MULTI ASSET STRATEGIC ALLOCATION	20–26 June 2014	The initial Issue Price was equal to the net asset value on 26 June 2014 of the UCITS under Italian law "SWISS & GLOBAL CHALLENGER" and was published in the newspaper " <i>Sole 24 Ore</i> ".

## 2. INVESTMENT OBJECTIVES AND POLICY

The investment objective of the Company is to achieve long-term positive returns through the application of a number of investment strategies in the entire Share classes allowed under Part I the 2010 Law.

For this purpose, GAM MULTI ASSET STRATEGIC ALLOCATION makes investments that have a potential for attractive short-term returns according to the assessment of the Investment Manager.

The Company invests the assets of the Subfund worldwide into the following types of assets:

- (i) Shares and other equity securities or equity rights of companies from recognised countries;
- (ii) fixed-interest or floating-rate securities, debt securities and claims, as well as other fixed-interest investments (including convertible and warrant bonds, money market instruments), asset backed securities (ABS) and mortgage backed securities (MBS) (ABS and MBS together max. 20% of the assets of the Subfund) in all freely convertible currencies, issued or guaranteed by issuers from recognised countries;
- (iii) Sight deposits and deposits repayable on demand;
- (iv) Units of other UCITS and/or other UCI as well as Exchange Traded Products ("ETP"), i.e. Exchange-Traded Funds (ETF), Exchange Traded Notes (ETN) and Exchange Traded Commodities (ETC) (ETN and ETC up to a maximum of 20% of the assets of the Subfund). ETNs and ETCs are deemed to be suitable investment assets within the meaning of Article 41 (1) of the 2010 Law, in which no derivatives are embedded and where physical delivery of the underlying asset is excluded;
- (v) Shares and equity securities of real estate companies and listed closed-ended real estate funds and listed real estate investment trusts (REITs) that meet the requirements of article 41 (1) of the 2010 Law;
- (vi) warrants on Shares and other equity securities (up to a maximum of 15% of the assets of the Subfund). Purchases of warrants involve increased risks due to the higher volatility of such investments;
- (vii) derivative instruments, certificates, structured products having as underlying instruments assets according to (i), (ii) and hedge fund strategies, as well as derivatives, certificates, structured products on diversified indices on finance, commodities, real estate, hedge funds and volatility as well as the corresponding sub-indices, which meet the requirements of Articles 8 and 9 of the Grand Ducal Ordinance of 8 February 2008 or, as applicable, Article 2 of Directive 2007/16/EC;
- (viii) derivative instruments, certificates and structured products on indices, credit and currencies, as well as interests.

In deviation of the provisions of the General Part, the fund may invest more than 10% but no more than a total of 49% of its assets in target funds.

When implementing the investment policy using derivative financial instruments, only commodity benchmark indices that comply with the rules contained in the General Part of the Prospectus in section 6.10 "Investments in financial indices pursuant to Article 9 of the Grand Ducal Regulation of 8 February 2008" are used.



The performance of the benchmark commodity indices and/or commodity sub-indices underlying the financial derivative instruments is replicated by concluding one or more swap agreements, where, in the event of a positive trend, the counterparty pays the Subfund an amount depending on the level of the nominal value and performance; conversely, in the event of a negative trend, the Subfund pays the counterparty a contractually agreed amount of compensation. The counterparties are exclusively first-class financial institutions specialising in these transactions. Where the Subfund invests in certificates, these can be based on individual commodity stocks where permissible. Physical delivery is excluded in all cases.

The volatility of a transferable security (or basket of securities) is a statistical measure of the speed and extent of the variation in price of a transferable security (or several transferable securities) over a fixed period of time. The volatility exposure that the Subfund acquires through futures, options as well as ETPs based on volatility indices shall allow the Subfund to profit from the development and/or volatility of the markets.

The obligations contracted through the use of derivative financial instruments are covered at all times by liquid assets such as fixed or floating-rate securities, debt securities and claims (including zero-coupon bonds) of good credit rating and money market papers.

Ancillary liquid assets may amount to up to 20% of the total assets of the Subfund. These ancillary liquid assets are limited to demand deposits, such as cash, held in the Subfund's current bank accounts and available at all times. The 20% limit may only be exceeded temporarily for an absolutely necessary period if circumstances so require due to exceptionally unfavourable market conditions (e.g. wars, terrorist attacks, health crises or other similar events), and if such an excess is justified taking into account the best interests of the investors.

The Subfund may invest in liquid assets for liquidity purposes, i.e. money market instruments and as defined in section 5 of the General Part of this Prospectus as well as in money market funds and overnight deposits.

The Company may make investments other than the transferable securities and money market instruments mentioned in article 41 (1) of the 2010 Law if due regard is paid to the limitations laid out in the General Part of the Full Prospectus in the section "Investment limits", in particular in point 1(f). **Such investments involve a higher degree of risk. Additionally, a higher-than-average volatility must be expected and consequently even the complete loss of some investments cannot be ruled out.**

The selection and the weighting of the individual titles and kinds of investments and currencies as well as the orientation of the current investment strategy will be made in an opportunistic manner, i.e. according to the current market assessment, the investment focus may vary significantly. Short-term price variations can therefore not be ruled out.

The GAM MULTI ASSET STRATEGIC ALLOCATION is denominated in EUR. The currency of investment may be EUR or other currencies. Foreign currency risks may be fully or partially hedged against the EUR. A depreciation caused by exchange rate fluctuations cannot be ruled out.

