

# NORTHERN TRUST GLOBAL FUNDS PLC

An umbrella fund with segregated liability between Funds.

A company incorporated with limited liability as an open-ended umbrella investment company with variable capital under the laws of Ireland with registered number 245357 and authorised by the Central Bank of Ireland as a UCITS pursuant to the Regulations.

PROSPECTUS Dated 31 January 2022

## Prospectus for Germany

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

**If you are in any doubt about the contents of this Prospectus, the risks involved in investing in the Company or the suitability for you of investing in the Company, you should consult your stockbroker, bank manager, solicitor, accountant or other independent financial adviser.**

Neither the Company, the Manager nor the Investment Manager shall be liable to investors (or to any other persons) for any error of judgement in the selection of each Fund's investments.

This Prospectus and any non-contractual obligations arising out of or in connection with it shall be governed by and construed in accordance with Irish law. With respect to any suit, action or proceedings relating to any dispute arising out of or in connection with this Prospectus (including any non-contractual obligations arising out of or in connection with it), each party irrevocably submits to the jurisdiction of the Irish courts.

The Company was initially authorised by the Central Bank as an investment company pursuant to the Companies Act on 4 April 1996. The Company applied for this authorisation to be revoked and is now authorised by the Central Bank as an undertaking for collective investment in transferable securities pursuant to the Regulations. **This authorisation however, does not constitute a warranty by the Central Bank as to the performance of the Company and the Central Bank shall not be liable for the performance or default of the Company. Authorisation of the Company is not an endorsement or guarantee of the Company by the Central Bank nor is the Central Bank responsible for the contents of the Prospectus.**

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

In accordance with the definition contained in Article 1 of the Money Market Fund Regulation a "Money Market Fund" is an authorised UCITS or fund authorised under Directive 2011/61/EU of the European Parliament and of the Council of 8 June 2011 on Alternative Investment Fund Managers that (i) invests in short-term assets; and (ii) has distinct or cumulative objectives offering returns in line with money market rates or preserving the value of the investment.

It should be noted that some Funds of the Company but not all may be Authorised Money Market Funds. In any such cases, the Fund will be clearly designated as such in the relevant Supplement and KIID.

Investors should note that in the case of Funds that fall outside the scope of the Money Market Fund Regulation, the type of assets it may invest in is not as restricted as that of an Authorised Money Market Fund and it may therefore not be suitable for investors seeking the liquidity and return profile of an Authorised Money Market Fund. While such Funds may seek to invest in liquid securities with the aim of achieving stability of capital and income, the amount invested in Shares may fluctuate up and/or down and an investment in such Funds involves certain investment risks (some of which may not be associated with Authorised Money Market Funds), including the possible loss of principal.

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

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

## **Investment Risks**

There can be no assurance that a Fund will achieve its investment objective. An investment in any Fund involves investment risks, including possible loss of the amount invested. The capital return and income of each Fund are based on the capital appreciation and income on the investments it holds, less expenses incurred. Therefore, a Fund's return may be expected to fluctuate in response to changes in such capital appreciation or income. Unless otherwise set out in the relevant Supplement, each class of the Distributing Shares of each Fund will seek to maintain a stable Net Asset Value per Share, but there can be no assurance that such Distributing Shares will maintain a stable Net Asset Value per Share. Shares of the Company are not bank deposits or obligations of, or guaranteed or endorsed or otherwise supported by, The Northern Trust Company, any related or associated company of The Northern Trust Company, or any other bank, and are not insured or guaranteed by the US Government, Federal Deposit Insurance Corporation, Federal Reserve Board, or any other government, government agency or other guarantee scheme which may protect the holders of a bank deposit. Northern Trust Global Investments Limited serves as the Investment Manager and receives fees for such services. **Details of certain investment risks and other information for an investor are set out more fully in this document. See the section headed "Risk Factors" for further details.**

The value of and income from Shares in the Company may fall as well as rise and you may not get back the amount you have invested in the Company. Shares constituting each Fund are described in a Supplement to this Prospectus for each such Fund, each of which is an integral part of this Prospectus and is incorporated herein by reference with respect to the relevant Fund. Please see the risk factors set out under the heading "Risk Factors" below.

## **General Disclosures**

Shares are offered only on the basis of the information contained in the current Prospectus, the relevant Supplement, the relevant KIID and the latest audited annual accounts and any subsequent half-yearly report.

The auditors of the Company have given and have not withdrawn their written consent to the inclusion of their report and references to their name in the form and context in which the same appear. There has been no material departure from the accounting standards.

Any further information or representation given or made by any dealer, salesman or other person should be disregarded and accordingly should not be relied upon. Neither the delivery of this Prospectus nor the offer, issue or sale of Shares shall, under any circumstances, constitute a representation that the information given in this Prospectus is correct as of any time subsequent to the date of this Prospectus. Statements made in this Prospectus and the relevant Supplements are based on the law and practice currently in force in Ireland and are subject to changes therein.

This Prospectus may be translated into other languages provided that any such translation shall be a direct translation of the English text. In the event of any inconsistency or ambiguity in relation to the meaning of any word or phrase in translation, the English text shall prevail and all disputes as to the terms thereof shall be governed by, and construed in accordance with, the law of Ireland.

This Prospectus should be read in its entirety before making an application for Shares.

Unless otherwise defined, certain terms used in this Prospectus are defined in the "Definitions" section of this document.

### **General Selling Restriction**

The distribution of this Prospectus and the offering or purchase of the Shares may be restricted in certain jurisdictions. No person receiving a copy of this Prospectus or the Application Form in any such jurisdiction may treat this Prospectus or the Application Form as constituting an invitation to that person to subscribe for Shares, nor should that person in any event use the Application Form, unless in the relevant jurisdiction such an invitation could lawfully be made to that person and the Application Form could lawfully be used without requiring compliance with any registration or other legal obligations. Accordingly, this Prospectus does not constitute an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not lawful or in which the person making such offer or solicitation is not qualified to do so or to anyone to whom it is unlawful to make such offer or solicitation.

It is the responsibility of any persons in possession of this Prospectus and any persons wishing to apply for Shares pursuant to this Prospectus to inform themselves of, and to observe, all applicable laws and regulations of any relevant jurisdiction.

### **SRD II**

In the context of SRD II, it is not intended that investment in the Company by an institutional investor, as defined in SRD II, should infer a level of direct engagement between such an investor and the Manager or create a bilateral contractual relationship between the two. Should the Company receive a request for SRD II information from such an investor, this shall make the Company aware that it has an institutional investor in scope of SRD II requirements and it will respond reactively to same.

### **MiFID II Product Governance Rules – UCITS as non-complex financial instruments**

Article 25 of MiFID II sets out requirements in relation to the assessment of suitability and appropriateness of financial instruments for clients. Article 25(4) contains rules relating to the selling of financial instruments by a MiFID-authorized firm to clients in an execution only manner. Provided the financial instruments are comprised from the list contained in Article 25(4)(a) (referred to broadly as non-complex financial instruments for these purposes), a MiFID-authorized firm selling the instruments will not be required to also conduct what is referred to as an "appropriateness test" on its clients. An appropriateness test would involve requesting information on the client's knowledge and experience on the type of investment offered and, on this basis, assessing whether the investment is appropriate for the client. If the financial instruments fall outside the list contained in Article 25(4)(a) (i.e. are categorised as complex financial instruments), the MiFID-authorized firm selling the instruments will be required to also conduct an appropriateness test on its clients. UCITS (other than structured UCITS) are specifically referenced in the list in Article 25(4)(a). Accordingly, each Fund is deemed to be a non-complex financial instrument for these purposes.

## **Notice to residents of the United Kingdom**

The Company is a recognised scheme under section 264 of the Financial Services and Markets Act 2000 and may therefore be promoted to any person in the United Kingdom.

Persons interested in purchasing Shares in a Fund should note that rules and regulations made under the Financial Services and Markets Act 2000 for the protection of investors do not apply to the Company and that the Financial Services Compensation Scheme is unlikely to apply to any investment in the Fund. Any investor is also unlikely to have any right to complain to the United Kingdom's Financial Ombudsman Service in relation to the activities of the Company.

## **Notice to residents of the United States and other US Persons**

This Prospectus does not constitute an offer to sell, or a solicitation of an offer to buy, the Shares in any jurisdiction where such offer, solicitation, purchase or sale would be prohibited by law, or to any firm or individual to whom it would be unlawful to make such an offer, solicitation, purchase or sale (or to any "Benefit Plan Investor" as such term is defined in Section 3(42) of the U.S. Employee Retirement Income Security Act of 1974, regardless of whether such Benefit Plan Investor is a U.S. Person or whether the offer or sale occurs within the United States).

In particular the Shares have not been and will not be registered under the United States Securities Act of 1933, as amended (the "Securities Act") or the laws of any state or political subdivision of the United States and may not be directly or indirectly offered or sold in the United States or to any U.S. Person. The Shares will be offered and sold outside the United States to persons who are not U.S. Persons, pursuant to Regulation S under the Securities Act and otherwise in accordance with an available exemption from registration under the Securities Act. Additionally, the Company will not be registered or seek to register, nor will any Fund be registered or seek to register, as an investment company under the United States Investment Company Act of 1940, as amended.

# NORTHERN TRUST GLOBAL FUNDS PLC

## **Directors**

Mr. Ton Daniels  
Ms. Claire Cawley  
Ms. Marie Dzanis  
Ms. Martha Fee  
Mr. Bimal Shah  
Mr. Alan Keating  
Mr. Feargal Dempsey  
Mr. Cian Farrell

## **Registered Office**

George's Court  
54-62 Townsend Street  
Dublin 2  
Ireland

## **Company Secretary**

Northern Trust International Fund Administration  
Services (Ireland) Limited  
George's Court  
54-62 Townsend Street  
Dublin 2  
Ireland

## **Administrator**

Northern Trust International Fund Administration  
Services (Ireland) Limited  
George's Court  
54-62 Townsend Street  
Dublin 2  
Ireland

## **Depository**

Northern Trust Fiduciary Services  
(Ireland) Limited  
George's Court  
54-62 Townsend Street  
Dublin 2  
Ireland

## **Auditors**

KPMG  
Chartered Accountants  
1 Harbourmaster Place  
International Financial Services Centre  
Dublin 1  
Ireland

## **Legal Advisers in Ireland**

Maples and Calder (Ireland) LLP  
75 St. Stephen's Green  
Dublin 2  
Ireland

## **Manager**

Northern Trust Fund Managers (Ireland)  
Limited  
George's Court,  
54-62 Townsend Street  
Dublin 2  
Ireland

## **Investment Manager and Distributor**

Northern Trust Global Investments  
Limited  
50 Bank Street Canary Wharf  
London, E14 5NT  
England

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# Definitions

In this Prospectus the following words and phrases shall have the meanings indicated below:

<b>"Account Opening Form"</b>	means any account opening form to be completed by subscribers for Shares as prescribed by the Company from time to time;
<b>"Accumulating Shares"</b>	means a Share Class designated as being "Accumulating" in the list of Share Classes disclosed in the relevant Fund Supplement in respect of which the income and other profits will be accumulated and reinvested;
<b>"Administration Agreement"</b>	means the amended and restated administration agreement dated 31 January 2022 between the Manager, the Company and Northern Trust International Fund Administration Services (Ireland) Limited as may be amended or supplemented from time to time;
<b>"Administrator"</b>	means Northern Trust International Fund Administration Services (Ireland) Limited or any successor thereto duly appointed in accordance with the Central Bank Rules;
<b>"AIF"</b>	means an alternative investment fund as defined in regulation 5(1) of the European Union (Alternative Investment Fund Managers) Regulations 2013 (S.I. No. 257 of 2013) as amended and as may be further amended, supplemented, consolidated, substituted in any form or otherwise modified from time to time and/or any other collective investment undertaking meeting the criteria outlined in Regulation 68(e) of the Regulations including, where relevant and in the event of the United Kingdom becoming a third country, UCITS authorised by the Financial Conduct Authority in the United Kingdom in accordance with Directive 2009/65/EC of the European Parliament and of the Council, as amended, supplemented, consolidated or otherwise modified from time to time;
<b>"Anti-Dilution Levy"</b>	means an adjustment made on a transaction basis in the case of net subscriptions and/or net redemptions as a percentage adjustment (to be communicated to the Administrator) on the value of the relevant subscription/ redemption calculated for the purposes of determining a subscription price or redemption price to cover dealing costs and to preserve the value of the underlying assets of the relevant Fund;
<b>"Application Form"</b>	means such application form for dealing in Shares as the Directors may prescribe to be completed by a Shareholder in relation to a Fund ;
<b>"Articles"</b>	means the Memorandum and Articles of Association of the Company as amended from time to time in accordance with the Central Bank Rules;
<b>"Authorised Money Market Fund"</b>	means a money market fund authorised in accordance with the Money Market Regulation
<b>"Base Currency"</b>	means in relation to any Fund such currency as is specified in the

	Supplement for the relevant Fund;
<b>"Benchmark Regulation"</b>	means Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds;
<b>"Benchmark Regulation Register"</b>	means the register of administrators and benchmarks maintained by ESMA under the Benchmarks Regulation;
<b>"Business Day"</b>	means, with respect to any of the Funds, such day or days as is or are specified in the Supplement for the relevant Fund;
<b>"CBDF Directive"</b>	Directive (EU) 2019/1160 of the European Parliament and of the Council of 20 June 2019 amending Directives 2009/65/EC and 2011/61/EU with regard to cross-border distribution of collective investment undertakings as may be amended, supplemented, consolidated, substituted in any form or otherwise modified from time to time;
<b>"CBDF Regulation"</b>	Regulation (EU) 2019/1156 as may be amended, supplemented, consolidated, substituted in any form or otherwise modified from time to time;
<b>"Code"</b>	means the US Internal Revenue Code of 1986 as amended;
<b>"Central Bank"</b>	means the Central Bank of Ireland or any successor regulatory authority with responsibility for authorising and supervising the Company;
<b>"Central Bank Regulations"</b>	means the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings For Collective Investment in Transferable Securities) Regulations 2019 as may be amended, supplemented, consolidated, substituted in any form or otherwise modified from time to time;
<b>"Central Bank Rules"</b>	means the Central Bank Regulations and any other statutory instrument, regulations, rules, conditions, notices, requirements or guidance of the Central Bank issued from time to time applicable to the Company pursuant to the Regulations;
<b>"Companies Act"</b>	means the Irish Companies Act 2014 as amended, supplemented, consolidated or otherwise modified from time to time;
<b>"Company"</b>	means Northern Trust Global Funds plc, an umbrella investment company with variable capital, incorporated in Ireland pursuant to the Companies Act;
<b>"CRS"</b>	means the Standard for Automatic Exchange of Financial Account Information approved on 15 July 2014 by the Council of the Organisation for Economic Cooperation and Development, also known as the Common Reporting Standard, and any bilateral or multilateral competent authority agreements, intergovernmental agreements and treaties, laws, regulations, official guidance or other instrument facilitating the implementation thereof and any law implementing the Common Reporting Standard;

<b>"Currency Hedged Class"</b>	means a Share Class of a Fund which allows the use of hedging transactions to reduce the effect of exchange rate fluctuations as described under the section entitled "Currency Hedged Share Classes" in this Prospectus;
<b>"Data Protection Legislation"</b>	means the EU data protection regime introduced by the General Data Protection Regulation (Regulation 2016/679);
<b>"Dealing Day"</b>	means in respect of each Fund, each Business Day or Business Days on which subscriptions for, redemptions of and exchanges of relevant Shares can be made by the Company as specified in the Supplement for the relevant Fund and/or such other Dealing Days as the Directors shall determine and notify to Shareholders in advance provided that there shall be at least one Dealing Day per fortnight;
<b>"Dealing Deadline"</b>	means in relation to applications for subscription, redemption or exchange of Shares in a Fund, the day and time specified in the Supplement for the relevant Fund as the deadline by which such application must be received by the Administrator on behalf of the Company in order for the subscription, redemption or exchange of Shares of the Fund to be made by the Company of the relevant Dealing Day;
<b>"Depositary"</b>	means Northern Trust Fiduciary Services (Ireland) Limited or any successor thereto duly appointed in accordance with the UCITS Requirements;
<b>"Depositary Agreement"</b>	means the amended and restated agreement dated 31 January 2022 between the Company, the Manager and Northern Trust Fiduciary Services (Ireland) Limited as may be modified from time to time in accordance with the Central Bank Rules;
<b>"Deposits"</b>	means deposits which are eligible for investment in accordance with Article 12 of the Money Market Fund Regulation;
<b>"Directors"</b>	means the directors of the Company, each a "Director";
<b>"Distributing Shares"</b>	means a Share Class designated as being "Distributing" in the list of Share Classes disclosed in the relevant Fund Supplement and in respect of which distributions of income will be declared ;
<b>"Distributor"</b>	means, unless specifically stated otherwise in the Supplement for the relevant Fund, Northern Trust Global Investments Limited or any successor thereto as may be appointed by the Manager in accordance with the Central Bank Rules as a distributor to the Company;
<b>"EEA" or "European Economic Area"</b>	means the member states of the European Economic Area from time to time, the current members being EU Member States, Norway, Iceland and Liechtenstein;
<b>"Eligible Asset Backed Commercial Paper"</b>	means a eligible asset backed commercial paper in accordance with Article 11 of the Money Market Fund Regulation;
<b>"Eligible Counterparty"</b>	means a counterparty to OTC derivatives with which a Fund may trade and belonging to one of the categories approved by the Central Bank which at the date of this Prospectus comprise the following: <ul style="list-style-type: none"> <li>(a) a Relevant Institution;</li> </ul>

- (b) an investment firm, authorised in accordance with the Markets in Financial Instruments Directive (2014/65/8EU) in an EEA Member State; or
- (c) a group company of an entity approved as a bank holding company by the Federal Reserve of the United States of America where that group company is subject to bank holding company consolidated supervision by the Federal Reserve;

**"Eligible Securities"**

means Money Market Instruments and Public Debt Money Market Instruments;

**"Eligible Securitisation"**

means a securitisation which is eligible for investment in accordance with Article 11 of the Money Market Fund Regulation;

**"EMIR"**

means Regulation (EU) No 648/2012 on OTC derivatives, central counterparties and trade repositories as amended and as may be further amended, supplemented, consolidated, substituted in any form or otherwise modified from time to time;