#### **INFORMATION REGARDING SUSTAINABILITY RISKS**

The investments of the Subfund are subject to sustainability risk, as outlined and defined in the section "Sustainable Finance Disclosure Regulation" of the Prospectus. The Subfund invests in a range of different securities and asset classes. This diversification curtails the sustainability risk of the Subfund.

The Subfund has been determined to have a sustainability risk rating of low.

The sustainability risk may vary, to a limited extent, where the composition of the portfolio is changed.

The sustainability risk of financial derivative instruments will be assessed based upon analysis of the assets underlying the derivative. The assessment of sustainability risk is integrated into the investment process of the Subfund and shall be conducted periodically on an individual basis for all investments held in the portfolio.

When conducting a sustainability risk assessment, the Investment Manager may utilise whatever public information they consider relevant, including but not limited to documentation released by investee entities or external data vendors, and credit ratings (where appropriate).

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

**Exclusion policy**

The Investment Manager's exclusion criteria are detailed in the Investment Manager's proprietary exclusion policy, published and available on <https://www.gam.com/corporate-responsibility/responsible-investing>. The exclusion policy is actively monitored to ensure it remains current and that the ESG preferences of investors are effectively integrated.

**3. LEVERAGE**

The market risk that may be entered into on behalf of the Subfund through the use of derivative financial instruments, as provided for in CSSF Circular 11/512, is monitored and limited using the absolute value-at-risk method ("VaR method") (see section 5 "Investment limits", point 2 (a)).

In the case of calculations based on the VaR method, CSSF Circular 11/512 also requires that the leverage resulting from the use of derivatives be indicated. The CSSF stipulates that the Sum of Notional Approach method be used to calculate the leverage, but permits this information to be supplemented by leverage values calculated using the

Commitment Approach.

In the case of the Sum of Notional Approach, the leverage is a measure of the total use of derivatives and is calculated as the sum of absolute nominal values of the derivative instruments in the Subfund.

In the case of the Commitment Approach as presented in ESMA Guidelines 10–788, explicit account is taken both of the sensitivities in relation to market risk factors as well as netting/hedge ratios between financial derivatives and securities as well as between financial derivatives themselves.

Under normal market conditions, the leverage of the Subfund calculated using the Sum of Notional Approach with respect to the fund volume is expected to be in the following range: This leverage may change over time, and the actual values may exceed or fall below the expected figures indicated below by a significant amount. The actual value of the leverage in the past reporting period is indicated in the annual report of the Subfund. The expected leverage values are indicators and do not constitute limits laid down by the supervisory authority.

<b>Multicooperation SICAV</b>	<b>Expected value</b>
GAM MULTI ASSET STRATEGIC ALLOCATION	120%

The leverage describes the quotient of (i) the sum of nominal values of the derivatives and (ii) the Subfund's assets.

The following information should also be noted: in normal market conditions, the leverage calculated using the Commitment Approach with respect to the fund volume should exhibit the following value for the Subfund. The degree of leverage may change over time, and the actual values may be higher or lower than the expected values indicated below. The actual leverage in the previous reporting period is indicated in the annual report of the Subfund. The expected leverage values are indicators and do not constitute limits laid down by the supervisory authority.

<b>Multicooperation SICAV</b>	<b>Expected value</b>
GAM MULTI ASSET STRATEGIC ALLOCATION	50%

The leverage refers to the ratio between (i) the market exposure—generated by the use of derivative financial instruments as calculated with the Commitment Approach—that exceeds the assets of the Subfund and (ii) the Subfund's assets.

Furthermore, the Subfund may not borrow for investment purposes — an exception to this rule is temporary borrowing of up to 10% of the Subfund's net asset value, as explained in section 5 "Investment limits" of the General Part of the Prospectus under point 2. (I) (B).

**4. INVESTOR PROFILE**

The Subfund is suitable for asset accumulation both for investors that do not have in-depth knowledge of the capital markets and for experienced investors in order to pursue their specific investment objectives. Investors aim for

positive returns, however they must anticipate fluctuations in the value of the investments, which may lead to temporary value losses. The Subfund may be used as a basic investment within an overall portfolio.

## 5. INVESTMENT MANAGER

GAM (Italia) S.G.R. S.p.A, Via Duccio di Boninsegna 10, I-20145 Milan

The Investment Manager is authorised to make investments directly for Subfund, taking into account the investment objectives, policy and limits of the Company and the Subfund, respectively, and under the ultimate supervision of the Management Company or the Board of Directors or the auditor(s) appointed by the Management Company. The Investment Manager may, with the consent of the Management Company, avail itself of the assistance of Investment Advisers.

The Investment Manager was established in 2003 as a limited company under Italian law. The Investment Manager has been licensed as a "*Società di Gestione del Risparmio*" (SGR) by the Banca d'Italia since 2004 and is registered under the number 176 in the SGR register of the Banca d'Italia. Its activities include asset management for Italian and foreign UCITS and UCI. The Investment Manager is a 100% group company of GAM Holding Ltd.

## 6. DESCRIPTION OF SHARES

After the initial issue date, the Company may issue Shares of the Subfund in the following categories:

- Annually distributing "A" Shares
- Accumulating "B" Shares
- Accumulating "C" Shares (for "institutional investors", as described hereafter)
- Annually distributing "Ca" Shares (for institutional investors, as described hereafter)
- Accumulating "E" Shares (for certain Distributors, as described hereafter)
- Quarterly distributing "Et" Shares (for certain Distributors, as described hereafter)
- Accumulating "F" Shares (for institutional investors, as described hereafter)
- Accumulating "G" Shares (for the GAM Group, as described hereafter)
- Capital growth "R" Shares (for specific intermediaries, as described hereafter)
- Annually distributing "Ra" Shares (for certain intermediaries, as described hereafter)
- Accumulating "S" Shares (for specific intermediaries, as described hereafter)
- Annually distributing "Sa" Shares (for certain intermediaries, as described hereafter)

Shares are issued only in registered form.