**"ERISA"**

means the US Employee Retirement Income Security Act of 1974 as amended;

**"ESG"**

means environmental, social and governance;

**"ESG Orientated Fund"**

means a Fund of the Company that, in accordance with the criteria outlined in Article 8 of SFDR, promotes, among other characteristics, environmental or social characteristics, or a combination of those characteristics and provided that the companies that the Fund invests in follow good governance practices;

**"ESMA"**

means the European Securities Markets Authority or any successor regulatory authority thereto;

**"EU"**

means the European Union;

**"EU Member States"**

means the member states of the EU from time to time;

**"Exempt Irish Shareholder"**

means

- (a) a qualifying management company within the meaning of section 739B(1) TCA;
- (b) an investment undertaking within the meaning of section 739B(1) TCA;
- (c) an investment limited partnership within the meaning of section 739J TCA;
- (d) a pension scheme which is an exempt approved scheme within the meaning of section 774 TCA, or a retirement annuity contract or a trust scheme to which section 784 or 785 TCA applies;
- (e) a company carrying on life business within the meaning of section 706 TCA;
- (f) a special investment scheme within the meaning of section 737

TCA;

- (g) a unit trust to which section 731(5)(a) TCA applies;
- (h) a charity being a person referred to in section 739D(6)(f)(i) TCA;
- (i) a person who is entitled to exemption from income tax and capital gains tax by virtue of section 784A(2) TCA or section 848B TCA and the Shares held are assets of an approved retirement fund or an approved minimum retirement fund;
- (j) a person who is entitled to exemption from income tax and capital gains tax by virtue of section 787I TCA and the Shares held are assets of a personal retirement savings account as defined in section 787A TCA;
- (k) the National Asset Management Agency;
- (l) the Courts Service;
- (m) a credit union within the meaning of section 2 of the Credit Union Act 1997;
- (n) an Irish resident company, within the charge to corporation tax under Section 739G(2) TCA, but only where the Company is a money market fund;
- (o) a company which is within the charge to corporation tax in accordance with section 110(2) TCA in respect of payments made to it by the Company;
- (p) any other person as may be approved by the Directors from time to time provided the holding of Shares by such person does not result in a potential liability to tax arising to the Company in respect of that Shareholder under Part 27, Chapter 1A TCA; and
- (q) the National Treasury Management Agency of Ireland, or a fund investment vehicle within the meaning of Section 739D(6)(kb) TCA;

and where necessary the Company is in possession of a Relevant Declaration in respect of that Shareholder;

**"FATCA"**

means

- (a) sections 1471 to 1474 of the U.S. Internal Revenue Code or any associated regulations or other official guidance;
- (b) any intergovernmental agreement, treaty, regulation, guidance or other agreement between the Government of Ireland (or any Irish government body) and the US, or any other jurisdiction (including any government bodies in such jurisdiction),

entered into in order to comply with, facilitate, supplement, implement or give effect to the legislation, regulations or guidance described in paragraph (a) above; and

- (c) any legislation, regulations or guidance in Ireland that give effect to the matters outlined in the preceding paragraphs;

<b>"FDI"</b>	means a financial derivative instrument (including an OTC derivative permitted by the Regulations);
<b>"Fund"</b>	means a sub-fund of the Company the proceeds of issue of which are pooled separately in a segregated portfolio of assets and invested in accordance with the investment objective and policies applicable to such sub-fund and which is established by the Company from time to time with the prior approval of the Central Bank;
<b>"HMRC"</b>	means Her Majesty's Revenue and Customs;
<b>"Information Card"</b>	means an annex to a Supplement to this Prospectus, issued from time to time, specifying certain information pertaining to the relevant Fund in accordance with the requirements of SFDR;
<b>"Initial Offer Period"</b>	means the period during which Shares in a Fund are initially offered at the initial subscription price specified in the Supplement for the relevant Fund;
<b>"Intermediary"</b>	means a person who: <ul style="list-style-type: none"><li>(a) carries on a business which consists of, or includes, the receipt of payments from an investment undertaking on behalf of other persons; or</li><li>(b) holds shares in an investment undertaking on behalf of other persons.</li></ul>
<b>"Investment Manager"</b>	means Northern Trust Global Investments Limited or any successor duly appointed in accordance with the Central Bank Rules;
<b>"Investor Money Regulations"</b>	means the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Investment Firms) Regulations 2017, as may be amended, supplemented, consolidated, substituted in any form or otherwise modified from time to time;
<b>"Irish Resident"</b>	means any person resident in Ireland or ordinarily resident in Ireland (as described in the Taxation section of this Prospectus) other than an Exempt Irish Shareholder;
<b>"KIID"</b>	means the key investor information document;
<b>"LVNAV MMF"</b>	means "low volatility net asset value MMF" as defined in Article 2 of the Money Market Fund Regulation;
<b>"Mainstream Fund"</b>	means a Fund of the Company which does not meet the criteria to qualify as either an ESG Orientated Fund pursuant to Article 8 of SFDR or a Sustainable Investment Fund pursuant to Article 9 of SFDR;

<b>"Manager"</b>	means Northern Trust Fund Managers (Ireland) Limited or any successor thereto duly appointed with the prior approval of the Central Bank;
<b>"Management Agreement"</b>	the agreement made between the Company and the Manager dated 31 January 2022, as may be amended or supplemented from time to time in accordance with the Central Bank Rules pursuant to which the latter was appointed manager of the Company;
<b>"Markets"</b>	means the stock exchanges and regulated markets set out in Schedule 1;
<b>"Maturity"</b>	means, with respect to a security, the date when final payment is due, with these exceptions:- <ul style="list-style-type: none"> <li>(a) US Government Securities which have a variable rate of interest shall be deemed to have a maturity equal to the period remaining until the next readjustment of the interest rate;</li> <li>(b) variable rate instruments (other than those described in (a) above) shall be deemed to have a maturity equal to the longer of the period of time remaining until either, (i) the next readjustment of the interest rate or (ii) the principal amount can be recovered through demand (if applicable);</li> <li>(c) instruments which incorporate a demand feature shall be deemed to have a maturity equal to the period of time remaining until the principal amount can be recovered through demand; and</li> <li>(d) a repurchase agreement shall be deemed to have a maturity equal to the period of time remaining until the date on which the repurchase is scheduled to occur, or, if no date is specified but the agreement is subject to demand, the notice period applicable to a demand for the repurchase of the securities;</li> </ul>
<b>"Member State"</b>	means a member state of the EU;
<b>"Minimum Additional Investment Amount"</b>	means such amount (if any) as the Directors may from time to time prescribe as the minimum additional investment amount required from each Shareholder for Shares of each class in a Fund as is specified in the Supplement for the relevant Fund;
<b>"Minimum Fund Size"</b>	means, subject to the requirements of the Articles, €30,000,000 or such other amount (if any) as the Directors may consider for each Fund and as set out in the Supplement for the relevant Fund;
<b>"Minimum Initial Investment Amount"</b>	means such amount or number of Shares (if any) as the Directors may from time to time prescribe as the minimum initial subscription required from each Shareholder for Shares of each class in a Fund as is specified in the Supplement for the relevant Fund;
<b>"Money Market Fund Regulation"</b>	means Regulation (EU) 2017/1131 of the European Parliament and of the Council as amended or supplemented from time to time, including and delegated act adopted thereunder and any implementing rules or conditions that may from time to time be imposed thereunder by the

	Central Bank or ESMA;
<b>"Money Market Instruments"</b>	means money market instruments which are eligible for investment in accordance with Article 10 of the Money Market Fund Regulation;
<b>"Net Asset Value"</b>	means, in respect of the assets and liabilities of a Fund or the Shares representing interests in a Fund, the amount determined in accordance with the principles set out in the "Determination of Net Asset Value" section below as the Net Asset Value of the Fund, or the Net Asset Value per Share (as appropriate);
<b>"Net Asset Value per Share"</b>	means in respect of any class of Shares the Net Asset Value attributable to such class divided by the number of Shares in issue in such class, calculated as described herein;
<b>"OECD"</b>	means the Organisation for Economic Co-operation and Development;
<b>"OTC derivative"</b>	means an FDI which is dealt in an over-the-counter market;
<b>"Public Debt CNAV MMF"</b>	means a "public debt constant net asset value MMF" as defined in Article 2 of the Money Market Fund Regulation;
<b>"Public Debt Money Market Instruments"</b>	means Money Market Instruments issued or guaranteed by the European Union, a central authority or central bank of a Member State, the European Central Bank, the European Investment Bank, the European Stability Mechanism or the European Financial Stability Facility, which under the Money Market Fund Regulation are not subject to the requirement to obtain a favourable assessment under the Manager's internal credit quality assessment;
<b>"Prospectus"</b>	means this prospectus issued on behalf of the Company as amended, supplemented or consolidated from time to time together with the Supplements of the Funds;
<b>"Regulation and Regulations"</b>	means the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011, (S.I. No. 352 of 2011) as amended, supplemented, consolidated or otherwise modified from time to time including any conditions that may arise from time to time and in the context of Authorised Money Market Funds only and where applicable, the Money Market Fund Regulation;
<b>"Relevant Declaration"</b>	means the declaration relevant to the Shareholder as set out in Schedule 2B TCA;
<b>"Relevant Institution"</b>	means credit institutions authorised in an EEA Member State or credit institutions authorised within a signatory state (other than an EEA Member State) to the Basle Capital Convergence Agreement of July 1988 (which includes the United Kingdom), or credit institutions authorised in a third country deemed equivalent pursuant to Article 107(4) of the Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending EMIR;
<b>"Redemption Charge"</b>	means in respect of a Fund, the charge (which is inclusive of fiscal and sales charges, if any) payable (if any) on the redemption of



	Shares as specified in the relevant Supplement
<b>"Revenue Commissioners"</b>	means the Irish Revenue Commissioners;
<b>"Securities Act"</b>	means the US Securities Act of 1933 as amended;
<b>"Securities Financing Transactions"</b>	means repurchase agreements, reverse repurchase agreements, securities lending agreements and any other transactions within the scope of SFTR that a Fund is permitted to engage in;
<b>"Securitisation Position"</b>	means an instrument held by a Fund that meets the criteria of a "Securitisation" contained in Article 2 of the Securitisation Regulation so as to bring such instruments into the scope of the Securitisation Regulation and trigger obligations which must be met by the Fund (as an "institutional investor" under the Securitisation Regulation). Without prejudice to the precise definition in Article 2 of the Securitisation Regulation, this generally covers transactions or schemes, whereby (i) the credit risk associated with an exposure or a pool of exposures is divided into classes or tranches; (ii) payments are dependent upon the performance of the exposure or of the pool of exposures; and (iii) the subordination of classes or tranches determines the distribution of losses during the ongoing life of the transaction or scheme;
<b>"Securitisation Regulation"</b>	means the Securitisation Regulation (EU) 2017/2402, as may be amended from time to time;
<b>"SFDR" or "Disclosure Regulation"</b>	means Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector, as may be amended, supplemented, consolidated, substituted in any form or otherwise modified from time to time;
<b>"SFTR"</b>	means Regulation 2015/2365 of the European Parliament and of the Council of 25 November 2015 on transparency of securities financing transactions and of reuse and amending Regulation (EU) No 648/2012 as may be amended, supplemented, consolidated, substituted in any form or otherwise modified from time to time;
<b>"Shareholders Rights Directive or SRD II"</b>	means European Union (Shareholders' Rights) Regulations 2020 as may be amended, supplemented or replaced from time to time;
<b>"Share" or "Shares"</b>	means any participating class or classes of Shares as the case may be in the Company representing interests in a Fund;
<b>"Share Class(-es)"</b>	means the class or classes of Shares (if any) relating to a Fund. The details applicable to each available Share Class will be pre-determined and as described in the relevant Supplement;
<b>"Shareholder"</b>	means a holder of Shares;
<b>"Subscriber Shares"</b>	means the shares which the subscribers to the Articles subscribed to and which do not participate in the dividends or assets of any Fund;
<b>"Supplement"</b>	means any supplement to the Prospectus issued on behalf of the

Company specifying certain information in relation to a Fund and/or one or more Classes from time to time, noting that any such supplement may be issued with an information card, annex or addendum containing supplemental information on the relevant Fund or Class;

**"Sustainable Investment"**

means an investment in an economic activity that contributes to an environmental objective, as measured, for example, by key resource efficiency indicators on the use of energy, renewable energy, raw materials, water and land, on the production of waste, and greenhouse gas emissions, or on its impact on biodiversity and the circular economy, or an investment in an economic activity that contributes to a social objective, in particular an investment that contributes to tackling inequality or that fosters social cohesion, social integration and labour relations, or an investment in human capital or economically or socially disadvantaged communities, provided that such investments do not significantly harm any of those objectives and that the investee companies follow good governance practices, in particular with respect to sound management structures, employee relations, remuneration of staff and tax compliance;

**"Sustainable Investment Fund"**

means a Fund of the Company that, in accordance with the criteria outlined in Article 9 of SFDR has Sustainable Investment as its objective;

**"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 an investment, including but not limited to, risks stemming from climate change, natural resource depletion, environmental degradation, human rights abuses, bribery, corruption and social and employee matters;

**"Taxonomy Regulation"**

means the Regulation on the Establishment of a Framework to Facilitate Sustainable Investment (Regulation EU/2020/852) as may be supplemented, consolidated, substituted in any form or otherwise modified from time to time;

**"TCA"**

means the Irish Taxes Consolidation Act 1997, as amended;

**"Total Return Swap"**

means a derivative (and a transaction within the scope of SFTR) whereby the total economic performance of a reference obligation is transferred from one counterparty to another counterparty;

**"Transferable Securities"**

means:

- (a) shares in companies and other securities equivalent to shares in companies which fulfil the applicable criteria specified in Part 1 of Schedule 2 of the Regulations;
- (b) bonds and other forms of securitised debt which fulfil the applicable criteria specified in Part 1 of Schedule 2 of the

Regulations;

- (c) other negotiable securities which carry the right to acquire any securities within (i) or (ii) above by subscription or exchange which fulfil the criteria specified in Part 1 of Schedule 2 of the Regulations; and
- (d) securities specified for this purpose in Part 2 of Schedule 2 of the Regulations.

**"UCITS"**

means an undertaking for collective investment in transferable securities which is authorised under the Regulations or authorised by a competent authority in another member state of the European Union in accordance with Directive 2009/65/EC of the European Parliament and of the Council, as amended, supplemented, consolidated or otherwise modified from time to time;

**"UCITS Requirements"**

means the legislative and regulatory framework for the authorisation and supervision of UCITS, pursuant to the Regulations, in place in Ireland from time to time;

**"UCITS V"**

means Directive 2014/91/EU of the European Parliament and of the Council of 23 July 2014 amending Directive 2009/65/EC on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities as regards depositary functions, remuneration and sanctions as amended from time to time and including any supplementing European Commission delegated regulations in force from time to time;

**"Umbrella Cash Account "**

means the account in the name of the Company through which subscription monies and redemption proceeds and dividend income (if any) for each Fund are channelled, the details of which are specified in the Application Form;

**"US"**

means the United States of America (including the States and the District of Columbia), its territories, possessions and all other areas subject to its jurisdiction;

**"US Person"**

means, unless otherwise determined by the Directors, (i) any natural person resident in the US; (ii) any partnership or corporation organised or incorporated under the laws of the US; (iii) any estate of which any executor or administrator is a US Person; (iv) any trust of which any trustee is a US Person; (v) any agency or branch of a foreign entity located in the US; (vi) any non-discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary for the benefit or account of a US Person; (vii) any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organised, incorporated, or (if an individual) resident in the US; and (viii) any partnership or corporation if (A) organised or incorporated under the laws of any foreign jurisdiction; and (B) formed by a US Person principally for the purpose of investing in securities not registered under the Securities Act, unless it is organised or incorporated, and owned, by accredited

investors (as defined in Rule 501(a) under the Securities Act) who are not natural persons, estates or trusts. Notwithstanding the foregoing US Person does not include (a) any discretionary account or similar account (other than estate or trust) held for the benefit or account of a non-United States Person by a dealer or other professional fiduciary organised, incorporated, or, if an individual, resident in the United States; (b) any estate of which any professional fiduciary acting as executor or administrator is a United States Person if (i) an executor or administrator of the estate who is a non-United States Person who has sole or shared investment discretion with respect to the assets of the estate and (ii) the estate is governed by non-United States law; (c) any trust of which any professional fiduciary acting as trustee is a United States Person if a trustee who is not a United States Person has sole or shared investment discretion with respect to the trust assets, and no beneficiary of the trust (and no settlor if the trust is revocable) is a United States Person; (d) an employee benefit plan established and administered in accordance with the law of a country other than the United States and customary practices and documentation of such country; (e) any agency or branch of a United States Person located outside the United States if (i) the agency or branch operates for valid business reasons and (ii) the agency or branch is engaged in the business of insurance or banking and is subject to substantive insurance or banking regulation, respectively, in the jurisdiction where located; or (f) the International Monetary Fund, the International Bank for Reconstruction and Development, the Inter-American Development Bank, the Asian Development Bank, the African Development Bank, the United Nations, and their agencies, affiliates and pension plans, and any other similar international organisations, their agencies, affiliates and pension plans;

**"Valuation Point"**

means the time on or with respect to the relevant Dealing Day by reference to which the Net Asset Value of a Fund and the Net Asset Value per Share are calculated as is specified in the Supplement for the relevant Fund;

**"VNAV MMF"**

means a "variable net asset value MMF" as defined in Article 2 of the Money market Fund Regulations;

**"Weighted Average Maturity"**

means the average length of time to legal maturity or, if shorter, to the next interest rate reset to a money market rate, of all of the underlying assets in a Fund reflecting the relative holdings in each asset; and

**"Weighted Average Final Maturity"**

means the average length of time to legal maturity of all of the underlying assets in a Fund reflecting the relative holdings in each asset.

## Introduction

The Company is an open-ended umbrella investment company with variable capital organised under the laws of Ireland as a public limited company pursuant to the Companies Act. The Company was incorporated on the 27th day of February 1996 under registration number 245357. Its sole object, as set out in Clause 2 of the Company's Memorandum of Association, is the collective investment in transferable securities and/or other financial instruments of capital raised from the public operating on the principle of risk-spreading in accordance with the Regulations.