In relation to the Subfund, Shares will be issued in the respective fund currency as well as—if different—in USD, CHF and GBP. The respective available Share Categories can be obtained from the Central Administration Agent or from the information agent and Distributor.

**"C" and "Ca" Shares** may be purchased only by "institutional investors" according to Article 174 et seq. of the 2010 Law (regarding minimum subscriptions, see the section "Issue of Shares" and "Switching of Shares"). For entities incorporated in the EU, the definition of "institutional investors" includes, among others, all eligible counterparties and all clients considered per se to be professionals pursuant to Directive 2014/65/EU on markets in financial instruments ("MIFID") who have not requested non-professional treatment.

**E Shares** are issued exclusively to Distributors domiciled in Spain and Italy and to certain other distributors in other distribution markets, provided the Board of Directors of the Company has decided for the latter on a special authorisation for the distribution of E Shares. No other Distributors are allowed to acquire E Shares.

**"Et" Shares** are issued exclusively to Distributors domiciled in Italy, as well as to certain distributors in other distribution markets, provided the Board of Directors of the Company has resolved to give the latter special authorisation for the distribution of the "Et" Shares (see Minimum subscription amount in section "Issue of Shares/Application procedure" and "Fees and costs"). All other Distributors are not permitted to acquire Et Shares.

**"F" Shares** may be purchased exclusively by "institutional investors", in Article 174 et seq. of the 2010 Law, domiciled in Italy as well as to certain "institutional investors" in other distribution markets, provided the Board of Directors of the Company has resolved to give the latter special authorisation (regarding minimum subscription amount, see the section "Issue of Shares" and "Switching of Shares"). For entities incorporated in the EU, the definition of "institutional investors" includes, among others, all eligible counterparties and all clients considered per se to be professionals pursuant to Directive 2014/65/EU on markets in financial instruments ("MIFID") who have not requested non-professional treatment.

**"G" Shares** may be purchased exclusively by companies of the GAM Group or to UCI(T)s managed or launched by the GAM Group and meeting the requirements of institutional investors according to Article 174 et seq. of the 2010 Law. No other investors are permitted to acquire G Shares. For entities incorporated in the EU, the definition of "institutional investors" includes, among others, all eligible counterparties and all clients considered per se to be professionals pursuant to Directive 2014/65/EU on markets in financial instruments ("MIFID") who have not requested non-professional treatment.

**"R", "Ra", "S" and "Sa" Shares** are only available for specified intermediaries who are not allowed to accept and retain fees, commissions or any monetary or non-monetary benefits (except for minor non-monetary benefits) paid or provided by any third party or a person acting on behalf of a third party, be this (i) due to legal requirements or (ii) due to the fact that they have concluded contractual agreements (e.g. individual discretionary portfolio management or advisory agreements with separate fee arrangements or other agreements) with their customers that exclude such payments (regarding minimum subscriptions, see the section "Issue of Shares" and "Switching of Shares").

## 7. DIVIDEND POLICY

The Company intends to apply the following dividend policy with respect to the different available Share Categories, in accordance with the laws of Luxembourg, the articles of association and this Full Prospectus:

In the case of accumulating Shares, no dividend payments are made. Instead, the values allocated to the accumulating Shares are reinvested for the benefit of the shareholders holding them.

The annual dividend payment for the distributing Shares "A", "Ca", "Et", "Ra" and "Sa" are made, in principle, within one month of determination of the dividend in the currency of the respective Share Category.

For the distributing "Et" Shares, a regular payment of interim dividends in the currency of the Share Category is provided, the payment of which is made, in general, on a quarterly basis, in the currency of the respective Share Category.

For the "Et" Share Categories, dividends may occasionally be paid out of capital, when the income/capital gains realised by the Subfund are not sufficient. This may, in certain circumstances, reasonably maintain a constant payment per Share. The Subfund is managed in the interest of all shareholders in accordance with the stated investment objectives and not with the aim of maintaining a stable pay-out per Share for a particular Share Category. Shareholders should note in this regard that the payment of dividends from the capital represents a return or withdrawal of part of the amount they originally invested or of the capital gains attributable to the original investment. Such distributions may result in an immediate decrease in the net asset value per Share of the Subfund.

The amount of dividend paid is not fixed and varies according to economic and other circumstances. The Company reserves the right to modify the distribution policy at any time in the interest of the shareholders, particularly also for tax reasons. In addition, the terms of the General Part of this Full Prospectus (cf. section "Dividends") shall also apply.

## 8. FEES AND COSTS

### Management Fee

The "Management Fee" serves as remuneration (a) for the Investment Managers and/or Investment Advisers and (b) for Distributors, together in each case with associated support services. All or part of the Management Fee may be paid to Distributors, placement agents and similar financial intermediaries as commission, retrocession or rebate.

The Management Fee may be charged by the Management Company at different rates for individual Subfunds and/or Share Categories within a given Subfund or may be waived in full. The annual maximum Management Fee is shown in the table below.