The Company has been authorised by the Central Bank as a UCITS pursuant to the Regulations.

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

The Company is organised in the form of an umbrella fund. The Articles provide that the Company may offer separate classes of Shares, each representing interests in a Fund comprising a distinct portfolio of investments. Its share capital is divided into a number of classes each representing interests in a Fund, save for the Subscriber Shares which will not entitle the holders to participate in the assets of any Fund. The Directors may issue one or more classes of Shares having different levels of fees, expenses and distribution policies in respect of any Fund.

## **Investment Objective and Policies**

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

Any change in the investment objectives and any material change in the investment policies will be subject to Shareholders' approval and the approval of the Central Bank. In the event of a change in investment objectives and/or a material change in investment policies a reasonable notification period will be provided by the Manager to enable Shareholders to redeem their Shares prior to the implementation of this change.

### **Classes of Shares**

Each Fund may issue one or more classes of Shares. Shares may be issued as Accumulating Shares or Distributing Shares. Details of the classes of Shares in each Fund appear in the Supplement for the relevant Fund.

Additional classes of Shares having different fee and expense levels may be issued in the future. The differences between the various classes of a Fund may be the minimum subscription, the minimum holding level, the denomination of the Shares and the charges to be borne, details of which shall be set out in a relevant Supplement.

Additional Funds (in respect of which a Supplement or Supplements will be issued) may be established by the Directors from time to time with the prior approval of the Central Bank. Additional Classes in respect of which a Supplement or Supplements will be issued may be established by the Directors and notified to and cleared in advance with the Central Bank or otherwise must be created in accordance with the Central Bank Rules.

The Company may from time to time, with the prior approval of the Central Bank, obtain authorisation of one or more Funds as an Authorised Money Market Fund which shall be designed as VNAV MMF, a Public Debt CNAV MMF or a LVNAV MMF, as specified in Supplement for the relevant Fund.

### **Investment Restrictions**

The investment restrictions applying to each Fund of the Company under the Regulations, as at the date of this Prospectus, are set out in Schedule 1. These are, however, subject to the qualifications and exemptions contained in the Regulations and in the Central Bank Rules. Any additional investment restrictions for other Funds will be formulated by the Directors, following consultation with the Manager, at the time of the creation of such Fund with the prior approval of the Central Bank and detailed in the relevant Supplement.

Where a Fund inadvertently breaches the limitations set out below, due to unforeseen events arising following the purchase of the securities, the Investment Manager will sell such securities as soon as practicable taking into account the best interests of the Shareholders.

The Directors may from time to time impose such further investment restrictions as shall be compatible with or in the interest of the Shareholders.

## **Financial Derivative Instruments**

Subject to the Regulations and to the conditions and within the limits laid down by the Central Bank, the Company, on behalf of a Fund may employ FDIs dealt with on a regulated market (and/or OTC FDIs) which will be used for investment and/or hedging purposes. In the case of an Authorised Money Market Fund FDIs may only be used for the purpose of hedging the interest rate or exchange rate risks inherent in other investments of the Authorised Money Market Fund and the underlying of the FDI may consist of: (i) interest rates; (ii) foreign exchange rates; (iii) currencies; (iv) or indices representing one of the categories set out at (i) – (iii) above.

The Manager on behalf of each Fund has filed with the Central Bank its risk management process which enables it to accurately measure, monitor and manage the various risks associated with the use of FDI. Any FDI not included in the risk management process will not be utilised until such time as the risk management process has been updated in accordance with the requirements of the Central Bank. The Manager on behalf of each Fund, will, on request, provide supplementary information to Shareholders relating to the risk management methods employed, including the quantitative limits that are applied and any recent developments in the risk and yield characteristics of the main categories of investments.

Where a Fund invests in FDIs, the Fund shall comply with the provisions of section 6 of the Investment Restrictions applicable to non-Authorised Money Market Funds or Authorised Money Market Funds (as applicable) and the applicable Central Bank Rules.

This paragraph shall be read in conjunction with the "Risk Factors" with particular reference to paragraphs entitled "Currency Risk", "Valuation Risk", "OTC Markets Risk" and "Futures and Options".

## **Efficient Portfolio Management and Securities Financing Transactions**

### *General*

The Company may for Funds other than Authorised Money Market Funds (for the purposes of efficient portfolio management only) employ techniques and instruments relating to Transferable Securities, money market instruments and/or other financial instruments (including financial derivative instruments) in which it invests. Such techniques and instruments include futures, options, swaps, forwards and repurchase and reverse repurchase agreements and securities lending agreements (details of which are outlined below).

Each Authorised Money Market Fund may use repurchase agreements on a temporary basis for liquidity purposes and reverse repurchase agreements for investment purposes (i.e. Securities Financing Transactions) in accordance with the requirements of SFTR, the Central Bank Rules and the Money Market Fund Regulation.

The use of techniques and instruments relating to Transferable Securities, money market instruments and/or other financial instruments in which a Fund invests for efficient portfolio management purposes should be in line with the best interests of Shareholders and will generally be made for one or more of the following reasons:

- (i) the reduction of risk;
- (ii) the reduction of cost; or
- (iii) the generation of additional capital or income for the Fund with an appropriate level of risk, taking into account the risk profile of the Fund and the risk diversification rules set out in the Central Bank Rules.

In addition, the use of such techniques and instruments must be realised in a cost-effective way and must not result in a change to the investment objective of the Fund or add substantial supplementary risks not covered in this Prospectus. It is therefore the intention of the Company, in employing such efficient portfolio management techniques and instruments for these reasons, that their impact on the performance of the relevant Fund will be positive.

Such techniques and instruments may include foreign exchange transactions which alter the currency characteristics of assets held by the relevant Fund.

Assets of a Fund may be denominated in a currency other than the Base Currency of the Fund and changes in the exchange rate between the Base Currency and the currency of the asset may lead to a depreciation of the value of the Fund's assets as expressed in the Base Currency. The Company may (but is not obliged) to seek to mitigate this exchange rate risk by using FDI. Please refer to the section of this Prospectus entitled "Risk Factors; Efficient Portfolio Management Risk" for more details. The risks arising from the use of such techniques and instruments shall be adequately captured in the Manager's risk management process.

Details of any additional techniques and instruments used for a Fund may be set out in the relevant Supplement.

#### *Securities Financing Transactions*

Securities Financing Transactions may be entered into by a Fund for any purpose that is consistent with the investment objective of the relevant Fund, including in the case of Funds other than an Authorised Money Market Fund to generate income or profits in order to increase portfolio returns or to reduce portfolio expenses or risks. In these transactions, collateral may move between the Company and the relevant counterparty in order to mitigate any counterparty risk.

While the Company will ensure that appropriate due diligence of the counterparty, including consideration of the legal status, country of origin, credit rating and minimum credit rating (where relevant) is conducted, it is noted that the Central Bank Rules and the Money Market Fund Regulation (where applicable) do not prescribe any pre trade eligibility criteria for counterparties (a "**Counterparty**") to a Fund's Securities Financing Transactions. Any such Securities Financing Transactions will be subject to the conditions, limits and requirements of the Central Bank, SFTR and the provisions of the Prospectus.

Any type of assets that may be held by each Fund in accordance with its investment objective and policies may be subject to such Securities Financing Transactions. Where provided for in the relevant Supplement, the Fund may also use Total Return Swaps. Subject to each Fund's investment objective and policies, there is no limit on the proportion of assets that may be subject to Securities Financing Transactions and Total Return Swaps and therefore the maximum and expected proportion of a Fund's assets that can be subject to Securities Financing Transactions or Total Return Swaps can be as much as 100%, i.e. all of the assets of the relevant Fund. In any case the most recent semi-annual and annual accounts of each Fund will express the amount of the Fund's assets subject to Securities Financing Transactions and Total Return Swaps.

Securities lending means transactions by which one party transfers securities to the other party subject to a commitment that the other party will return equivalent securities on a future date or when requested to do so by the party transferring the securities, that transaction being considered as securities lending for the party transferring the securities. Repurchase agreements are a type of securities lending transaction in which one party sells a security to the other party with a simultaneous agreement to repurchase the security at a fixed future date at a stipulated price reflecting a market rate of interest unrelated to the coupon rate of the securities. A reverse repurchase agreement is a transaction whereby a Fund purchases securities from a counterparty and simultaneously commits to resell the securities to the counterparty at an agreed upon date and price.

Any Fund that seeks to engage in securities lending should ensure that it is able at any time to recall any security that has been lent out or terminate any securities lending agreement into which it has entered.

Please refer to the Risk Factors section of the Prospectus in respect of the risks related to Securities Financing Transactions. The risks arising from the use of Securities Financing Transactions shall be adequately captured in the Company's risk management process.

The Manager shall ensure that all the revenues arising from Securities Financing Transactions and any other efficient portfolio management techniques shall be returned to the relevant Fund following the deduction of any direct and indirect operational costs and fees arising. Such direct and indirect operational costs and fees (which are all fully transparent), which shall not include hidden revenue, shall include fees and expenses payable to repurchase and reverse repurchase transactions Counterparties and/or securities lending agents engaged by the Company from time to time. Such fees and expenses of any repurchase and reverse repurchase transactions Counterparties engaged by the Company, which will be at normal commercial rates together with value added tax or similar if applicable thereon, will be borne by the Company or the Fund in respect of which the relevant party has been engaged. Details of Fund revenues arising and attendant direct and indirect operational costs and fees as well as the identity of any specific repurchase and reverse repurchase transactions Counterparties and/or securities lending agents engaged by the Company from time to time (including whether they are related to the Manager or the Depositary) shall be included in the Company's semi-annual and annual reports.

From time to time, a Fund may engage repurchase and reverse repurchase transactions Counterparties and/or securities lending agents that are related parties to the Depositary or other service providers of the Company. Such engagement may on occasion cause a conflict of interest with the role of the Depositary or other service provider in respect of the Company. Please refer to "General – Conflicts of Interest" section below for further details on the conditions applicable to any such related party transactions. The identity of any such related parties will be specifically identified in the Company's semi-annual and annual reports.

Any Fund that enters into a reverse repurchase agreement should ensure that it is able at any time to recall the full amount of cash or to terminate the reverse repurchase agreement on either an accrued basis or a mark-to-market basis. When the cash is recallable at any time on a mark-to-market basis, the mark-to-market value of the reverse repurchase agreement should be used for the calculation of the Net Asset Value of the Fund.

A Fund that enters into a repurchase agreement should ensure that it is able at any time to recall any securities subject to the repurchase agreement or to terminate the repurchase agreement into which it has entered. Fixed-term repurchase and reverse repurchase agreements that do not exceed seven days shall be considered as arrangements on terms that allow the assets to be recalled at any time by the Fund.

Repurchase/reverse repurchase agreements or securities lending do not constitute borrowing or lending for the purposes of Regulation 103 and Regulation 111 of the Regulations respectively.

### **Eligible Counterparties**

A Fund may invest in OTC derivatives in accordance with the Central Bank Rules and provided that the counterparties to the OTC derivatives are Eligible Counterparties.

### **Collateral Policy**

In the context of efficient portfolio management techniques, Securities Financing Transactions and/or the use of FDIs for hedging or investment purposes, collateral may be received from a counterparty for the benefit of a Fund or posted to a counterparty by or on behalf of a Fund. Any receipt or posting of collateral by a Fund will be conducted in accordance with the requirements of the Central Bank and the terms of the Company's collateral policy outlined below.

*Collateral – received by the Company*



Collateral posted by a counterparty for the benefit of a Fund may be taken into account as reducing the exposure to such counterparty. Each Fund will require receipt of the necessary level of collateral so as to ensure counterparty exposure limits are not breached. Counterparty risk may be reduced to the extent that the value of the collateral received corresponds with the value of the amount exposed to counterparty risk at any given time.

The Investment Manager will liaise with the Depository in order to manage all aspects of the counterparty collateral process.

Risks linked to the management of collateral, such as operational and legal risks, shall be identified, managed and mitigated by the Company's risk management process. A Fund receiving collateral for at least 30% of its assets should have an appropriate stress testing policy in place to ensure regular stress tests are carried out under normal and exceptional liquidity conditions to enable the Fund to assess the liquidity risk attached to the collateral. The liquidity stress testing policy will at least prescribe the components set out in Regulation 24 paragraph (8) of the Central Bank Regulations.

For the purpose of providing margin or collateral in respect of transactions in techniques and instruments, the Fund may transfer, mortgage, pledge, charge or encumber any assets or cash forming part of the Fund in accordance with normal market practice and the requirements outlined in the Central Bank Rules.

All assets received by a Fund in the context of Securities Financing Transactions shall be considered as collateral and must comply with the terms of the Company's collateral policy.

Any non-cash assets received by the Fund from a counterparty on a title transfer basis (whether in respect of a Securities Financing Transaction, an OTC derivative transaction or otherwise) shall be held by the Depository or a duly appointed sub-custodian. Assets provided by a Fund on a title transfer basis shall no longer belong to the Fund and shall pass outside the custodial network. The counterparty may use those assets at its absolute discretion. Assets provided to a counterparty other than on a title transfer basis shall be held by the Depository or a duly appointed sub-custodian.

#### Non-Cash Collateral

Collateral received must, at all times, meet with the specific criteria outlined in the Central Bank Rules. Collateral received from a counterparty for the benefit of a Fund may be in the form of cash or non-cash assets and must, at all times, meet with the specific criteria outlined in the Central Bank Regulations, as summarised below, in relation to (i) liquidity; (ii) valuation; (iii) issuer credit quality; (iv) correlation; (v) diversification (asset concentration); and (vi) immediate availability:

- (a) **Liquidity:** Collateral received other than cash should be highly liquid and traded on a regulated market or multilateral trading facility with transparent pricing in order that it can be sold quickly at a price that is close to pre-sale valuation. Collateral received should also comply with the provisions of Regulation 74 of the Regulations.
- (b) **Valuation:** Collateral received should be valued on at least a daily basis and assets that exhibit high price volatility should not be accepted as collateral unless suitably conservative haircuts (as referred to below) are in place. Where appropriate, non-cash collateral held for the benefit of a Fund shall be valued in accordance with the valuation policies and principles applicable to the Company. Subject to any agreement on valuation made with the counterparty, collateral posted to a recipient counterparty will be valued daily at mark-to-market value. The rationale for the valuation methodology as described above is to ensure compliance with the requirements in the Central Bank Regulations.
- (c) **Issuer credit quality:** Collateral received should be of high quality.

- (d) Correlation: Collateral received should be issued by an entity that is independent from the counterparty and is not expected to display a high correlation with the performance of the counterparty.
- (e) Diversification (asset concentration): Collateral should be sufficiently diversified in terms of country, markets and issuers with a maximum exposure to a given issuer of 20% of the Fund's Net Asset Value. When the Fund is exposed to different counterparties, the different baskets of collateral should be aggregated to calculate the 20% limit of exposure to a single issuer.
- (f) Immediate availability: Collateral received should be capable of being fully enforced by the Fund at any time without reference to or approval from the counterparty.
- (g) Haircuts: The Manager or the Investment Manager, on behalf of each Fund, shall apply suitably conservative haircuts to assets being received as collateral where appropriate on the basis of an assessment of the characteristics of the assets such as the credit standing or the price volatility, as well as the outcome of any stress tests in accordance with the requirements of EMIR. EMIR does not require the application of a haircut for cash variation margin. Accordingly any haircut applied to cover currency risk will be as agreed with the relevant counterparty. The Investment Manager has determined that generally if issuer or issue credit quality of the collateral is not of the necessary quality or the collateral carries a significant level of price volatility with regard to residual maturity or other factors, a conservative haircut must be applied in accordance with more specific guidelines as will be maintained in writing by the Manager or Investment Manager on an on-going basis. To the extent that a Fund avails of the increased issuer exposure facility in section 5(ii) of Schedule 3 of the Central Bank Regulations, such increased issuer exposure may be to any of the issuers listed in section 2.12 of the Investment Restrictions. The Manager shall justify and document each decision to apply a specific haircut or to refrain from applying any haircut, to any specific class of assets.
- (h) Safe-keeping: Any non-cash assets received by a Fund from a counterparty on a title transfer basis (whether in respect of a Securities Financing Transaction, an OTC derivative transaction or otherwise) shall be held by the Depositary or a duly appointed sub-depositary. Assets provided by a Fund on a title transfer basis shall no longer belong to the Fund and shall pass outside the custodial network. The counterparty may use those assets at its absolute discretion. Assets provided to a counterparty other than on a title transfer basis shall be held by the Depositary or a duly appointed sub-custodian.
- (i) There are no restrictions on maturity provided the collateral is sufficiently liquid.

Non-cash collateral received by an Authorised Money Market Fund pursuant to a reverse repurchase agreement may, in accordance with the Money Market Fund Regulation, include eligible liquid transferable securities and/or money market instruments.

Non-cash collateral cannot be sold, pledged or re-invested.

Cash collateral received by a Fund other than an Authorised Money Market Fund may only be invested in the following:

- (a) deposits with Relevant Institutions;
- (b) high-quality government bonds;
- (c) repurchase and reverse repurchase agreements provided the transactions are with credit institutions subject to prudential supervision and the Fund is able to recall at any time the full amount of cash on an accrued basis; and

- (d) short-term money market funds as defined in the ESMA Guidelines on a Common Definition of European Money Market Funds (ref CESR/10-049).

Cash received as collateral by an Authorised Money Market Fund pursuant to a repurchase agreement may only be invested in the following:

- (a) deposits with a Relevant Institution; or
- (b) eligible liquid transferable securities and/or Money Market Instruments in accordance with the Money Market Fund Regulation.

Re-invested cash collateral should be diversified in accordance with the diversification requirement applicable to non-cash collateral outlined above in point (v). Cash collateral may not be placed on deposit with the relevant counterparty or a related entity. Exposure created through the reinvestment of collateral must be taken into account in determining risk exposures to a counterparty. Re-investment of cash collateral in accordance with the provisions above can still present additional risk for the Fund. Please refer to the section of this Prospectus entitled "Risk Factors; Reinvestment of Cash Collateral Risk" for more details.

#### *Collateral – posted by the Company*

Collateral posted to a counterparty by or on behalf of the Fund must be taken into account when calculating counterparty risk exposure. Collateral posted to a counterparty and collateral received by such counterparty may be taken into account on a net basis provided the Fund is able to legally enforce netting arrangements with the counterparty.

Collateral posted to a counterparty by or on behalf of a Fund will consist of such collateral as is agreed with the counterparty from time to time and may include any types of assets held by the Fund.

Assets provided by the Fund on a title transfer basis shall no longer belong to the Fund and shall pass outside the custodial network. The counterparty may use those assets at its absolute discretion. Assets provided to a counterparty other than on a title transfer basis shall be held by the Depositary or a duly appointed sub-custodian.

#### **References to Benchmarks**

Certain Funds may refer to indices within the Supplement of the relevant Funds. These indices may be referenced for various purposes including, but not limited to operating as a reference benchmark which the Fund seeks to outperform. The particular purpose of the relevant index shall be clearly disclosed in the relevant Supplement. Where an index is used for the purposes of operating as a reference benchmark which the Fund seeks to outperform this will not constitute use of an index within the meaning of Article 3(1)(7)(e) of the Benchmark Regulation unless the relevant Supplement (in particular as part of its investment policy or strategy) defines constraints on the asset allocation of the portfolio in relation to the index (e.g. an investment restriction that the Fund must invest only in components of the index or must be partially invested in line with index composition). Shareholders should note that the Company and/or its distributors and/or the Investment Manager may from time to time refer to other indices in marketing literature or other communications purely for financial or risk comparison purposes. However, unless such indices are referred to as such in the Supplement of the Fund they are not formal benchmarks against which the Fund is managed.

The Benchmark Regulation requires the Manager to produce and maintain a robust contingency plan detailing the actions it will take in the event that a benchmark (as defined by the Benchmark Regulation) it uses for any Fund materially changes or ceases to be provided.

The Reference Indices used by the Funds are each provided by an administrator (as defined in the Benchmark Regulation) which is either included on the ESMA register that is maintained in accordance

with Article 36 of the Benchmark Regulation, or is in the process applying for inclusion on the ESMA register.

## References to Ratings

The European Union (Alternative Investment Fund Managers) (Amendment) Regulations 2014 (S.I. No. 379 of 2014) (the "**Amending Regulations**") transpose the requirements of the Credit Ratings Agencies Directive (2013/14/EU) ("**CRAD**") into Irish law. CRAD aims to restrict the reliance on ratings provided by credit rating agencies and to clarify the obligations for risk management. In accordance with the Amending Regulations and the CRAD (which amended the Regulations), notwithstanding anything else in this Prospectus, the Manager or the Investment Manager shall not solely or mechanistically rely on credit ratings in determining the credit quality of an issuer or counterparty.

## Currency Hedged Share Classes

A Fund may (but is not obliged to) enter into certain currency-related transactions in order to seek to hedge out currency risk. The presence of any Currency Hedged Share Classes, as well as details of any particular features, shall be clearly disclosed in the Supplement for the relevant Fund.

Unless otherwise disclosed in the relevant Supplement, this will involve a Share Class designated in a currency other than the Base Currency being hedged against (i) exchange rate fluctuation risks between the designated currency of the Share Class and the Base Currency of the relevant Fund; and/or (ii) exchange rate fluctuation risks between the designated currency of the Share Class and the other denominated currencies of the Fund's assets.

To the extent that hedging is successful for a particular Share Class, the performance of the Share Class is likely to move in line with the performance of the underlying assets.

Any financial instruments used to implement such currency hedging strategies with respect to one or more Share Classes shall be assets/liabilities of the Fund but will be attributable to the relevant Share Class(es) and the gains and losses (realised and unrealised) on, and the costs of the currency hedging transactions (including any administrative costs arising from additional risk management) will accrue solely to the relevant Share Class. However, investors should note that there is no segregation of liability between Share Classes. Although the costs, gains and losses of the currency hedging transactions will accrue solely to the relevant Share Class, Shareholders are nonetheless exposed to the risk that hedging transactions undertaken in one Class may impact negatively on the Net Asset Value of another Class. Please refer to Appendix III to this Prospectus (section entitled "Risk Factors; Currency Hedging at Share Class Level Risk") for more details.

Any additional risk introduced to the Fund through the use of currency hedging for a given Share Class should be mitigated and monitored appropriately. Accordingly, in accordance with the Central Bank Rules, the following operational provisions will apply to any currency hedging transactions:

- (i) Counterparty exposure should be managed in accordance with the limits in the Central Bank Regulations and the Central Bank Rules.
- (ii) Over-hedged positions should not exceed 105 per cent. of the Net Asset Value of the relevant Share Class which is to be hedged against the currency risk.
- (iii) Under-hedged positions should not fall short of 95 per cent. of the portion of the Net Asset Value of the relevant Share Class which is to be hedged against currency risk.
- (iv) Hedged positions will be kept under review on an ongoing basis, at least at the same valuation frequency of the Fund, to ensure that over hedged or under hedged positions do not exceed/fall short of the permitted levels disclosed above.

- (v) Such review (referred to above) will incorporate a procedure to rebalance the hedging arrangements on a regular basis to ensure that positions materially in excess of 100 per cent or under-hedged positions will not be carried forward from month to month.
- (vi) The currency exposures of different currency Share Classes may not be combined or offset and currency exposures of assets of the Fund may not be allocated to separate Share Classes.
- (vii) Notwithstanding the above, there can be no guarantee that the hedging techniques will be successful and, while not intended, this activity could result in over-hedged or under-hedged positions due to external factors outside the control of the Company. Further, these hedging techniques are designed to reduce a Shareholder's exposure to currency risk. The use of such class hedging techniques may therefore substantially limit holders of Shares in the relevant Share Classes from benefiting if the currency of that Share Class falls against that of the Base Currency of the relevant Fund and/or the currency in which the assets of the relevant Fund are denominated. Please refer to Appendix III to this Prospectus (section entitled "Risk Factors; Currency Risk; Currency Hedging at Share Class Level Risk") for more details.

### **Foreign Exchange Agreements**

Where provided for in the Supplement, a Fund may enter into forward foreign exchange contracts in the context of its investment activity and/or for efficient portfolio management purposes and this may give rise to variation margin requirements under EMIR. However, it should be noted that the EMIR variation margin rules will not apply to foreign exchange contracts characterised as spot trades in accordance with Commission Delegated Regulation (EU) 2017/565. This includes foreign exchange contracts with up to T+5 settlement terms where the main purpose of the contract is in connection with the sale or purchase of investments by the Fund and this corresponds with the standard settlement period for such investments.

### **Borrowing and Lending Powers**

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

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

The Company may not borrow for investment purposes.

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

Any special borrowing restrictions relating to a Fund will be formulated by the Directors and disclosed in the relevant Supplement. There are no special borrowing restrictions currently in operation.

### **Internal Credit Quality Assessment**

The Manager has, in accordance with the requirements of the Money Market Fund Regulation, established, implements and applies consistently a prudent internal credit quality assessment procedure for determining the credit quality of Money Market Instruments, securitisations and asset-backed commercial paper ("ABCs") in which an Authorised Money Market Fund may invest, taking into account the issuer of the instrument and the characteristics of the instrument itself. The Manager ensures that the information used in applying the internal credit quality assessment procedure is of sufficient

quality, up-to-date and from reliable sources. The internal assessment procedure is based on prudent, systematic and continuous assessment methodologies. The methodologies used are subject to validation by the Manager based on historical experience and empirical evidence, including back testing. The Manager ensures that the internal credit quality assessment procedure complies with all of the following general principles:

- (a) an effective process has been established to obtain and update relevant information on the issuer and the instrument's characteristics;
- (b) adequate measures are adopted and implemented to ensure that the internal credit quality assessment is based on a thorough analysis of the information that is available and pertinent, and includes all relevant driving factors that influence the creditworthiness of the issuer and the credit quality of the instrument;
- (c) the internal credit quality assessment procedure is monitored on an ongoing basis and all credit quality assessments shall be reviewed at least annually;
- (d) while there is to be no mechanistic over-reliance on external ratings, the Manager shall undertake a new credit quality assessment for money market instruments, securitisations and ABCPs when there is a material change that could have an impact on the existing assessment of the instrument;
- (e) the credit quality assessment methodologies are reviewed at least annually by the Manager to determine whether they remain appropriate for the current portfolio and external conditions. Where the Manager becomes aware of errors in the credit quality assessment methodology or in its application, it shall immediately correct those errors; and
- (f) when methodologies, models or key assumptions used in the internal credit quality assessment procedure are changed, the Manager reviews all affected internal credit quality assessments as soon as possible.

## **Dividend Policy**

The dividend policy and information on the declaration and payment of dividends for each Fund will be specified in the relevant Supplement.

Under the Articles, the amount available for distribution by way of dividend in respect of a class of Shares shall be payable out of net income received (whether in the form of dividends, interest, capital gains or otherwise) and realised and unrealised gains net of realised and unrealised losses attributable to each class.

Under the Articles and with the consent of each individual Shareholder where applicable, the Directors may satisfy any dividend due to Shareholders in whole or in part by distributing to them in specie any of the assets of the relevant Fund, and in particular any investments to which the relevant Fund is entitled. Any Shareholder may, instead of receiving the assets, require the Directors to sell the assets and to pay the proceeds of the sale to the Shareholder (the costs of such sale being chargeable to that Shareholder).

The Company will be obliged and entitled to deduct an amount in respect of Irish taxation from any dividend payable to a Shareholder in any Fund who is or is deemed to be an Irish Resident and pay such sum to the Revenue Commissioners.

Any dividends paid which are not claimed within six years from their due date will lapse and revert to and form part of the assets of the relevant Fund.

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

for example in the event of a failure in the electronic payment system, dividends may at the discretion of the Administrator, be paid by cheque.

Investors should note that any dividend income being paid out by a Fund and held in the Umbrella Cash Account shall remain an asset of the relevant Fund until such time as the income is released to the investor and that during this time the investor will rank as a general unsecured creditor of the Company. See "Use of an Umbrella Cash Account" below for further information.

### **Use of an Umbrella Cash Account**

The Company operates a single, omnibus umbrella cash account designated as a subscription/redemption/dividend account (the "**Umbrella Cash Account**") for all of the Funds, in accordance with the Central Bank's requirements relating to umbrella fund cash accounts. Accordingly, monies in the Umbrella Cash Account are deemed assets of the respective Funds and shall not have the protection of the Investor Money Regulations. It should be noted however that the Depositary will monitor the Umbrella Cash Account in performing its cash monitoring obligations and ensuring effective and proper monitoring of the Company's cash flows in accordance with its obligations as prescribed under UCITS V. There nonetheless remains a risk for investors to the extent that monies are held by the Company in the Umbrella Cash Account for the account of a Fund at a point where such Fund (or another Fund of the Company) becomes insolvent. In respect of any claim by an investor in relation to monies held in the Umbrella Cash Account, the investor shall not be in the position of a Shareholder but rather shall rank as an unsecured creditor of the Company.

The Company in conjunction with Depositary shall establish a policy to govern the operation of the Umbrella Cash Account, in accordance with the Central Bank's guidance in this area. This policy shall be reviewed by the Company and the Depositary at least annually.

### **Sustainable Finance Disclosures**

The European Union has introduced a series of legal measures (the primary one being SFDR) requiring firms that manage investment funds to provide transparency on how they integrate sustainability considerations into the investment process with respect to the investment funds they manage.

This section of the Prospectus has been prepared for the purpose of meeting the specific financial product level disclosure requirements contained in SFDR.

It is noted that the regulatory technical standards to specify the details of the content and presentation of the information to be disclosed pursuant to SFDR have been delayed and will not be issued when the relevant disclosure obligations in SFDR become effective.

It is also noted in this respect that the European Commission has recommended, that from the effective date of SFDR, financial market participants seek to comply with the specific disclosure obligations in SFDR that are reliant on regulatory technical standards on a "high-level, principles-based approach".

The Company therefore seeks to comply on a best efforts basis with the relevant disclosure obligations and makes this disclosure as a means of achieving this objective.

It is expected that this section of the Prospectus will be reviewed and updated once the relevant regulatory technical standards come into effect, noting in particular that the regulatory technical standards are expected to contain details on the form and presentation of the information to be disclosed and this could therefore require a revised approach to how the Company seeks to meet the disclosure obligations in SFDR.

#### *Fund Classification*

For SFDR purposes each Fund is classified as either (i) a Mainstream Fund; (ii) an ESG Orientated Fund; or (iii) a Sustainable Investment Fund.

If a Fund is classified as either an ESG Orientated Fund or a Sustainable Investment Fund, a clear indication of this classification (along with additional SFDR-related disclosure) will be made in the Supplement or the Information Card for the relevant Fund.

As a default, and in the absence of such clear indication, each Fund will be classified as a Mainstream Fund.

#### *Integration of sustainability risk into the investment decision-making process*

As part of the process to undertake appropriate due diligence on investments, the Investment Manager will generally conduct a level of research on each company or issuer. This may include a consideration of fundamental and quantitative elements such as financial position, revenue, capital structure etc. It may also involve qualitative and non-financial elements such as the company's approach and/or industry relative standing to ESG factors and consideration of Sustainability Risks. The Investment Manager considers that material ESG issues are business issues; when managed well, these factors can position a company for success. When managed poorly, they can lead to negative externalities that can result in reputational and financial risk.

The Investment Manager integrates these ESG factors and this Sustainability Risk assessment into its investment research process, portfolio construction, and/or its risk management process – both initially and on an ongoing basis for the duration of the period the Fund holds an investment or pursues a particular investment strategy.

In respect of the Funds, the Investment Manager's investment approach and decision-making processes are based on clearly defined investment objectives, investment policies, investment strategy, investment restrictions and risk management parameters, as contained in the relevant Supplement.

Using both quantitative and qualitative processes, further details on which may be set out in the relevant Supplement, Sustainability Risk is identified, monitored and managed by the Investment Manager in the following manner:

- (a) Prior to acquiring investments on behalf of a Fund, the Investment Manager uses ESG metrics of third party data providers ("**Data Providers**") in order to screen the relevant investment against Sustainability Risk and to identify whether it is vulnerable to such risk. This process incorporates applying both an exclusion policy (whereby potential investments are removed from the investment universe on the basis that they pose too great a Sustainability Risk to the Fund) and integration of additional ESG approaches, where relevant.
- (b) During the life of the investment, Sustainability Risk is monitored through the review of ESG data published by the issuer (where relevant) or selected Data Providers to determine whether the level of Sustainability Risk has changed since the initial assessment has been conducted. Where the Sustainability Risk associated with a particular investment has increased beyond the ESG risk appetite for the relevant Fund, where applicable, the Investment Manager will consider selling or reducing the Fund's exposure to the relevant investment, taking into account the best interests of the Shareholders of the Fund.

Factoring an assessment of the likely impact of Sustainability Risk into the investment design and decision making process has the potential to impact the returns of the Fund. Accordingly, an ESG Orientated Fund or a Sustainable Investment Fund may perform differently relative to other comparable funds that do not promote environmental and/or social characteristics.

For more details on how ESG factors are integrated into the investment process please refer to <https://www.northerntrust.com/europe/what-we-do/investment-management>.

#### *Mainstream Funds*



The investments underlying the Mainstream Funds do not take into account the EU criteria for environmentally sustainable economic activities.

The classification of a Fund as a Mainstream Fund means that the Fund does not promote environmental or social characteristics in a way that meets the specific criteria contained in Article 8 of SFDR or have sustainable investment as its objective in a way that meets the specific criteria contained in Article 9 of SFDR.

Accordingly, each Fund that is classified as a Mainstream Fund shall not be expected to pursue an investment approach that explicitly promotes environmental or social characteristics or to have sustainable investment as its objective.

Notwithstanding this classification, the Company still considers that the Mainstream Funds are managed responsibly. The Investment Manager may employ investment restrictions that are in accordance with rules regarding cluster munitions laid down in the relevant national legislation adopting the Convention on Cluster Munitions. Certain Mainstream Funds of the Company while not being classified as an ESG Orientated Fund or a Sustainable Investment Fund, may have reference to "ESG" in their names. This is reflective of the fact that such Mainstream Funds, where detailed in the relevant supplement, may evaluate and integrate Sustainability Risks and other relevant ESG factors in the investment process. The foregoing processes has the potential to impact the returns of the Mainstream Funds.

#### *ESG Orientated Funds and Sustainable Investment Funds*

For any Funds that are classified as ESG Orientated Funds or Sustainable Investment Funds additional disclosures required under SFDR for such Funds shall be provided in the relevant Supplement or Information Card.

#### *Risk Factors*

Please refer to the section, entitled "Risk Factors" and the section entitled "Sustainable Finance Disclosures Risks" in respect of the risks related to sustainable finance disclosures."

### **Taxonomy Regulation**

The Taxonomy Regulation is a piece of directly effective EU legislation that is applicable to the Company. Its purpose is to establish a framework to facilitate sustainable investment. It sets out harmonised criteria for determining whether an economic activity qualifies as environmentally sustainable and outlines a range of disclosure obligations to enhance transparency and to provide for objective comparison of financial products regarding the proportion of their investments that contribute to environmentally sustainable economic activities. It is notable that the scope of environmentally sustainable economic activities, as prescribed in the Taxonomy Regulation, is narrower than the scope of sustainable investments under SFDR. Therefore although there are disclosure requirements for both, these two concepts should be considered and assessed separately. This below section addresses only the specific disclosure requirements of the Taxonomy Regulation.

#### *Mainstream Funds*

Given the Mainstream Funds investment focus and the asset classes/sectors it invests, the Investment Manager does not integrate a consideration of environmentally sustainable economic activities into the investment process for the Mainstream Funds. Therefore, for the purpose of the Taxonomy Regulation, it should be noted that the investments underlying the Mainstream Funds do not take into account the EU criteria for environmentally sustainable economic activities.

Notwithstanding this, the Company still considers that the Mainstream Funds are managed responsibly. For further details on how the Mainstream Funds are managed responsibly, please refer to the section of the Prospectus titled "Sustainable Finance Disclosures", subsection "*Mainstream Funds*".

#### *ESG Orientated Funds and Sustainable Investment Funds*

The Taxonomy Regulation is being introduced on a phased basis and, in its initial phase, more detailed requirements (to be contained in regulatory technical standards) have not been finalised. In addition, many issuers (in which either an ESG Orientated Fund or Sustainable Investment Fund invests) are not yet reporting the type of data that would enable the Funds to accurately assess the alignment of such issuers with the detailed criteria outlined in the Taxonomy Regulation. Therefore, at this point, the ESG Orientated Funds or Sustainable Investment Funds are not yet in a position to set and adhere to a minimum proportion of its assets that must be invested in investments that contribute to environmentally sustainable economic activities in accordance with the Taxonomy Regulation.