### Servicing Fee

In addition, a "Servicing Fee" will be debited by the Management Company to each Subfund and/or Share Category. The Servicing Fee constitutes remuneration for the following services rendered by the Management Company or its appointees and delegates:

- **Custody and administration of securities:** business activities in accordance with custody and sub-custody services, registrar and transfer agency, central administration (fund administration, fund accounting), principal paying agency;
- **Operational management:** remuneration of the Management Company for the operational management and supervision of the business activities of the Company; Risk Management; remuneration and expenses of the Board of Directors of the Company; expenses in relation to the convening of general meetings of shareholders; notary fees;
- **Sales and marketing:** sales and marketing expenses, further distribution support, licence fees;
- **Regulatory:** public charges: taxes (particularly the taxe d'abonnement for Subfunds governed by Luxembourg law); mandatory fund documents (Full Prospectus, KIID, annual and semi-annual reports); auditing fees; costs associated with registration and reporting to supervisory authorities in different distribution countries; listing fees; publication costs for net asset values and corporate actions;
- **Other services:** Legal and tax services; paying agents and representatives; insurance premiums; and any other costs incurred by the Management Company on behalf of the Company.

The Servicing Fee may be charged by the Management Company at different rates for individual Subfunds and/or Share Categories within a given Subfund or may be waived in full. The annual maximum Servicing Fee is shown in the table below.

Both the Management Fee and the Servicing Fee will be calculated on the basis of the net asset value of the respective Subfund and/or Share Category and debited to such Subfund and/or such Share Category on each valuation day (as defined in the section "Calculation of net asset value" in the General Part) and will be payable monthly in arrears.

The Management Fee and the Servicing Fee together constitute the Total Expense Ratio (TER) of the respective Subfund and/or Share Category.

As shown in the table below, the Management Fee and the Servicing are both capped. Any costs exceeding this cap are borne by the Management Company.

Subfunds	Maximum fee p.a. in % of the net asset value (NAV)			
	Share Category	Management Fee	Servicing Fee	Total Expense Ratio (TER)
<b>GAM MULTI ASSET</b>	A/B	1.20%	0.35%	1.55%

<b>STRATEGIC ALLOCATION</b>	E*)	1.95%	0.35%	2.30%
	Et*	1.95%	0.35%	2.30%
	G**)	0%	0.10%	0.10%
	R/Ra**)	0.65%	0.35%	0.90%
	S/Sa**)	0.55%	0.30%	0.85%
	C/Ca**)	0.55%	0.30%	0.85%
	F**)	0.20%	0.18%	0.38%

\*) An additional distribution fee of up to a maximum of 0.75% p.a. is included in the Management Fee.

\*\*) In connection with the distribution, offering or holding of C, Ca, F and G Shares, the Company will not pay any commission to the Distributors for any additional distribution services. Furthermore, regarding the distribution, offering or holding of R, Ra, S and Sa Shares, the Company will not pay any fees, commissions or any monetary or non-monetary benefits (except for minor non-monetary benefits) for distribution and intermediary services.

In addition, the terms of the General Part of this Prospectus (cf. section "Fees and costs") shall also apply.

#### Performance Fee for the "F" Share Category

In addition to the above, the Investment Manager is entitled to a performance-linked remuneration ("**Performance Fee**") subject to the conditions set out below:

The performance reference period corresponds to the entire life cycle of the Subfund, except in the case of special events such as a merger or a change of Investment Manager. The first Performance Reference Period will start from the launch date of the relevant Share Category.

The Performance Fee is subject to a "High Water Mark" and a "Reference Index" as defined below.

The Investment Manager is entitled to receive a Performance Fee, if the net asset value per Share of the relevant Share Category is above the High Water Mark ("**Outperformance above the High Water Mark**"). In addition, and in order to protect the interests of the investors, the percentage return per Share since the start of the accounting year must exceed that of the Reference index ("**Outperformance above the Reference Index**"). Both conditions must be met cumulatively.

The Performance Fee amounts to 15% p.a. of the outperformance above the High Water Mark or the outperformance above the Reference Index since the start of the accounting year, with the lower of the two values serving as the basis for calculation and is capped at 0.40% of the net assets of the respective Share Category on each valuation day.

At the launch of the Share Category subject to a Performance Fee, the High Water Mark is identical to the initial Issue Price. If the net asset value per Share on the last valuation day of the accounting year is higher than the previous High Water Mark and a Performance Fee is crystallised, the High Water Mark for the new accounting year will be reset to the net asset value per Share calculated on the last valuation day of that accounting year, calculated after deduction of the deferred Performance Fee for the Share Category. In all other cases, the High Water Mark remains unchanged.

The Reference Index is shown in the table below. The Reference Index will be updated on each valuation day.

The Performance Fee will be calculated and accrued on each valuation day. At the end of each accounting year, the Performance Fee payable and accrued up to that date will be crystallised and paid annually to the Investment Manager. The Performance Fee will be calculated net of all costs associated with the Subfund. Any underperformance or loss incurred against the High Water Mark during the Reference Period shall be recovered before any Performance Fee becomes payable again.

Any subscription resulting in the creation of new Shares in issue will not be taken into account in the calculation of the Performance Fee accrued in the period preceding the subscription.

For Shares redeemed during on a valuation day during the accounting year (net outflows), the deferred Performance Fee (if any) attributable to the redeemed Shares will be crystallised and paid to the Investment Manager after the end of the accounting year.

The Performance Fee will be recalculated on each valuation day under the conditions set out above and a reserve will be set aside for the relevant Share Category. The recalculated amount of the Performance Fee will be compared on each valuation day with the amount set aside on the previous valuation day. The amount set aside on the previous day will be adjusted downwards or upwards according to the calculated difference between the recalculated amount and the amount previously set aside. The deferred Performance Fee shall never be negative.

#### ACCOUNTING POLICY:

A cumulative positive provision is deducted from the calculation of the net asset value per Share (daily adjustment method).