Accordingly, for the purpose of the Taxonomy Regulation, it should be noted that technically (and notwithstanding the fact that an ESG Orientated Fund or Sustainable Investment Fund may seek to contribute to environmental objectives and/or social objectives in alignment with SFDR and as described in more detail in the Information Card to the relevant Supplement) at any given time, these Funds may not be invested in investments that take into account the EU criteria for environmentally sustainable economic activities.

It is expected that this section of the Prospectus, and the relevant Supplement in respect of the ESG Orientated Fund and Sustainable Investment Fund, will be reviewed and updated as data availability improves and/or once the relevant regulatory technical standards come into effect, noting in particular that the regulatory technical standards require enhanced disclosures to end investors regarding the investments of ESG Orientated Fund and Sustainable Investment Fund in environmentally sustainable economic activities.

### **Impact of EU Securitisation Rules**

It is possible that, subject to certain exemptions and transitional provisions, the instruments held by a Fund may constitute Securitisation Positions within the scope of the Securitisation Regulation. In such cases, the Fund will be characterised as an "institutional investor" for the purposes of the Securitisation Regulation and as such shall be directly subject to obligations outlined in the Securitisation Regulation with respect to the relevant Securitisation Positions it holds/proposes to hold. This includes a range of specific due diligence measures that must be considered by the Fund in advance of holding a Securitisation Position. In particular, the Fund will be required to verify that the originator, sponsor or original lender of the Securitisation Position that it proposes to hold is complying with the requirement to retain on an ongoing basis a material net economic interest in the relevant securitisation (the "**Risk Retention Requirement**"). Additionally, where the Fund is exposed to a Securitisation Position that no longer meets the requirements provided for in the Securitisation Regulation, the Manager or Investment Manager shall, in the best interests of the investors in the Fund, act and take corrective action, if appropriate.

It is noted that the Securitisation Regulation also imposes obligations directly on originators/sponsors/original lenders of Securitisation Positions established in the EU, including the applying the Risk Retention Requirement to those parties as a direct obligation – thereby aligning with the pre-investment verification obligation that will apply to the Fund as an institutional investor in such instruments. It should therefore be quite efficient in practice for the Fund to verify that the Risk Retention Requirement is being met. Conversely, in practice it may be more difficult for the Fund to verify that the Risk Retention Requirement is being met for originators/sponsors/original lenders of Securitisation Positions established outside the EU. Indeed, there may be instances where instruments the Fund would seek to invest in, that are structured by parties established outside the EU, are not compliant with the Risk Retention Requirement (or other requirements of the Securitisation Regulation). This presents the risk that the universe of instruments the Fund may consider investing in may be narrower than would otherwise be the case.

### **Publication of Net Asset Value**

The Net Asset Value per Share for each Class shall be made available on the internet at [www.northerntrust.com/pooledfunds.com](http://www.northerntrust.com/pooledfunds.com) or such other website as the Investment Manager may notify to Shareholders in advance from time to time and updated following each calculation of the Net Asset Value. In addition, the Net Asset Value per Share for each Class may be obtained from the office of the Administrator during normal business hours in Ireland.

## **Expenses of the Funds**

Particulars of the specific fees and expenses (including performance fees, if any) payable to the Manager, the Investment Manager, the Administrator and the Depositary are set out in the relevant Supplement. Under the Articles, each Fund shall pay all of its own expenses and its due proportion of any expenses allocated to it. These expenses may include the costs of (i) establishing and maintaining the Company, the relevant Fund and any subsidiary company, trust or collective investment scheme approved by the Central Bank and registering the Company, the relevant Fund, and the Shares with any governmental or regulatory authority or with any regulated market including Euronext Dublin, (ii) management, administration, trustee, custodial and related services, (iii) preparation, printing and posting of prospectuses, sales literature and reports to Shareholders, the Central Bank and governmental agencies, (iv) taxes, (v) commissions and brokerage fees, (vi) interest and other charges and expenses in connection with borrowings, (vii) auditing, tax, regulatory, compliance, fiduciary and legal fees, (viii) insurance premiums, (ix) other operating expenses, (x) costs associated with registering the Fund for marketing in different jurisdictions and (xi) extraordinary or exceptional costs and expenses (if any) as may arise from time to time, including the cost of winding up the Company and/or any Fund. However, without obligating itself to do so again at any time in the future, since the launch of each Fund and to date, the Company has agreed to pay all of the Fund's expenses other than taxes, commissions and brokerage fees, interest and other charges and expenses in connection with borrowings and exceptional costs and expenses. The Articles provide that the Directors shall be entitled to a fee by way of remuneration for their services at a rate to be determined from time to time by the Directors unless and until otherwise determined from time to time by the Company in a general meeting. It is currently intended that the annual fees of each Director will not exceed €50,000.

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

Details of the fees charged in relation to each Fund, are set out in the relevant Supplement.

# Administration of the Company

## Determination of Net Asset Value

The Net Asset Value of each Fund shall be calculated by the Administrator as at the Valuation Point for each Dealing Day by valuing the assets of the Fund and deducting therefrom the liabilities of the Fund. Where there is more than one class of Shares in a Fund, the Net Asset Value per Share of any class is calculated by the Administrator by ascertaining the Net Asset Value of the relevant Fund as at the Valuation Point for that Fund on the relevant Dealing Day, determining the amount of the Net Asset Value which is attributable to the relevant class of Shares and dividing the resultant sum by the number of Shares in issue in the relevant class.

The price at which Shares will be issued on a Dealing Day is based on the Net Asset Value per Share of the relevant class. The Net Asset Value per Share of the relevant class is calculated by determining that proportion of the Net Asset Value of the Fund which is attributable to the relevant class at the Valuation Point and adding thereto such sum (if any) as the Administrator may consider represents the appropriate provision for fiscal and purchase charges and by dividing this sum by the total number of Shares of the relevant class in issue at the relevant Valuation Point. The Valuation Point for each Fund is set out in the Supplement for the relevant Fund. The transfer agent uses four decimal places to determine the number of Shares allotted. The fund accountant uses five decimal places to calculate the Net Asset Value per Share. In the case of very large Shareholder subscriptions or redemptions, the rounding differences between these operational areas may result in a benefit to the relevant Fund or Shareholder.

The price at which Shares will be redeemed on a Dealing Day is based on the Net Asset Value per Share of the relevant class. The Net Asset Value per Share of the relevant class is calculated by determining that proportion of the Net Asset Value of the relevant Fund which is attributable to the relevant class, as at the Valuation Point, and deducting therefrom such sum (if any) as the Administrator may consider represents the appropriate provision for fiscal and sales charges and by dividing this sum by the total number of Shares of the relevant class in issue at the relevant Valuation Point. The Net Asset Value per Share of the relevant class is the resulting sum rounded to such number of decimal places as the Directors may determine.

In addition, the Directors may, in calculating the redemption price, deduct such sum as they consider fair and equitable and as is approved by the Depositary, in respect of redemption or exchange requests which will necessitate a Fund breaking deposits at a penalty or realising investments at a discount in order to realise assets to provide monies to meet such redemption or exchange requests or, in the event that the Fund borrows funds to meet any such redemption or exchange request, a sum to meet the cost of such borrowing as the Directors may consider fair and equitable.

## Distributing Shares

The Net Asset Value of the Distributing Shares shall be expressed in each denomination as a per Share figure. Unless otherwise set out in the relevant Supplement, the Administrator shall operate procedures designed to stabilise the Net Asset Value at the initial subscription price. Such procedures shall consist of declaring dividends attributable to the Shares daily out of the relevant Fund's net investment income (i.e. income from dividends, interest or otherwise less the Fund's accrued expenses) and by valuing the relevant Fund's investments using the amortised cost method. Dividends will normally be paid to Shareholders of record on the second Business Day of the next succeeding month, unless the Shareholder elects in writing to have such dividends paid in the form of additional Shares.

The Net Asset Value per Distributing Share shall be the value of the gross assets attributable to each class of Distributing Shares less all of the liabilities attributable to those Distributing Shares (including such provisions and allowances for contingencies as the Administrator considers appropriate in respect of the

costs and expenses payable in relation to each Fund) and dividing the remainder by the number of the relevant Distributing Shares outstanding at the close of business on each Dealing Day.

While the Company shall (unless otherwise set out in the relevant Supplement) attempt to stabilise the Net Asset Value of each of the Distributing Shares in each Fund at the subscription price, the Company cannot guarantee this result. Furthermore, as set out in further detail in the LVNAV MMF Risk there are circumstances in which a LVNAV MMF is not permitted to repurchase Shares at a stable Net Asset Value on a Dealing Day.

### **Accumulating Shares**

Accumulating Shares shall not carry any right to any distribution of income. The net investment income attributable to Accumulating Shares shall be retained within each Fund. The price per Accumulating Share shall rise each Dealing Day by the net investment income earned per Accumulating Share.

The Net Asset Value per Accumulating Share shall be the value of the gross assets attributable to the Accumulating Shares less all of the liabilities attributable to the Accumulating Shares (including such provisions and allowances for contingencies as the Administrator considers appropriate in respect of the costs and expenses payable by each Fund) and dividing the remainder by the number of the relevant Accumulating Shares outstanding at the close of business on each Dealing Day. Unless otherwise set out in the relevant Supplement, the Net Asset Value shall be calculated using an amortised cost method.

### **Valuation of Assets**

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

The assets and liabilities of a Fund will be valued as follows:

- (a) Unless otherwise provided for in the relevant Supplement, Funds that are identified in the relevant Supplement as LVNAV MMFs or Public Debt CNAV MMFs shall use the amortised cost method of valuation in accordance with provision (f)(i) below.
- (b) For Funds that are not identified in the relevant Supplement as LVNAV MMFs or Public Debt CNAV MMFs investments shall be valued using the appropriate mechanism for such investments as outlined below.
  - (i) Assets listed or traded on a recognised exchange (other than those referred to at (d) below) for which market quotations are readily available shall be valued at the last traded price in the relevant exchange or market or, if unavailable and if bid and offer quotations are made, the latest available middle market quotation (i.e. the mean price between bid and offer prices for such investment last quoted to the Administrator) as of the relevant Valuation Point. In the case of an Authorised Money market Fund assets will be valued at the more prudent side of bid and offer unless the asset can be closed out at mid market. Where a security is listed or dealt in on more than one recognised exchange, the relevant exchange or market shall be the principal stock exchange or market on which the security is listed or dealt on or the exchange or market which the Manager determines provides the fairest criteria in determining a value for the relevant investment. Assets listed or traded on a recognised exchange, but acquired or traded at a premium or at a discount outside or off the relevant exchange or market may be valued taking into account the level of premium or discount at the Valuation Point provided that the Depositary shall be satisfied that the adoption of such a procedure is justifiable in the context of establishing the probable realisation value of the security.

- (ii) The value of any investment which is not quoted, listed or dealt in on a recognised exchange, or which is so quoted, listed or dealt but for which no such quotation or value is available, or the available quotation or value is not representative of the fair market value, shall be the probable realisation value as estimated with care and good faith by (i) the Manager or (ii) a competent person, firm or corporation (including the Investment Manager) selected by the Manager and approved for such purpose by the Depositary or (iii) any other means provided that the value is approved by the Depositary and in the case of an Authorised Money Market Fund, such probably realisation value shall be determined in accordance with Article 29(4) of the Money Market Fund Regulation. Where reliable market quotations are not available for fixed income securities, the value of such securities may be determined using matrix methodology compiled by the Manager whereby such securities are valued by reference to the valuation of other securities which are comparable in rating, yield, due date and other characteristics.
- (iii) Cash in hand or on deposit will be valued at its nominal/face value plus accrued interest, where applicable, to the end of the relevant day on which the Valuation Point occurs.
- (c) Notwithstanding paragraph (a) above, units in collective investment schemes shall be valued at the latest available net asset value per unit or bid price as published by the relevant collective investment scheme or, if listed or traded on a recognised exchange, in accordance with (a) above.
- (d) Exchange-traded derivative instruments will be valued based on the settlement price as determined by the market where the instrument is traded. If such settlement price is not available, such value shall be calculated in accordance with (b) above.
- (e) Notwithstanding the provisions of paragraphs (a) to (e) above the Manager may value investments as follows:
  - (i) for a Fund which is authorised as a Public Debt CNAV MMF, using the amortised cost method in accordance with Article 29(6) of the Money Market Fund Regulation; and
  - (ii) for a Fund which is authorised as a LVNAV MMF, using amortised cost method in accordance with Article 29(7) of the Money Market Fund Regulation.

The Manager may, in accordance with Article 33(2) of the Money Market Fund Regulation, use such values to calculate the subscription price and redemption price.

- (f) Notwithstanding the generality of the foregoing, the Manager may with the approval of the Depositary adjust the value of any investment if they consider that such adjustment is required to reflect the fair value in the context of currency, marketability, dealing costs and/or such other considerations which are deemed relevant. The rationale for adjusting the value must be clearly documented.
- (g) Any value expressed otherwise than in the Base Currency of the relevant Fund shall be converted into the Base Currency of the relevant Fund at the prevailing exchange rate which the Manager shall determine to be appropriate.
- (h) If the Manager deems it necessary, a specific investment may be valued under an alternative method of valuation as determined by the Manager and such method of valuation to be approved by the Depositary.

## Application for Shares

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

Issuances of Shares will normally be made with effect from a Dealing Day in respect of applications received on or prior to the Dealing Deadline. Dealing Days and Dealing Deadlines relating to each Fund are specified in the relevant Supplement. Applications for the initial issue of Shares should be submitted in writing, by facsimile, by electronic means or by telephone to the Company care of the Administrator, provided that the Account Opening Form and all relevant supporting documentation in relation to anti-money laundering prevention has been received and verification of the Shareholder's identity has been completed by the Administrator.

The Company and Administrator will not process any subscriptions for Shares until receipt of the Account Opening Form, the relevant account opening process has been completed and an account number confirmation has been issued by the Administrator. The account number must be specified on all subscription instructions.

Any subscription Application Form and subscription monies received before the Account Opening Form or the account opening process issuing of the account number has completed will be rejected and the Administrator will, at the cost and risk of the applicant, return such monies or the balance thereof by electronic transfer to the account from which it was paid normally within five (5) Business Days of receipt of such monies.

Subsequent subscriptions (i.e., subsequent to an initial purchase of Shares in a Fund) may be made by contacting the Administrator in writing, by telephone, by facsimile or electronic means provided that such means are in accordance with the Central Bank Rules.

A Shareholder who places an order by telephone is deemed to have consented to the recording of such telephone order and must provide the following information:

- (a) the Shareholder name and account number and the address and/or fax number to which the contract note is to be sent;
- (b) the Fund name and class of Shares being subscribed for;
- (c) the amount of cash or Shares to be invested;
- (d) a statement as to how settlement will be made; and
- (e) confirmation that the application has been made in compliance with the terms and conditions of the latest Prospectus.

This information will be confirmed to the Shareholder over a recorded telephone line.

Subsequent subscription will only be processed provided that the Shareholder name and account number, and the name, address and/or fax number to which the contract note is to be sent corresponds to those details listed for the Shareholder of record registered with the Administrator. Should the Shareholder designate that the contract note be sent to a name and/or address which differs from that registered with the Administrator, written confirmation of this change must be submitted by the Shareholder and received by the Administrator before the order will be processed.

Applications received after the Dealing Deadline for the relevant Dealing Day shall, unless the Manager shall otherwise agree and provided they are received before the Valuation Point for the relevant Dealing Day, be deemed to have been received by the next Dealing Deadline. Applications will be irrevocable unless the Manager otherwise agrees. If requested, the Directors may, in their absolute discretion, agree to

designate additional Dealing Days (which will be notified in advance to Shareholders) and Valuation Points for the purchase of Shares relating to any Fund which will be open to all Shareholders.

The details of any applicable Minimum Initial Investment Amount that may be subscribed for by each investor on initial application and any applicable Minimum Additional Investment Amount will be set out in the Supplement for the relevant Fund. The Directors reserve the right to vary the Minimum Initial Investment Amount or the Minimum Additional Investment Amount in the future and may choose to waive these minima if considered appropriate.

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

The Account Opening Form and Application Form contains certain conditions regarding the application procedure for Shares in the Company and certain indemnities provided by the Shareholder in favour of the Company, the relevant Fund, the Administrator, the Depositary, the Investment Manager, the sub-investment manager, the Distributors (together with their respective directors, officers and employees), and the other Shareholders for any loss suffered by them as a result of certain applicants acquiring or holding Shares.

In no event shall an application for initial issuance of shares be processed or redemption payment take place until the Account Opening Form and all necessary supporting documentation have been received and all relevant anti-money laundering and know-your-customer checks have been carried out and completed by the Administrator.

Before subscribing for Shares an investor will be required to complete a declaration as to the investor's tax residency or status in the form prescribed by the Revenue Commissioners of Ireland.

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

Shares may not be directly or indirectly offered or sold in the United States or purchased or held by or for any U.S. Person.

### **Subscription Price**

On the Dealing Day following the close of the Initial Offer Period for a class of Shares, the subscription price for such class of Shares shall be the relevant Net Asset Value per Share. Unless otherwise set out in the relevant Supplement, the Distributing Shares shall operate a policy of stable Net Asset Value whereby the Directors shall seek to ensure that in accordance with the Money Market Regulations the Net Asset Value of the Distributing Shares of LVNAV MMFs and Public Debt CNAV MMFS remains constant at the initial subscription price. However, as set out in the LVNAV MMF Risk section above, there may be circumstances in which it is not permitted to issue Shares at a stable Net Asset Value.

### **Anti-Dilution Levy**

Where provided for in the Supplement for a Fund, the Manager reserves the right to impose an Anti-Dilution Levy on a transaction basis in the case of net subscriptions as a percentage adjustment (to be communicated to the Administrator) on the value of the relevant subscription calculated for the purposes of determining a subscription price to cover dealing costs and to preserve the value of the underlying assets of the relevant Fund where they consider such a provision to be in the best interests of a Fund. Such amount will be added to the price at which Shares will be issued in the case of net subscription requests. Any such sum will be paid into the account of the relevant Fund.



## Written Confirmation of Ownership

The Administrator shall be responsible for maintaining the Company's register of Shareholders in which all issues, redemptions, exchanges and transfers of Shares will be recorded. Written confirmations of ownership shall be issued in relation to any Shares which are in registered form. The Administrator shall not issue a share certificate in respect of Shares. A Share may be registered in a single name or in up to four joint names. The register of Shareholders shall be available for inspection at the registered office of the Company during normal business hours. Shares purchased by custody clients of The Northern Trust Company or its affiliates as part of its money market investment service will be registered in the name of Nortrust Nominees Limited or such other holder as The Northern Trust Company or its affiliates may designate as its nominee.

## Data Protection

Prospective investors should note that, by virtue of making an investment in the Company and the associated interactions with the Company and its delegates (including completing the Account Opening Form and the recording of electronic communications or phone calls, where applicable), or by virtue of providing the Company with personal information on individuals connected with the investor (for example directors, trustees, employees, representatives, shareholders, investors, clients, beneficial owners or agents), such individuals will be providing the Company and its delegates with certain personal information which constitutes personal data within the meaning of the Data Protection Legislation.

The Company has prepared a privacy notice ("Privacy Notice") outlining the Company's data protection obligations and the data protection rights of individuals under the Data Protection Legislation.

All new investors shall receive a copy of the Privacy Notice as part of the process to subscribe for Shares in the Company and a copy of the Privacy Notice has been sent to all existing investors in the Company that subscribed before the Data Protection Legislation came into effect.

Given the specific purposes for which the Company envisages using personal data, under the provisions of the Data Protection Legislation, it is not anticipated that individual consent will be required for such use. However, as outlined in the Privacy Notice, individuals have the right to object to the processing of their data where the Company has considered this to be necessary for the purposes of its or a third party's legitimate interests.

## Anti Money Laundering Provisions

Measures provided for in the Criminal Justice (Money Laundering and Terrorist Financing) Acts 2010 - 2021 and together with any guidance notes pursuant thereto which are aimed towards the prevention of money laundering and terrorist financing, require detailed verification of each applicant's identity, address and source of funds and, where applicable, the beneficial owner on a risk sensitive basis and the ongoing monitoring of the business relationship. Politically exposed persons (PEPs), an individual who is or has, at any time in the preceding year, been entrusted with prominent public functions, an immediate family member, or persons known to close associates of such persons, must also be identified. By way of example an individual may be required to produce a copy of their passport or identification card together with evidence of their address such as a utility bill or bank statement and their date of birth.

In the case of corporate applicants this may require production of a certified copy of the certificate of incorporation (and any change of name), memorandum and articles of association (or equivalent) and the names, occupations, dates of birth and residential and business address of the directors of the company.

The Company, the Manager, the Administrator and the Distributor reserve the right to request such information as is necessary to verify the identity of an applicant and, where relevant, the beneficial owner pursuant to the Beneficial Ownership Regulations 2019 (SI 110 of 2019) or as otherwise required.

In the event of delay or failure by the applicant to produce any information required for verification purposes, the Administrator or the Company or the Manager may refuse to accept the application and all

subscription monies or the balance thereof may be returned without interest to the account from which the monies were originally debited.

If an application is rejected, the Administrator will return application monies or the balance thereof without interest by cheque or electronic transfer to the account from which it was paid at the cost and risk of the applicant. The Administrator will refuse to pay redemption proceeds where the requisite information for verification purposes has not been produced by a Shareholder.

Alternatively, the Directors may compulsorily redeem such Shareholders Shares and/or payment of redemption proceeds may be delayed and none of the Funds, the Directors, the Manager, the Investment Manager, the Depositary or the Administrator shall be liable to the subscriber or Shareholder where an application for Shares is not processed or Shares are compulsorily redeemed in such circumstances.

Depending on the circumstances of each application, a detailed verification may not be required where: (a) the applicant makes payment from an account held in the applicant's name at a registered financial institution, or (b) the application is made through a recognised intermediary, or (c) investment is made by a recognised intermediary or financial institution.

These exceptions will only apply if the financial institution or intermediary referred to above is located in a country recognised in Ireland as having equivalent anti-money laundering and counter terrorist financing legislation to that in place in Ireland and where required the applicant produces a letter of undertaking from the recognised intermediary. Applicants may contact the Administrator in order to determine whether they meet the above exceptions.

## **Payment for Shares**

Payment in respect of the issue of Shares must be made by the relevant settlement date by electronic transfer in cleared funds in the currency of denomination of the relevant Share Class into the Umbrella Cash Account. Cheques will only be accepted in exceptional circumstances at the discretion of the Administrator and by advance agreement. The Administrator may, at its discretion, accept payment in other currencies, but such payments will be converted into the currency of denomination of the relevant Share Class at the then prevailing exchange rate available to the Administrator and only the net proceeds (after deducting the conversion expenses) will be applied towards payment of the subscription moneys. This may result in a delay in processing the application. In the case of Classes that are denominated in a currency other than the Base Currency and are not identified as hedged, a currency conversion will take place on subscription at prevailing exchange rates.

If payment in full has not been received into the Umbrella Cash Account by the settlement date, or in the event of non-clearance of funds, the allotment of Shares made in respect of such application may, at the discretion of the Directors in consultation with the Administrator, be cancelled, or, alternatively, the Directors in consultation with the Administrator may treat the application as an application for such number of Shares as may be purchased with such payment on the Dealing Day next following receipt of payment in full or of cleared funds. In such cases the Company may charge the applicant for any resulting bank charges or market losses incurred by the relevant Fund including but not limited to transaction costs and/or losses incurred by the Company making investments in relation to the Shares from the relevant Dealing Day that may then need to be sold in order to give effect to the cancellation of the Shares.

Upon receipt into the Umbrella Cash Account, subscription monies will become the property of the relevant Fund and accordingly an investor will be treated as a general creditor of the relevant Fund during the period between receipt of subscription monies into the Umbrella Cash Account and the issue of Shares.

## **Redemption Requests**

Requests for the redemption of Shares should be made to the Company care of the Administrator in writing, by facsimile, by electronic means or by telephone and must in the case of requests, in writing, by

facsimile or electronic means, quote the relevant account number, the relevant Fund(s) and class of Share and any other information which the Administrator reasonably requires. A request by telephone or electronic means may only be made if such method of dealing is designated by the Shareholder on the initial application for Shares or in a subsequent request. When making a redemption request by telephone, the Shareholder must also provide the following information:

- (i) the Shareholder name and the account number and the address and/or fax number to which the contract note is to be sent;
- (ii) the class of Shares being redeemed; and
- (iii) confirmation that the redemption request has been made in compliance with the terms and conditions of the latest Prospectus.

This information will be confirmed to the Shareholder over a recorded telephone line.

Redemption requests received by facsimile, electronic means or telephone will only be processed if the Shareholder name and account number, and the address and/or fax number and/or the electronic mail address to which the contract note is to be sent corresponds to the details listed for the Shareholder of record registered with the Administrator. Should the Shareholder designate that the contract note be sent to a name and/or address which differs from that registered with the Administrator, written confirmation of this change must be submitted by the Shareholder and received by the Administrator before the order will be processed.

Requests received on or prior to the relevant Dealing Deadline will, except as provided for in this section and in the relevant Supplement, normally be dealt with on the relevant Dealing Day. Redemption requests received after the Dealing Deadline shall, unless the Directors shall otherwise agree and provided they are received before the relevant Valuation Point, be treated as having been received by the following Dealing Deadline.

In no event shall redemption proceeds be paid until the original Account Opening Form and all relevant completed documents has been received from the Shareholder and all of the necessary anti-money laundering checks have been carried out and completed by the Administrator.

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

The Directors in consultation with the Administrator may decline to effect a redemption request which would have the effect of reducing the value of any holding of Shares relating to any Fund below the Minimum Shareholding for that Share Class of that Fund. Any redemption request having such an effect may be treated by the Company as a request to redeem the Shareholder's entire holding of that Share Class. The Administrator will not accept redemption requests, which are incomplete, until all the necessary information is obtained.

If repurchase requests received on any Dealing Day exceed 10% of the Shares of any Fund the Manager may defer the excess repurchase requests to subsequent Dealing Days and shall repurchase such Shares rateably. Any deferred repurchase requests shall be treated pro rata to any repurchase requests received on subsequent Dealings Days.

## **Redemption Price**

Shares shall be redeemed at the applicable Net Asset Value per Share obtaining on the Dealing Day on which redemption is effected.

All payments of redemption monies shall be made, unless otherwise specified in the relevant Supplement, on the Dealing Day on which the redemption request is effective and shall be made by electronic transfer

at the Shareholder's expense to the Shareholder's account of record, details of which shall be notified in writing by the Shareholder to the Administrator.

The Company may at its discretion transfer assets of the Company to a Shareholder in satisfaction of the redemption monies payable on the redemption of Shares with the consent of the redeeming Shareholder. Asset allocation is subject to the approval of the Depository. In the case of any such redemption request in respect of Shares representing 5% or more of the share capital of the Company or any Fund the Company will, if requested by the redeeming Shareholder, sell the asset on behalf of the Shareholder. The cost of the sale will be charged to the Shareholder.

The Company reserves the right to charge a Redemption Charge of up to 2% of the redemption price if the Directors in their absolute discretion determine that the Shareholder is purchasing or selling Shares in any Fund on a short-term basis, for trading or arbitrage purposes or for such other reason the Directors may determine.

Details of any such charge with respect to one or more Funds will be set out in the relevant Supplement. The difference at any one time between the subscription price (to which may be added a preliminary charge) and the redemption price (from which may be deducted a Redemption Charge) means that an investment should be viewed as medium to long-term.

The Company will be required to deduct tax on redemption monies at the applicable rate unless it has received from the Shareholder a declaration in the prescribed form confirming that the Shareholder is not an Irish Resident in respect of whom it is necessary to deduct tax.

Investors should note that any redemption proceeds being paid out by a Fund and held for any time in the Umbrella Cash Account shall remain an asset of the relevant Fund until such time as the proceeds are released to the investor. This would include, for example, cases where redemption proceeds are temporarily withheld pending the receipt of any outstanding identity verification documents as may be required by the Company or the Administrator – enhancing the need to address these issues promptly so that the proceeds may be released. It should also be noted that the investor shall have ceased being considered a Shareholder and instead will rank as a general unsecured creditor of the Company.

### **Anti-Dilution Levy**

Where provided for in the Supplement for a Fund, the Directors reserve the right to impose an Anti-Dilution Levy in the case of net repurchases on a transaction basis as a percentage adjustment (to be communicated to the Administrator) on the value of the relevant repurchase calculated for the purposes of determining a repurchase price to cover dealing costs and to preserve the value of the underlying assets of the Fund where they consider such a provision to be in the best interests of a Fund. Such amount will be deducted from the price at which Shares will be repurchased in the case of net repurchase requests. Any such sum will be paid into the account of the Fund.

### **Liquidity Management Procedures**

In accordance with the requirements of the Money Market Fund Regulation, the Manager has established, implements and consistently applies prudent and rigorous liquidity management procedures for any Fund established as a LVNAV MMF or a Public Debt CNAV MMF to ensure compliance with any liquidity thresholds applicable to such Funds. In particular, the Manager shall consider applying (in the circumstances set out in Article 34(1) of the Money Market Fund Regulation) one or more of the measures permitted by Article 34(1) of the Money Market Fund Regulation, which (depending on the circumstances and notwithstanding anything else to the contrary in this Prospectus) may include:

- (a) imposing liquidity fees on redemptions that adequately reflect the cost to the relevant Fund of achieving liquidity and ensure that Shareholders who remain in the relevant Fund are not unfairly disadvantaged when other Shareholders redeem their Shares during the period;

- (b) imposing restrictions on redemptions that limit the amount of Shares to be redeemed on any one Dealing Day to a maximum of 10% of the Shares in the relevant Fund for any period up to 15 Business Days;
- (c) imposing a suspension of redemptions for any period up to 15 Business Days; or
- (d) taking no immediate action other than fulfilling the obligation laid down in Article 24(2) of the Money Market Fund Regulation.

### **Mandatory Redemption of Shares**

The Company may compulsorily redeem all of the Shares of any Fund if the Net Asset Value of the relevant Fund is less than the Minimum Fund Size (if any) specified herein.

If a redemption causes a Shareholder's holding in a Fund to fall below the currency equivalent of USD100,000 the Company may redeem the whole of that Shareholder's holding. Before doing so, the Company shall notify the Shareholder in writing and allow the Shareholder thirty days to purchase additional Shares to meet the minimum requirement. The Company reserves the right to vary this mandatory redemption amount.

Shareholders are required to notify the Administrator immediately in the event that they become US Persons. Shareholders who become US Persons will be required to dispose of their Shares to non-US Persons on the next Dealing Day thereafter. The Company reserves the right to redeem or require the transfer of any Shares which are or become owned, directly or indirectly, by a US Person or other person if the holding of the Shares by such other person is unlawful or, in the opinion of the Directors, the holding might result in the Company or the Shareholders incurring any liability to taxation or suffering pecuniary or material administrative disadvantage which the Company or the Shareholders might not otherwise suffer or incur (including causing any assets of the Company or any Fund to be deemed to be "plan assets" subject to Title I of ERISA or Section 4975 of the Code).

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

The Company may redeem Shares in respect of a particular Shareholder where during a period of six years no dividend on the Shares has been claimed and no acknowledgement has been received in respect of any confirmation of ownership of the Shares sent to the Shareholder and require the Company to hold the redemption monies in a separate interest bearing account which shall be a permanent debt of the Company.

### **Transfer of Shares**

All transfers of Shares shall be effected by transfer in writing in any usual or common form and every form of transfer shall state the full name and address of the transferor and the transferee. The instrument of transfer of a Share shall be signed by or on behalf of the transferor. The transferee must complete the necessary Application Form and sign the relevant declarations. The transferor shall be deemed to remain the holder of the Share until the name of the transferee is entered in the share register in respect thereof.

The Directors may decline to register any transfer of Shares if in consequence of such transfer the transferor or transferee would hold less than the currency equivalent of USD100,000 or would otherwise infringe the restrictions on holding Shares outlined above.

The registration of transfers may be suspended at such times and for such periods as the Directors may from time to time determine, provided always that such registration shall not be suspended for more than thirty days in any year. The Directors may decline to register any transfer of Shares unless the instrument

of transfer is deposited at the registered office of the Company or at such other place as the Directors may reasonably require together with such other evidence as the Directors may reasonably require (including all applicable anti-money laundering documentation) to show the right of the transferor to make the transfer. Such evidence may include a declaration that the proposed transferee is not a US Person.

The Company will be required to account for tax on the value of the Shares transferred at the applicable rate unless it has received from the transferor a declaration in the prescribed form confirming that the Shareholder is not an Irish Resident in respect of whom it is necessary to deduct tax. The Directors reserve the right to redeem such number of Shares held by a transferor as may be necessary to discharge the tax liability arising. The Directors reserve the right to refuse to register a transfer of Shares until it receives a declaration as to the transferee's residency or status in the form prescribed by the Revenue Commissioners of Ireland together with all applicable anti-money laundering documentation.

## **Exchange of Shares**

Shareholders with the consent of the Directors may convert all or any portion of their Shares in any Fund to Shares in any other Fund, and may convert all or any portion of Shares of any class into Shares of another class on giving notice to the Administrator in such form as the Administrator may request.

Exchanges shall take place in accordance with the following formula:

$$\underline{NS = (S \times R \times F) - C}$$

### **P where:**

- NS = the number of Shares which will be issued;
- S = the number of the Shares to be converted;
- R = the redemption price per Share;
- F = the currency conversion factor (if any) as determined by the Administrator;
- P = the subscription price of a Share of the other Fund (excluding any initial charge normally payable upon subscription to a Fund);
- C = a switching charge payable to the Company not exceeding 1.00% of (S x R x F).

If NS is not an integral number of Shares the Administrator reserves the right to issue fractional Shares in the new Fund or to return the surplus arising to the Shareholder seeking to convert the Shares.

## **Notification of Prices**

Except where the determination of the Net Asset Value per Share has been suspended in the circumstances described below, the sale and redemption price of each class of Shares in a Fund shall be available from the Administrator and will be published on each Dealing Day on [www.ntrs.com](http://www.ntrs.com).

## **Temporary Suspension of Valuation of the Shares and of Sales and Redemptions**

The Company may temporarily suspend the determination of the Net Asset Value and the sale, redemption or exchange of Shares in any Fund during:

- (a) any period (other than ordinary holiday or customary weekend closings) when any market is closed which is the main market for a significant part of the Fund's investments, or when trading thereon is restricted or suspended;
- (b) any period when any emergency exists as a result of which disposal by the Company of investments which constitute a substantial portion of the assets of the Fund is not practically feasible;

- (c) any period when for any reason the prices of any investments of the Fund cannot be reasonably, promptly or accurately ascertained by the Fund;
- (d) any period when remittance of monies which will, or may be, involved in the realisation of, or in the payment for, investments of the Fund cannot, in the opinion of the Directors, be carried out at normal rates of exchange;
- (e) any period when proceeds of the sale or redemption of the Shares cannot be transmitted to or from the Fund's account;
- (f) any period when in the opinion of the Directors such suspension is justified having regard to the interests of the Company and/or the relevant Fund; or
- (g) following the circulation to the relevant Shareholders of a notice of a general meeting at which a resolution to wind up the Company or terminate the relevant Fund is to be considered.

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

Shareholders who have requested issue or redemption of Shares of any class or exchanges of Shares of one class to another will be notified of any such suspension in such manner as may be directed by the Directors and, unless withdrawn but subject to the limitation referred to above, their requests will be dealt with on the first relevant Dealing Day after the suspension is lifted. Any such suspension shall be published by the Company in such manner as it may deem appropriate to the persons likely to be affected thereby if, in the opinion of the Company, such suspension is likely to continue for a period exceeding fourteen days and any such suspension shall be notified immediately to the Central Bank. The Company may elect to treat the first Business Day on which the conditions giving rise to the suspension have ceased as a substitute Dealing Day.

# Management and Administration

## The Board of Directors

The Board of Directors is responsible for managing the business affairs of the Company in accordance with the Articles. The Directors may delegate certain functions to the Investment Manager and other parties, subject to supervision and direction by the Directors.