Consequently, the "net asset value per Share" for a given valuation day will include the cumulative accrued Performance Fee from the previous valuation day (if any), but will not include the Performance Fee accrued on such valuation day (the latter being equal to the "net asset value per Share after deduction of the Performance Fee").

The Performance Fee calculated in accordance with the foregoing will be paid to the Investment Manager of the Subfund within four months of the end of the Company's accounting year.

Subfunds	Share Category/Account currency	Reference index for the calculation of the Performance Fee*)
GAM MULTI ASSET STRATEGIC ALLOCATION	F — EUR	ICE BofAML Italy Treasury Bill + 200bps

\*) The Reference Index is a benchmark pursuant to the Regulation (EU) 2016/1011 (EU Benchmark Regulation). The benchmark is provided by an administrator who is located in the EU and is entered in the Register under article 36 of the EU Benchmark Regulation. The Company assumes that the registration of the benchmark and of the administrator who provides the benchmark in the ESMA-Register referred to in art. 36 of the EU Benchmark Regulation, will take place in the course of 2018 (however, no later than 1 January 2020). The Company implemented a solid written plan setting out the measures it would take in case a benchmark materially changes or ceases to be provided. The pertinent policies of the GAM Group are available on [www.funds.gam.com](http://www.funds.gam.com).

#### Calculation example 1

In the following example, the High Water Mark (**HWM**) and the Reference Index at valuation point A are set at 100.00 and 50.00 respectively. Valuation point C corresponds to the end of the accounting year. The Performance Fee percentage is 15%.

The gross asset value corresponds to the total net assets excluding accrued Performance Fee and crystallised Performance Fee.

The assets before deduction of the Performance Fee correspond to the total net assets without accrued Performance Fee.

Valuation point	Number of Shares outstanding	Gross asset value	Assets before deduction of the Performance Fee	Net asset value per Share before deduction of the Performance Fee (designated as NAV per Share)	HWM	Reference Index	Cap (maximum potential accrued Performance Fee)	Accrued Performance Fee	Net asset value per Share after deduction of the Performance Fee
A	1000.00	100,000.00	100,000.00	100.00	100.00	50.00	400.00	0.00	100.00
B	1000.00	102,500.00	102,500.00	102.50	100.00	51.00	410.00	75.00	102.42
C	1000.00	102,000.00	101,925.00*	101.92	100.00	50.50	407.70	138.75	101.86

\* An accrued Performance Fee of 75.00 from valuation point B will be deducted.

An investor purchases 1000.00 Shares and the number of Shares outstanding is 1000.00 at valuation point A.

#### **Valuation point B**

At valuation point B, the entitlement to a Performance Fee is assessed.

The net asset value per Share is 102.50

## GAM MULTI ASSET STRATEGIC ALLOCATION

Outperformance above the HWM	Outperformance above the Reference Index
<i>Net asset value per Share - HWM</i> $102.50 - 100.00 = 2.50$	<i>Net asset value per Share divided by the net asset value per Share adjusted to the Reference Index since the start of the accounting year <math>(1 + (51.00/50.00 - 1)) \times 100.00 = 102.00</math></i>  <i>Outperformance above the Reference Index represents the net asset value per Share divided by the net asset value per Share adjusted to the Reference Index</i> $102.50 - 102.00 = 0.50$
The outperformance above the HWM is 2.50 per share.	The outperformance above the Reference Index is 0.50 per share.

At valuation point B, the conditions are met with an outperformance above the HWM and an outperformance above the Reference Index. A Performance Fee may apply.

The amount of the Performance Fee is 15% of the outperformance above the High Water Mark or the outperformance above the Reference Index, whichever is lower, and is limited to a maximum of 0.40% of the assets of the Share Category on any valuation day.

Accrued Performance Fee	Deferred Performance Fee	Net asset value per Share after deduction of the Performance Fee
<i>Lower value of the outperformance above the HWM and the outperformance above the Reference Index multiplied by the number of Shares outstanding and the percentage of the Performance Fee</i> $0.50 \times 1000.00 \text{ Shares} \times 15\% = 75.00$	Accrued Performance Fee - Accrued Performance Fee from previous valuation point	<i>Assets before deduction of the Performance Fee, whereby the accrued Performance Fee is deducted and the whole is divided by the number of outstanding Shares</i> $(102,500.00 - 75.00)/1000.00 \text{ Shares} = 102.4250$
The accrued Performance Fee amounts to 75.00	$75.00 - 0.00 = 75.00$	The final net asset value per Share is 102.4250

### Valuation point C

At valuation point C, the entitlement to a Performance Fee is assessed.

The net asset value per Share is 101.92.

Outperformance above the HWM	Outperformance above the Reference Index
<i>Net asset value per Share - HWM</i> $101.92 - 100.00 = 1.92$	<i>Net asset value per Share divided by the net asset value per Share adjusted to the Reference Index since the start of the accounting year <math>(1 + (50.50/50.00 - 1)) \times 100.00 = 101.00</math></i>  <i>Outperformance above the Reference Index represents the net asset value per Share divided by the net asset value per Share adjusted to the Reference Index</i> $101.92 - 101.00 = 0.92$
The outperformance above the HWM is 1.92 per share	The outperformance above the Reference Index is 0.92 per share

At valuation point C, the conditions are met with an outperformance above the HWM and an outperformance above the Reference Index. A Performance Fee may apply.

Accrued Performance Fee	Deferred Performance Fee	Net asset value per Share after deduction of the Performance Fee
<i>Lower value of the outperformance above the HWM and the outperformance above the Reference Index multiplied by the number of Shares outstanding and the percentage of the Performance Fee</i> $0.92 \times 1000.00 \text{ Shares} \times 15\% = 138.75$	Accrued Performance Fee - Accrued Performance Fee from previous valuation point	<i>Assets before deduction of the Performance Fee, whereby the accrued Performance Fee is deducted and the whole is divided by the number of outstanding Shares</i> $(101,925.00 - 63.75)/1000.00 \text{ Shares} = 101.8613$
The accrued Performance Fee amounts to 138.75	$138.75 - 75.00 = 63.75$	The final net asset value per Share is 101.8613

The net asset value per Share after deduction of the Performance Fee is 101.8613.

A Performance Fee of 138.75 is crystallised.

The HWM for the next accounting year is 101.8613.

### Calculation example 2

In the following example, the High Water Mark (**HWM**) and the Reference Index at valuation point A are set at 100.00 and 50.00 respectively.

Valuation point C corresponds to the end of the accounting year. The Performance Fee percentage is 15%.

The gross asset value corresponds to the total net assets excluding accrued Performance Fee and crystallised Performance Fee.

The assets before deduction of the Performance Fee correspond to the total net assets without accrued Performance Fee.

Valuation point	Number of Shares outstanding	Gross asset value	Assets before deduction of the Performance Fee	Net asset value per Share before deduction of the Performance Fee (designated as NAV per share)	HWM	Reference Index	Cap (Maximum potential accrued Performance Fee)	Accrued Performance Fee	Net asset value per Share after deduction of the Performance Fee
A	1000.00	100,000.00	100,000.00	100.00	100.00	50.00	400.00	0.00	100.00
B	1000.00	102,500.00	102,500.00	102.50	100.00	51.00	410.00	75.00	102.42
C	900.00	91,800.00	91,725.00*	101.92	100.00	51.20	366.90	0.00	101.99

\* An accrued Performance Fee of 75.00 from valuation point B is deducted, from which a Performance Fee of 7.50 is crystallised.



# MULTICOOPERATION SICAV: SPECIAL PART I

An investor buys 1000.00 Shares and the number of Shares outstanding at valuation point A is 1000.00.

## Valuation point B

At valuation point B, the entitlement to a Performance Fee is assessed.

The net asset value per Share is 102.50

Outperformance above the HWM	Outperformance above the Reference Index
<i>Net asset value per Share - HWM</i> 102.50 - 100.00 = 2.50	<i>Net asset value per Share divided by the net asset value per Share adjusted to the Reference Index since the start of the accounting year</i> $(1 + (51.00/50.00 - 1)) \times 100.00 = 102.00$  <i>Outperformance above the Reference Index represents the net asset value per Share divided by the net asset value per Share adjusted to the Reference Index</i> 102.50 - 102.00 = 0.50
The outperformance above the HWM is 2.50 per Share	The outperformance above the Reference Index is 0.50 per share.

At valuation point B, the conditions are met with an outperformance above the HWM and an outperformance above the Reference Index. A Performance Fee may apply.

The amount of the Performance Fee is 15% of the outperformance above the High Water Mark or the outperformance above the Reference Index, whichever is lower, and is limited to a maximum of 0.40% of the assets of the Share Category on any valuation day.

Accrued Performance Fee	Deferred Performance Fee	Net asset value per Share after deduction of the Performance Fee
<i>Lower value of the outperformance above the HWM and the outperformance above the Reference Index multiplied by the number of Shares outstanding and the percentage of the Performance Fee</i>	Accrued Performance Fee - Accrued Performance Fee from previous valuation point	<i>Assets before deduction of the Performance Fee, whereby the accrued Performance Fee is deducted and the whole is divided by the number of outstanding</i>
0.50 x 1000.00 Shares x 15% = 75.00		<i>Shares</i> (102,500.00 - 75.00)/1000.00 Shares = 102.4250
The accrued Performance Fee amounts to 75.00	75.00 - 0.00 = 75.00	The final net asset value per Share is 102.4250

## Valuation point C

An investor sells 100.00 Shares at valuation point B at a price of 100.5260.

The number of outstanding Shares is now 900.00 at valuation point C.

At valuation point C, the entitlement to a Performance Fee is assessed.

The net asset value per Share is 101.92.

Outperformance above the HWM	Outperformance above the Reference Index
<i>Net asset value per Share - HWM</i> 101.92 - 100.00 = 1.92	<i>Net asset value per Share divided by the net asset value per Share adjusted to the Reference Index since the start of the accounting year</i>  $(1 + (51.20/50.00 - 1)) \times 100.00 = 102.40$ <i>The outperformance above the Reference Index represents the net asset value per Share divided by the net asset value per Share adjusted to the Reference Index</i> 101.92 - 102.40 = -0.48
The outperformance above the HWM is 1.92 per share	The outperformance above the Reference Index is -0.48 per Share

At valuation point C, the conditions for outperformance above the HWM and outperformance above the Reference Index are not both met. No Performance Fee can be incurred.

The accrued Performance Fee from valuation point B is to be reversed.

For Shares redeemed on a valuation day during the accounting year (*net outflows*), the deferred accrued Performance Fee (if any) attributable proportionately to the Shares redeemed will be crystallised and paid to the Investment Manager at the end of the accounting year.

The Performance Fee accrued at valuation point B is crystallised in proportion to the Shares redeemed.

The crystallised Performance Fee is 7.50

*Performance Fee accrued from the previous valuation point multiplied by the ratio of Shares redeemed and the number of Shares outstanding from the previous valuation point*  
75.00 x (100.00/1000.00) = 7.50

The remaining accrued Performance Fee of valuation point B is now 75.00 - 7.50 = 67.50. The remaining accrued Performance Fee will now be reversed.