The Central Bank Regulations introduce the concept of the responsible person, being the party responsible for compliance with the relevant requirements of the Central Bank Regulations on behalf of a particular Irish authorised UCITS. The Manager assumes the role of the responsible person for the Company.

The Directors and their principal occupations are set out below. The address of the Directors is the registered office of the Company.

## Directors

### Ton Daniels

Ton Daniels is an independent, non-executive director and a senior policy advisor to the Dutch Banking Association. Mr Daniels has over 20 years' experience in the financial services industry as a senior consultant and university professor. Mr Daniels was a Partner at Ernst Young Netherlands, country leader Tax for Financial Services. Mr Daniels has lectured as a professor of Tax of Law in a number of Dutch Universities, was the Chairman of the Dutch Association of Depositories and is currently a Board member for the Institute for Financial Crime. Mr Daniels has extensive academic credentials including a Masters in Business Administration and Tax Law and a Ph.D in International Law.

### Feargal Dempsey

Feargal Dempsey is a provider of independent directorship services with over 25 years' experience in legal and financial services. He serves on the boards of several investment funds and management companies. Mr Dempsey has held senior positions at Barclays Global Investors/BlackRock including Head of Product Governance, Head of Product Strategy iShares EMEA and Head of Product Structuring EMEA. Previously he has also served as Group Legal Counsel, Eagle Star Life Ireland (now Zurich Financial Services), Head of Legal to ETF Securities and as a senior lawyer in Pioneer Amundi.

Mr. Dempsey holds a BA(Hons) and an LLB(Hons) from University College Galway and a Diploma in Financial Services Law from University College Dublin. He was admitted to the Roll of Solicitors in Ireland in 1996 and to the England and Wales Law Society in 2005. He has served on the Legal and Regulatory committee of Irish Funds and the ETF Working Group at the European Fund Asset Management Association.

### Marie Dzanis

Marie Dzanis, CIMA® is the Head of EMEA for Northern Trust Asset Management (NTAM). She has responsibility for overseeing the governance, operations, business development and talent for the business.

Ms. Dzanis is on the boards of Northern Trust Global Funds PLC and Northern Trust Investment Funds PLC and Northern Trust Funds Managers (Ireland) Limited. She is Chief Executive Officer of Northern Trust Global Investments Limited. She serves on the Northern Trust Asset Management Executive Committee and the Northern Trust EMEA Executive Committee.

Prior to joining Northern Trust in 2011, she held executive and leadership positions at iShares/Blackrock, JPMorgan Asset Management and Smith Barney. Ms. Dzanis' comprehensive business acumen is



demonstrated by having successfully managed multiple channels and the profitable growth of several lines of business in the institutional, intermediary and wealth channels. Her multifaceted career began as a financial advisor and subsequently includes experience in securities lending and trading, product development, product sales, sales management and branch management.

As a recognized industry leader with more than 25 years of investment management experience, Marie has been awarded a top "Women To Watch" award from Investment News in 2017 and "Top Women in Asset Management" award by Money Management Executive in May 2015. In addition, she is on the women's board of the University of Chicago Cancer Foundation, involved in Women in ETFs, is on the Advisory Board for BlinkNow Foundation and is a producer for the Maggie Doyme documentary called "Love Letters to my Children."

### **Bimal Shah**

Bimal Shah is Head of Relationship Management for Northern Trust Asset Management EMEA. Mr Shah is a Director of Northern Trust Global Investments Limited and a member of the leadership team for Northern Trust Asset Management's business outside of North America. Mr Shah has more than 20 years' experience across a wide spectrum of financial services primarily in investment management. Mr Shah holds a degree in Economics from Sheffield University in England.

### **Martha Fee**

Martha Fee is the Chief Operating Officer for EMEA and APAC. Based in London, Ms. Fee is responsible for managing international operations and infrastructure teams for Northern Trust Asset Management across EMEA and APAC. She joined Northern Trust in 2015 and held a senior relationship management role in Northern Trust's Global Fund Services business in London. Prior to joining Northern Trust, Ms. Fee spent 10 years at Janus Capital International holding the post of Global Institutional Operations Director where she was responsible for the day to day running of their multibillion offshore fund operation and service delivery offering along with the development and management of operating models supporting fund distribution across Europe and Asia. Ms. Fee holds a Bachelor of Arts in French and Sociology from Trinity College Dublin in Ireland.

### **Claire Cawley**

Ms. Cawley, FCA, is an independent investment fund director with over 15 years' experience in the asset management and investment funds industry, having held senior executive and board positions in UBS, Mercer and KB Associates. Her previous executive roles entailed coverage of a wide range of investment management, structuring, governance, business development and regulatory responsibilities. Her most recent executive role included divisional responsibility for the development and management of the global UBS Asset Management Alternative product shelf including representation of UBS on investment fund boards.

Prior to her position at UBS, Ms. Cawley held positions at Mercer Global Investments where she worked on the Products team with responsibility for product management, solutions and the implementation of key compliance initiatives and at KB Associates, a consulting firm which specialised in providing services to the investment management sector with a particular focus on fund support. Ms. Cawley trained as a Chartered Accountant in the financial services assurance division of KPMG in Dublin.

Ms. Cawley has a Bachelor of Arts (Economics & Finance) from University of Dublin, Trinity College and she is a fellow of the Institute of Chartered Accountants in Ireland.

### **Alan Keating**

Alan Keating is Head of Management Company and executive director of Northern Trust Fund Managers (Ireland) Limited with responsibility for the day to day management of the management company.

Prior to joining Northern Trust in 2021, he was Managing Director of the Compliance and Regulatory Consulting Practice for Duff & Phelps in Ireland. In 2020 he established an Irish AIFM and UCITS management company for Duff & Phelps and held the role of CEO.

Before Duff & Phelps, Alan was CEO of MUFG's Irish MiFID entity. Prior to the purchase of UBS Fund Services by MUFG in 2015, he was head of Fund Accounting and Transfer Agency for UBS in Ireland since 2004.

Alan has over 23 years' experience in the financial services industry and has served on the board of several Irish AIF and UCITS funds since 2005. He has experience in a number of new license applications with the CBI and has fulfilled a range of PCF roles.

Alan is a Fellow of the Association of Chartered Certified Accountants and an AITI Chartered Tax Adviser.

### **Cian Farrell**

Cian Farrell has over 20 years' experience in the investment funds industry in Ireland. He currently leads the Pooled Product function for EMEA within Northern Trust Asset Management and has responsibility for all aspects of the funds implementation, production, passporting, regulatory and tax reporting. Mr. Farrell has held a number of senior positions within Northern Trust, including Designated Person for investment management (PCF 39D). Prior to working in Northern Trust, Mr. Farrell also held a number of senior roles within UBS Investment Bank and RBC Investor & Treasury Services. Mr Farrell holds a degree in English & Philosophy and is a Fellow of the Association of Chartered Certified Accountants.

The Articles do not stipulate a retirement age for Directors and do not provide for retirement of Directors by rotation. However, it is the current policy of the Company and the Manager to ensure that the independent Directors have a tenure of no longer than 10 years. The Articles provide that a Director may be a party to any transaction or arrangement with the Company or in which the Company is interested provided that he has disclosed to the Directors the nature and extent of any material interest which he may have. A Director may not vote in respect of any contract in which he has a material interest. However, a Director may vote in respect of any proposal concerning any other company in which he is interested, directly or indirectly, whether as an officer or shareholder or otherwise, provided that he is not the holder of 5% or more of the issued Shares of any class of such company or of the voting rights available to members of such company. A Director may also vote in respect of any proposal concerning an offer of Shares in which he is interested as a participant in an underwriting or sub-underwriting arrangement and may also vote in respect of the giving of any security, guarantee or indemnity in respect of money lent by the Director to the Company or in respect of the giving of any security, guarantee or indemnity to a third party in respect of a debt obligation of the Company for which the Director has assumed responsibility in whole or in part.

The Articles provide that the Directors may exercise all the powers of the Company to borrow money, to mortgage or charge its undertaking, property or any part thereof and may delegate these powers to the Investment Manager.

### **The Manager**

The Company has appointed Northern Trust Fund Managers (Ireland) Limited as Manager of the Company and each Fund. The Manager will be responsible for the investment management of the assets of each Fund, the general administration of the Company and each Fund and the distribution of the Shares of each Fund of the Company. The Manager, a limited liability company incorporated in Ireland on 9 February 1996 is ultimately a wholly-owned subsidiary of the Northern Trust Corporation, a multi-bank holding company based in Chicago, Illinois. The authorised share capital of the Manager is USD1,000,000, USD200,000 of which is issued and fully paid up.

The Manager of the Company currently acts as manager to four other collective investment schemes namely:

Northern Trust Investment Funds plc, Northern Trust UCITS Common Contractual Fund; Northern Trust UCITS FGR Fund and FlexShares ICAV.

The directors of the Manager are the same persons as the Directors of the Company and who details are as described above under above under the heading "The Board of Directors".

Northern Trust International Fund Administration Services (Ireland) Limited is the company secretary of the Manager.

### **The Northern Trust Company**

The Northern Trust Company is the entity that primarily promotes the Company.

### **The Investment Manager and Distributor**

Unless otherwise disclosed in the relevant Supplement the Manager has appointed Northern Trust Global Investments Limited as investment manager and distributor for all of the Funds. Where the Manager appoints an entity other than Northern Trust Global Investments Limited to act as investment manager, this will be disclosed in the Supplement for the relevant Fund.

The Investment Manager is a private limited company organised under the laws of England and Wales having its registered office at 50 Bank Street, Canary Wharf, London E14 5NT, United Kingdom. The principal activity of the Investment Manager is in providing international and European investment management services. The Investment Manager does not act as a broker fund advisor. The Investment Manager is authorised to carry on regulated activities in the UK and is authorised and regulated by the Financial Conduct Authority in the conduct of its investment business.

The Investment Manager may delegate the discretionary investment management functions in respect of the assets of each or any Fund to a sub-investment manager in accordance with the Central Bank Rules. Where a sub-investment manager is appointed but not paid directly out of the assets of the relevant Fund, disclosure of such entity will be provided to the Shareholders on request and details thereof will be disclosed in the Company's periodic reports. Where a sub-investment manager is appointed and paid directly out of the assets of a Fund, this will be set out in the Supplement for the relevant Fund.

The Investment Manager is currently a member of the Institutional Money Market Funds Association ("IMMFA") and for so long as the Investment Manager remains a member of IMMFA, all best efforts should be made to comply with the obligations of the IMMFA Code of Practice in relation to the Existing Funds.

### **The Administrator**

Northern Trust International Fund Administration Services (Ireland) Limited has been appointed by the Company to act as administrator, registrar and transfer agent under the terms of the Administration Agreement as described in Material Contracts.

The Administrator is a private limited liability company incorporated in Ireland on 15 June 1990 and is an indirect wholly-owned subsidiary of Northern Trust Corporation. Northern Trust Corporation and its subsidiaries comprise the Northern Trust Group, one of the world's leading providers of global custody and administration services to institutional and personal investors. As at 30 June 2020, the Northern Trust Group's assets under custody totalled in excess of US\$12.1 trillion. The principal business activity of the Administrator is the administration of collective investment schemes.

The duties and functions of the Administrator include, inter alia, the calculation of the Net Asset Value and the Net Asset Value per Share, the keeping of all relevant records in relation to the Company as may

be required with respect to the obligations assumed by it pursuant to the Administration Agreement, the preparation and maintenance of the Company's books and accounts, liaising with the Auditor in relation to the audit of the financial statements of the Company and the provision of certain Shareholder registration and transfer agency services in respect of shares in the Company.

The Administrator is not involved directly or indirectly with the business affairs, organisation, sponsorship or management of the Company and is not responsible for the preparation of this document other than the preparation of the above description and accepts no responsibility or liability for any information contained in this document except disclosures relating to it.

As at the date of this Prospectus, the Administrator is not aware of any conflicts of interest in respect of its appointment as administrator to the Company. If a conflict of interest arises, the Administrator will ensure it is addressed in accordance with the Administration Agreement, applicable laws and in the best interests of the Shareholders.

## **The Depositary**

The Depositary is Northern Trust Fiduciary Services (Ireland) Limited, a private limited liability company incorporated in Ireland on 5 July 1990. Its main activity is the provision of custodial services to collective investment schemes. The Depositary is an indirect wholly owned subsidiary of the Northern Trust Corporation.

The principal activity of the Depositary is to act as depositary and trustee to collective investment schemes.

The Depositary carries out functions in respect of the Company including but not limited to the following:

- (a) the Depositary holds in custody all financial instruments capable of being registered or held in a financial instruments account opened in the Depositary's books and all financial instruments capable of being physically delivered to the Depositary;
- (b) the Depositary ensures that all financial instruments that can be registered in a financial instruments account opened in the Depositary's books are registered in the Depositary's books within segregated accounts in accordance with the principles set out in Article 16 of Commission Directive 2006/73/EC, opened in the name of the Company, so that they can be clearly identified as belonging to the Company in accordance with the applicable law at all times;
- (c) the Depositary verifies the Company's ownership of all any assets (other than those referred to in (i) above) and maintain and keep up-to-date a record of such assets it is satisfied are owned by the Company;
- (d) the Depositary ensures effective and proper monitoring of the Company's cash flows;
- (e) the Depositary is responsible for certain oversight obligations in respect of the Company – see "Summary of Oversight Obligations" below.

Duties and functions in relation to (iv) and (v) above may not be delegated by the Depositary.

Under the terms of the Depositary Agreement, the Depositary may delegate its safekeeping obligations provided that (i) the services are not delegated with the intention of avoiding the requirements of the UCITS Regulations, (ii) the Depositary can demonstrate that there is an objective reason for the delegation and (iii) Northern Trust has exercised all due, skill, care and diligence in the selection and appointment of any third party to whom it wants to delegate parts of the Services, and keeps exercising all due skill, care and diligence in the periodic review and ongoing monitoring of any third party to whom it has delegated parts of its safekeeping services and of the arrangements of the third party in respect of the

matters delegated to it. The liability of the Depositary will not be affected by virtue of any such delegation. The Depositary has delegated to its global sub-custodian, The Northern Trust Company, London branch, responsibility for the safekeeping of the Company's financial instruments and cash. The global sub-custodian proposes to further delegate these responsibilities to sub-delegates. As at the date of this Prospectus, the Depositary has appointed the delegates and sub-delegates listed in Schedule 11.

### **Summary of Oversight Obligations:**

The Depositary is obliged to, among other things:

- (a) ensure that the sale, issue, repurchase, redemption and cancellation of Shares effected by or on behalf of the Company are carried out in accordance with the Regulations and the Articles;
- (b) ensure that the value of Shares is calculated in accordance with the Regulations and the Articles;
- (c) carry out the instructions of the Company unless they conflict with the Regulations or the Articles;
- (d) ensure that in each transaction involving the Company's assets, any consideration is remitted to it within the usual time limits;
- (e) ensure that the Company's income is applied in accordance with the Regulations and the Articles;
- (f) enquire into the conduct of the Company in each Accounting Period and report thereon to the Shareholders. The Depositary's report will be delivered to the Directors in good time to enable the Directors to include a copy of the report in the annual report of the Company. The Depositary's report will state whether, in the Depositary's opinion, the Company has been managed in that period:
  - (i) in accordance with the limitations imposed on the investment and borrowing powers of the Company by the Central Bank, the Articles and by the Regulations; and
  - (ii) otherwise in accordance with the provisions of the Articles and the Regulations.

If the Company has not been managed in accordance with (a) or (b) above, the Depositary will state why this is the case and will outline the steps that the Depositary has taken to rectify the situation:

- (a) notify the Central Bank promptly of any material breach by the Company or the Depositary of any requirement, obligation or document to which Regulation 114(2) of the Central Bank Regulations relates; and
- (b) notify the Central Bank promptly of any non-material breach by the Company or the Depositary of any requirement, obligation or document to which Regulation 114(2) of the Central Bank Regulations relates where such breach is not resolved within 4 weeks of the Depositary becoming aware of such non-material breach.

The duties provided for above may not be delegated by the Depositary to a third party.

In discharging its role, the Depositary shall act honestly, fairly, professionally, independently and in the interests of the Company and the Shareholders.

The Depositary Agreement provides that the appointment of the Depositary will continue unless and until terminated by the Company or the Depositary giving to the other parties not less than 90 days' written notice although in certain circumstances the Depositary Agreement may be terminated immediately by the Company or the Depositary provided that the appointment of the Depositary shall continue in force until a replacement Depositary approved by the Central Bank has been appointed and provided further that if within a period of 90 days' from the date on which the Depositary notifies the Company of its

desire to retire or from the date on which the Company notifies the Depositary of its intention to remove the Depositary, no replacement Depositary shall have been appointed, the Company shall apply to the High Court for an order to wind up the Company or convene in an extraordinary general meeting of the Shareholders of the Company at which there shall be proposed an ordinary resolution to wind up the Company. The Depositary shall be liable to the Company, or to the Shareholders, for all losses suffered by them as a result of the Depositary's negligent or intentional failure to properly fulfil its obligations as set out in the Depositary Agreement and UCITS V. The Depositary shall be liable to the Company and to the Shareholders, for the loss by the Depositary or a duly appointed third party of any financial instruments held in custody (determined in accordance with UCITS V) and shall be responsible for the return of financial instruments or corresponding amount to the Company without undue delay. The Depositary Agreement contains indemnities in favour of the Depositary for certain losses incurred but excluding circumstances where the Depositary is liable for the losses incurred. The Depositary Agreement shall be governed by the laws of Ireland and the courts of Ireland shall have non-exclusive jurisdiction to hear any disputes or claims arising out of or in connection with the Depositary Agreement.

## Taxation

### General

The following statements on taxation are with regard to the law and practice in force in Ireland at the date of this document and do not constitute legal or tax advice to Shareholders or prospective Shareholders. As is the case with any investment, there can be no guarantee that the tax position or proposed tax position prevailing at the time an investment in the Company is made will endure indefinitely, as the basis for and rates of taxation can fluctuate.

Prospective Shareholders should familiarise themselves with and, where appropriate, take advice on the laws and regulations (such as those relating to taxation and exchange controls) applicable to the subscription for, and the holding and redemption of, Shares in the places of their citizenship, residence and domicile.