Accrued Performance Fee	Deferred Performance Fee	Performance Fee per net asset value after deduction of
<i>Lower value of the outperformance above the HWM and the outperformance above the Reference Index multiplied by the number of Shares outstanding and</i>	Accrued Performance Fee - Accrued Performance Fee from previous valuation point	<i>Assets before deduction of the Performance Fee, whereby the accrued Performance Fee is deducted and the whole is divided by the number of outstanding Shares</i>

# GAM MULTI ASSET STRATEGIC ALLOCATION

<i>the percentage of the Performance Fee</i> 0.00 x 1000.00 Shares x 15% = 0.00		(91,725.00 - 67.50)/900.00 Shares = 101.9917
The accrued Performance Fee amounts to 0.00	0.00 - 67.50 = -67.50	The final net asset value per Share is 101.9917

The net asset value per Share after deduction of the Performance Fee is 101.9917.

No Performance Fee will be crystallised (except for the crystallised Performance Fee of 7.50 resulting from the redemption). The HWM for the next accounting year remains unchanged at 100.00.

## Calculation example 3

In the following example, the High Water Mark (**HWM**) and the Reference Index at valuation point A are set at 100.00 and 50.00 respectively. Valuation point C corresponds to the end of the accounting year. The Performance Fee percentage is 15%.

The gross asset value corresponds to the total net assets excluding accrued Performance Fee and crystallised Performance Fee. The assets before deduction of the Performance Fee correspond to the total net assets without accrued Performance Fee.

Valuation point	Number of Shares outstanding	Gross asset value	Assets before deduction of the Performance Fee	Net asset value per Share before deduction of the Performance Fee (designated as NAV per Share)	HWM	Reference index	Cap (Maximum potential accrued Performance Fee)	Accrued Performance Fee	Net asset value per Share after deduction of the Performance Fee
A	1000.00	100,000.00	100,000.00	100.00	100.00	50.00	400.00	0.00	100.00
B	1000.00	105,000.00	105,000.00	105.00	100.00	51.00	420.00	420.00	104.58
C	1200.00	124,500.00	124,080.00*	103.40	100.00	50.50	496.32	354.60	103.45

\* An accrued Performance Fee of 420.00 from valuation point B will be deducted.

An investor buys 1000.00 Shares and the number of Shares outstanding at valuation point A is 1000.00.

## Valuation point B

At valuation point B, the entitlement to a Performance Fee is assessed.

The net asset value per Share is 105.00.

Outperformance above the HWM	Outperformance above the Reference Index
<i>Net asset value per Share - HWM</i> 105.00 - 100.00 = 5.00	<i>Net asset value per Share divided by the net asset value per Share adjusted to the Reference Index since the start of the accounting year</i> (1+(51.00/50.00 - 1)) x 100.00 = 102.00  <i>Outperformance above the Reference Index represents the net asset value per Share divided by the net asset value per Share adjusted to the Reference Index</i> 105.00 - 102.00 = 3.00
The outperformance above the HWM is 5.00 per Share	The outperformance above the Reference Index is 3.00 per Share

At valuation point B, the conditions are met with an outperformance above the HWM and an outperformance above the Reference Index. A Performance Fee may apply.

The amount of the Performance Fee is 15% of the outperformance above the High Water Mark or the outperformance above the Reference Index, whichever is lower, and is limited to a maximum of 0.40% of the assets of the Share Category on any valuation day.

Accrued Performance Fee	Deferred Performance Fee	Net asset value per Share after deduction of the Performance Fee
<i>Lower value of the outperformance above the HWM and the outperformance above the Reference Index multiplied by the number of Shares outstanding and the percentage of the Performance Fee</i> 3.00 x 1000.00 Shares x 15% = 450.00 Accrued Performance Fee is above the upper limit (105,000.00 x 0.40% = 420.00)	Accrued Performance Fee - Accrued Performance Fee from previous valuation point	<i>Assets before deduction of the Performance Fee, whereby the accrued Performance Fee is deducted and the whole is divided by the number of outstanding Shares</i> (105,000.00 - 420.00)/1000.00 Shares = 104.5800
The accrued Performance Fee amounts to 420.00	420.00 - 0.00 = 420.00	The final net asset value per Share is 104.5800

## Valuation point C

An investor purchases 200.00 Shares at valuation point B at a price of 104.5800

The number of outstanding Shares is now 1200.00 at valuation point C.

At valuation point C, the entitlement to a Performance Fee is assessed.

The net asset value per Share is 103.40.

Outperformance above the HWM	Outperformance above the Reference Index
<i>Net asset value per Share - HWM</i> 103.40 - 100.00 = 3.40	<i>Net asset value per Share divided by the net asset value per Share adjusted to the Reference Index since the start of the accounting year</i> (1+(50.50/50.00 - 1)) x 100.00 = 101.00  <i>Outperformance above the Reference Index represents the net asset value per Share divided by the net asset value per Share adjusted to the Reference Index</i> 103.40 - 101.00 = 2.40
The outperformance above the HWM is 3.40 per Share	The outperformance above the Reference Index is 2.40 per Share

At valuation point C, the conditions are met with an outperformance above the HWM and an outperformance above the Reference Index. A Performance Fee may apply.

However, a subscription resulting in the creation of new outstanding Shares should not be taken into account in calculating the Performance Fee accrued in the period prior to the subscription.

Therefore, any accrued Performance Fee at valuation point C will be reduced by the amount triggered by the purchase of 200.00 Shares (15% of 200.00 Shares subscribed at 104.58 above the net asset value per Share adjusted to the Reference index of 102.00 at valuation point B).

The accrued Performance Fee shall be reduced by:  
 $15\% \times 200.00 \text{ Shares} \times (104.58 - 102.00) = 77.40$

Accrued Performance Fee	Deferred Performance Fee	Net asset value per Share after deduction of the Performance Fee
<i>Lower value of the outperformance above the HWM and the outperformance above the Reference Index multiplied by the number of Shares outstanding and the percentage of the Performance Fee</i> $(2.40 \times 1200.00 \text{ Shares} \times 15\%) - 77.40 = 354.60$	Accrued Performance Fee - Accrued Performance Fee from previous valuation point	<i>Assets before deduction of the Performance Fee, whereby the accrued Performance Fee is deducted and the whole is divided by the number of outstanding Shares</i> $(124,080.00 - (-65.40)) / 1200.00 \text{ Shares} = 103.4545$
The accrued Performance Fee amounts to 354.60	$354.60 - 420.00 = -65.40$	The final net asset value per Share is 103.4545

The net asset value per Share after deduction of the Performance Fee is 103.4545.

A Performance Fee of 354.60 is crystallised.

The HWM for the next accounting year is 103.4545.

## 9. ISSUE OF SHARES

### A) General information on Issues

On expiry of the initial subscription period, the Shares in the Subfund are issued on each valuation day at a price ("Issue Price") based on the net asset value of the Shares on the applicable valuation day (cf. the section "Issue of Shares" in the General Part of this Prospectus).

### B) Issue Price/selling fee

The Issue Price is rounded to three digits after the comma and a selling fee of currently up to 5% is added. In the case of larger transactions, the selling fee may be reduced accordingly, but shareholders investing the same amounts during the same period must be treated equally. In addition, the Distributor is authorised to offer Shares without selling fee ("no load") and to instead charge a redemption fee of up to 3% of the respective net asset value.

### C) Minimum subscription

A minimum subscription as stated below is planned for initial subscription of certain Share Categories.

Share Category	Minimum subscription per Subfund in EUR or the equivalent amount in the currency of the Share Category concerned
C and Ca Shares (Shares for institutional investors)	100,000
Et Shares (Shares for certain Distributors)	5000
G Shares (Shares for the GAM Group)	500,000
S and Sa Shares (Shares for certain intermediaries)	10,000,000
F Shares (Shares for institutional investors)	35,000,000

The Company's Board of Directors may, at its own discretion, accept initial subscription applications for an amount lower than the stated minimum subscription amount. Further subscriptions of the above-mentioned Shares are not subject to a minimum subscription amount.

### D) Application procedure

Investors may subscribe to Shares in the Subfund at any time with the principal paying agent in Luxembourg named in the General Part of the Prospectus (or, as applicable, with appointed local Distributors or paying agents in individual distribution countries). The exact identity of the subscriber and the name of the Subfund and the Share Category concerned must be stated.

For all subscriptions of Shares received by the principal paying agent no later than 15:00 local time (cut-off time) on a valuation day (as defined in

"Calculation of net asset value" in the General Part of the Prospectus), the Issue Price determined on the following valuation day applies. Subscriptions received after this time will be made at the issue price of the valuation day after the following valuation day.

The total amount of the subscription must be credited to the relevant account described in the General Part of this Prospectus within four (4) Luxembourg banking days from the applicable valuation day.

No Share coupons or certificates will be delivered but will be held on behalf of the shareholder by the paying agent or a bank designated by the paying agent instead. The Company reserves the right to reject applications or to accept them only in part or to request further information and/or documents. If an application is rejected in whole or in part, the subscription amount or the corresponding balance will be transferred back to the applicant.

## **10. REDEMPTION OF SHARES**

### **A) General information on redemptions**

Shares will be redeemed on any valuation day on application with the Company or with the principal paying agent in Luxembourg (or any appointed local paying agent or Distributor, as the case may be).

### **B) Redemption price**

The Shares are redeemed at a price ("Redemption Price") based on the net asset value of the Shares on the applicable valuation day. This Redemption Price is rounded to three decimal places.

### **C) Redemption Fee**

If no selling fee was charged, a redemption fee of up to 3% of the applicable net asset value may be charged by the Distributor instead.

### **D) Application procedure**

Shares may be redeemed on each valuation day by sending an application to the principal paying agent in Luxembourg named in the General Part of the Prospectus (or, as the case may be, at any of the appointed local Distributors or paying agents in the individual distribution countries). The exact identity of the applicant and the name of the Subfund and the Share Category concerned must be stated.

All redemptions of Shares received by the principal paying agent no later than 15:00 local time (cut-off time) on one valuation day (as defined in the section "Calculation of net asset value") are covered by the Redemption Price determined on the following valuation day. Applications received after this time are covered by the Redemption Price of the day after the following valuation day.

## **11. SWITCHING OF SHARES**

Shares in the Subfund may be switched for Shares in other Subfunds of the Company upon payment of a switching fee of up to a maximum of 2% of the net asset value of said Shares. Such switching may be effected through the principal paying agent in Luxembourg (or any appointed local paying agent or Distributor, as the case may be). The switching procedure is subject to the provisions in the General Part of this Prospectus (cf. section "Switching of Shares").

Shareholders in the Subfund are entitled to convert some or all of their Shares into Shares of another Subfund on a valuation day valid for both Subfunds as well as convert between different Share Categories within a Subfund. All the qualification prerequisites and minimum subscription amounts ("Minimum Switching Value") and the other conditions applicable to the original Share Category or the new Share Category shall apply for the Distributors and/or shareholders effecting a switch. The Company's Board of Directors may, at its discretion, accept initial switching applications for an amount lower than the stated minimum switching amount.