The Directors recommend that Shareholders obtain tax advice from an appropriate source in relation to the tax liability arising from the holding of Shares in the Company and any investment returns from those Shares.

### Ireland

- (a) Taxation of the Company The Directors have been advised that the Company is an investment undertaking within the meaning of section 739B TCA and therefore is not chargeable to Irish tax on its relevant income or relevant gains so long as the Company is resident for tax purposes in Ireland. The Company will be resident for tax purposes in Ireland if it is centrally managed and controlled in Ireland. The Directors of the Company conduct the affairs of the Company in a manner that allow for this Notwithstanding the above, a charge to tax may arise for the Company in respect of the Shareholders on the happening of a "**Chargeable Event**" in the Company.

A Chargeable Event includes:

- (i) any payment to a Shareholder by the Company in respect of their Shares;
- (ii) any transfer, cancellation, redemption or repurchase of Shares; and (iii) any deemed disposal by a Shareholder of their Shares at the end of a "relevant period" (a "**Deemed Disposal**").

A "relevant period" is a period of 8 years beginning with the acquisition of Shares by a Shareholder and each subsequent period of 8 years beginning immediately after the preceding relevant period.

A Chargeable Event does not include:

- (i) any transaction in relation to Shares held in a recognised clearing system;
- (ii) any exchange by a Shareholder effected by way of a bargain made at arm's length by the Company, of Shares in the Company for other Shares in the Company;
- (iii) certain transfers of Shares between spouses or civil partners and former spouses or former civil partners;
- (iv) an exchange of Shares arising on a qualifying amalgamation or reconstruction of the Company with another Irish investment undertaking; or
- (v) the cancellation of Shares in the Company arising from an exchange in relation to a scheme of amalgamation (as defined in section 739HA TCA).

On the happening of a Chargeable Event, the Company shall be entitled to deduct the appropriate amount of tax on any payment made to a Shareholder in respect of the Chargeable Event. On the occurrence of a Chargeable Event where no payment is made by the Company to the Shareholder, the Company may appropriate or cancel the required number of Shares to meet the tax liability.

Where the Chargeable Event is a Deemed Disposal and the value of Shares held by Irish Resident Shareholders in the Company is less than 10% of the total value of Shares in the Company (or a sub-fund) and the Company has made an election to the Revenue Commissioners to report annually certain details for each Irish Resident Shareholder, the Company will not be required to deduct the appropriate tax and the Irish Resident Shareholder (and not the Company) must pay the tax on the Deemed Disposal on a self-assessment basis. Credit is available against appropriate tax relating to the Chargeable Event for appropriate tax paid by the Company or the Shareholder on any previous Deemed Disposal. On the eventual disposal by the Shareholder of the Shares, a refund of any unutilised credit will be payable.

## **Taxation of Shareholders**

Non-Irish Resident Shareholders Non-Irish Resident Shareholders will not be chargeable to Irish tax on the happening of a Chargeable Event provided that either:

- (i) the Company is in possession of a completed Relevant Declaration to the effect that the Shareholder is not an Irish Resident, or
- (ii) the Company is in possession of written notice of approval from the Revenue Commissioners to the effect that the requirement to provide a Relevant Declaration is deemed to have been complied with in respect of that Shareholder and the written notice of approval has not been withdrawn by the Revenue Commissioners.

If the Company is not in possession of a Relevant Declaration or the Company is in possession of information which would reasonably suggest that the Relevant Declaration is not or is no longer materially correct, the Company must deduct tax on the happening of a Chargeable Event in relation to such Shareholder. The tax deducted will generally not be refunded.

Intermediaries acting on behalf of non-Irish Resident Shareholders can claim the same exemption on behalf of the Shareholders for whom they are acting. The intermediary must complete a Relevant Declaration that it is acting on behalf of a non-Irish Resident Shareholder.

A non-Irish Resident corporate Shareholder which holds Shares directly or indirectly by or for a trading branch or agency of the Shareholder in Ireland, will be liable for Irish corporation tax on income from the Shares or gains made on the disposal of the Shares.

**Exempt Irish Shareholders** The Company is not required to deduct tax in respect of an Exempt Irish Shareholder so long as the Company is in possession of a completed Relevant Declaration from those persons and the Company has no reason to believe that the Relevant Declaration is materially incorrect. The Exempt Irish Shareholder must notify the Company if it ceases to be an Exempt Irish Shareholder. Exempt Irish Shareholders in respect of whom the Company is not in possession of a Relevant Declaration will be treated by the Company as if they are not Exempt Irish Shareholders.

While the Company is not required to deduct tax in respect of Exempt Irish Shareholders, those Shareholders may themselves be liable to Irish tax on their income, profits and gains in relation to any sale, transfer, repurchase, redemption or cancellation of Shares or dividends or distributions or other payments in respect of their Shares depending on their circumstances. It is the obligation of the Exempt Irish Shareholder to account for such tax to the Revenue Commissioners.

**Irish-Resident Shareholders** Irish Resident Shareholders (who are not Exempt Irish Shareholders) will be liable to tax on the happening of a Chargeable Event. Tax at the rate of 41% will be deducted by the Company on payments made to the Shareholder in relation to the Shares or on the sale, transfer, Deemed Disposal (subject to the 10% threshold outlined above), cancellation, redemption or repurchase of Shares or the making of any other payment in respect of the Shares.

An Irish Resident Shareholder who is not a company and is not an Exempt Irish Shareholder will not be liable to any further income or capital gains tax in respect of any sale, transfer, Deemed Disposal, cancellation, redemption or repurchase, of Shares or the making of any other payment in respect of their Shares.

Where the Irish Resident Shareholder is a company which is not an Exempt Irish Shareholder, and the payment is not taxable as trading income under Schedule D Case I, the amount received will be treated as the net amount of an annual payment chargeable to tax under Schedule D Case IV from the gross amount of which income tax has been deducted. The rate of tax applicable to a Chargeable Event in respect of any Irish tax resident corporate investor in this instance is 25% provided the corporate investor has made a declaration to the Company including its Irish tax reference number.

Where the Irish Resident Shareholder is a company which is not an Exempt Irish Shareholder, and the payment is taxable as trading income under Schedule D Case I, the following provisions apply:

- (i) the amount received by the Shareholder is increased by any amount of tax deducted by the Company and will be treated as income of the Shareholder for the chargeable period in which the payment is made;
- (ii) where the payment is made on the sale, transfer, Deemed Disposal, cancellation, redemption or repurchase of Shares, such income will be reduced by the amount of consideration in money or money's worth given by the Shareholder for the acquisition of those Shares; and (iii) the amount of tax deducted by the Company will be set off against the Irish corporation tax assessable on the Shareholder in respect of the chargeable period in which the payment is made.

**Personal Portfolio Investment Undertaking** An investment undertaking will be considered to be a personal portfolio investment undertaking ("**PPIU**") in relation to a specific Irish Resident Shareholder where that Irish Resident Shareholder can influence the selection of some or all of the property of the undertaking. The undertaking will only be a PPIU in respect of those Irish Resident Shareholders who can influence the selection. A gain arising on a chargeable event in relation to a PPIU will be taxed at the rate of 60%. An undertaking will not be considered to be a PPIU where certain conditions are complied with as set out in section 739BA TCA.



**Currency Gains** Where a currency gain is made by an Irish Resident Shareholder on the disposal of Shares, that Shareholder may be liable to capital gains tax in respect of any chargeable gain made on the disposal.

**Stamp Duty** On the basis that the Company qualifies as an investment undertaking within the meaning of section 739B TCA, no Irish stamp duty will be payable on the subscription, transfer or repurchase of Shares. The stamp duty implications for subscriptions for Shares or transfer or repurchase of Shares in specie should be considered on a case by case basis.

**Capital Acquisitions Tax** No Irish gift tax or inheritance tax (capital acquisitions tax) liability will arise on a gift or inheritance of Shares provided that:

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

**Other Tax Matters** The income and capital gains received by the Company from securities issued in countries other than Ireland or assets located in countries other than Ireland may be subject to taxes including withholding tax in the countries where such income and gains arise. The Company may not be able to benefit from reduced rates of withholding tax by virtue of the double taxation treaties in operation between Ireland and other countries. The Directors will have sole discretion as to whether the Company will apply for such benefits and may decide not to apply for such benefits if they determine that it may be administratively burdensome, cost prohibitive or otherwise impractical.

In the event that the Company receives any repayment of withholding tax suffered, the Net Asset Value of the Company will not be restated and the benefit of any repayment will be allocated to the then existing Shareholders rateably at the time of repayment.

### ***Automatic Exchange of Information***

The Company is obliged, pursuant to the IGA, Council Directive 2011/16/EU, section 891E, section 891F and section 891G of the TCA and regulations made pursuant to those sections, to collect certain information about its investors.

The Company will be required to provide certain information to the Revenue Commissioners in relation to the investors (including information in respect of the investor's tax residence status) and also in relation to accounts held by investors. For further information on FATCA or CRS please refer to the website of the Revenue Commissioners at [www.revenue.ie/en/business/aeoi/index.html](http://www.revenue.ie/en/business/aeoi/index.html).

Further detail in respect of FATCA and CRS is set out below.

### **Certain Irish Tax Definitions**

*Residence – Company (which includes any body corporate, including an ICAV)*

A company which has its central management and control in Ireland is resident in Ireland irrespective of where it is incorporated. A company which does not have its central management and control in Ireland but which is incorporated in Ireland is resident in Ireland except where the company is regarded as not resident in Ireland under a double taxation treaty between Ireland and another country. In certain limited circumstances, companies incorporated in Ireland but managed and controlled outside of a double taxation treaty territory may not be regarded as resident in Ireland. Specific rules may apply to companies incorporated prior to 1 January 2015.

*Residence – Individual*

The Irish tax year operates on a calendar year basis.

An individual will be regarded as being resident in Ireland for a tax year if that individual:

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

Presence in a tax year by an individual of not more than 30 days in Ireland, will not be reckoned for the purpose of applying the two year test. Presence in Ireland for a day means the personal presence of an individual at any point in time during the particular day in question.

#### *Ordinary Residence – Individual*

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

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

An individual who has been ordinarily resident in Ireland ceases to be ordinarily resident at the end of the third consecutive tax year in which that individual is not resident in Ireland. Thus, an individual who is resident and ordinarily resident in Ireland in 2014 will remain ordinarily resident in Ireland until the end of the tax year 2017.

#### *FATCA Implementation in Ireland*

On 21 December 2012, the governments of Ireland and the U.S. signed an intergovernmental agreement to implement FATCA (the "IGA").

The IGA provides for the automatic reporting and exchange of information in relation to accounts held in Irish "financial institutions" by U.S. persons and the reciprocal exchange of information regarding U.S. financial accounts held by Irish Residents. The Company is subject to these rules. Complying with such requirements will require the Company to request and obtain certain information and documentation from its Shareholders, other account holders and (where applicable) the beneficial owners of its Shareholders and to provide any information and documentation indicating direct or indirect ownership by U.S. persons to the competent authorities in Ireland. Provided the Company complies with the requirements of the IGA and the Irish legislation, it should not be subject to FATCA withholding on any payments it receives and should not be required to impose FATCA withholding on payments which it makes. Shareholders and other account holders will be required to comply with these requirements, and non-complying Shareholders may be subject to compulsory redemption and/ or U.S withholding tax of 30% on withholdable payments and/or other monetary penalties.

The IGA provides that Irish financial institutions will report to the Revenue Commissioners in respect of U.S. account-holders and, in exchange, U.S. financial institutions will be required to report to the IRS in respect of any Irish-resident account-holders. The two tax authorities will then automatically exchange this information on an annual basis.

The Company (and/or any of its duly appointed agents) shall be entitled to require Shareholders to provide any information regarding their tax status, identity or residency in order to satisfy any reporting requirements which the Company may have as a result of the IGA or any legislation promulgated in connection with the IGA and Shareholders will be deemed, by their subscription for or holding of Shares to have authorised the automatic disclosure of such information by the Company or any other person to the relevant tax authorities.

Although the Company will attempt to satisfy any obligations imposed on it to avoid the imposition of the FATCA withholding tax, no assurance can be given that the Company will be able to satisfy these obligations. In order to satisfy its FATCA obligations, the Company will require certain information from investors in respect of their FATCA status. If the Company becomes subject to a withholding tax as

a result of the FATCA regime, the value of the Shares held by all Shareholders may be materially affected.

All prospective investors / shareholders should consult with their own tax advisors regarding the possible FATCA implications of an investment in the Company.

#### *OECD Common Reporting Standard*

Ireland has provided for the implementation of CRS through section 891F of the TCA and the enactment of the section 891F of the TCA and the enactment of the Returns of Certain Information by Reporting Financial Institutions Regulations 2015 (the "**CRS Regulations**").

CRS is a global OECD tax information exchange initiative which is aimed at encouraging a coordinated approach to disclosure of income earned by individuals and organisations.

Ireland and a number of other jurisdictions have entered or will enter into multilateral arrangements modelled on the Common Reporting Standard for Automatic Exchange of Financial Account Information published by the OECD. The Company is required to provide certain information to the Revenue Commissioners about investors resident or established in jurisdictions which are party to CRS arrangements.

The Company, or a person appointed by the Company, will request and obtain certain information in relation to the tax residence of its shareholders or "account holders" for CRS purposes and (where applicable) will request information in relation to the beneficial owners of any such account holders. The Company, or a person appointed by the Company, will report the information required to the Revenue Commissioners by 30 June in the year following the year of assessment for which a return is due. The Revenue Commissioners will share the appropriate information with the relevant tax authorities in participating jurisdictions.

#### *DAC6 – Disclosure requirements for reportable cross-border tax arrangements*

On 25 June 2018, Council Directive (EU) 2018/822 ("**DAC6**") introduced rules regarding the mandatory automatic exchange of information in the field of taxation in relation to reportable cross-border arrangements.

DAC6 imposes mandatory reporting requirements on EU-based intermediaries who design, market, organise, make available for implementation or manage the implementation of potentially aggressive cross-border tax-planning schemes. It also covers persons who provide aid, assistance or advice in relation to potentially aggressive cross-border tax-planning schemes, where they can be reasonably expected to know that they have performed that function. If the intermediary is located outside the EU or is bound by legal professional privilege, the obligation to report may pass to the taxpayer.

DAC6 was required to be transposed by each EU member state by the end of 2019 with the measures taking effect from 1 July 2020. In addition, arrangements implemented between 25 June 2018 and 30 June 2020 are also subject to the reporting requirements. Intermediaries and/or taxpayers will be required to report any reportable cross-border arrangements within 30 days from the earliest of:

- a) The day after the arrangement is made available for implementation;
- b) The day after the arrangement is ready for implementation; or
- c) When the first step in the implementation of the arrangement was taken.

Under the provisions of DAC 6, the first reports were required by 31 August 2020. However, as a result of the COVID-19 pandemic, the EU Council approved a deferral of the reporting requirements. It was up to individual EU member states to determine whether to avail of the option to defer. Ireland chose to defer reporting. Further to the deferral, in Ireland the reporting deadline for reportable cross-border arrangements implemented between 25 June 2018 and 30 June 2020 was 28 February 2021 and the 30 day period for arrangements implemented after 1 July 2020 commenced from 1 January 2021.

The transactions contemplated under the Prospectus may fall within the scope of mandatory disclosure rules under DAC6 or equivalent local law provisions and thus may qualify as reportable cross-border arrangements within the meaning of such provisions. If that were the case, any person that falls within the definition of an "intermediary" with respect to the Company may have to report certain transactions entered into by the Company to the relevant EU tax authority.

## United Kingdom Taxation

The following summary of certain United Kingdom tax matters is based on current tax laws and practice applicable in the United Kingdom and is subject to changes therein. This summary is not a complete analysis of all potential United Kingdom tax consequences of an investment in the Shares and does not constitute legal or tax advice. The information below applies only to UK resident Shareholders who are the absolute beneficial owners of the Shares and who hold such shares as an investment and may not apply to certain classes of persons such as securities dealers or insurance companies. Unless otherwise indicated, the analysis assumes that such a Shareholder is resident and domiciled in the UK for tax purposes during the period of the investment in the Shares and is not an employee of the Company or any affiliated entity.

Prospective investors should consult their own professional advisers on the implications of making an investment in, and holding or disposing of, Shares under the laws of the countries in which they are liable to taxation.

## Company

The Company intends to conduct its affairs so that it will neither be resident in nor conducting a trade in the United Kingdom through a permanent establishment in the United Kingdom and, provided it is neither so resident nor conducting such a trade, the Company should not be subject to UK corporation tax in the United Kingdom on the profits of its business. However, the Company may be subject to UK income tax on income (and, in certain limited circumstances, gains) derived from the UK. Interest and other income received by the Company which has a United Kingdom source may be subject to withholding tax in the United Kingdom.

## Offshore Funds

Each class of Share issued by the Company is likely to constitute an "offshore fund" for the purposes of section 355 Taxation (International and Other Provisions) Act 2010 and the Offshore Funds (Tax) Regulations 2009 (the "Regulations"). On this basis, the United Kingdom taxation of United Kingdom resident Shareholders will depend on whether the relevant class of Shares issued by the Company is a "reporting fund" under the Regulations.

The Company may seek to apply to HMRC for "reporting fund" status in respect of some or all classes of Shares.

A "reporting fund" is required to report 100% of its reportable income to HMRC and to investors on an annual basis. Shareholders are taxed on the income reported whether or not that income is distributed to them. Where income reported is not distributed to Shareholders, this will give rise to "deemed" distributions, which will be assessed to United Kingdom tax on the Shareholders in the same way as actual distributions paid by a Fund. Shareholder reports (in respect of a Fund which is not a constant NAV Fund) are made available within six months of the end of the reporting period at [www.northerntrust.com/pooledfunds](http://www.northerntrust.com/pooledfunds).

It should be noted that in respect of certain classes of Share issued by the Company HMRC have confirmed that they will be treated as a constant NAV Funds from 1 February 2011 due to the frequency with which they distribute their income and the nature of their asset. In respect of the relevant classes of Shares issued by the Company which constitute constant NAV Funds, certain requirements of the

offshore Fund Rules do not need to be complied with, including reports to shareholders on the deemed distributions.

Details of Funds which qualify as constant NAV Funds are found at [www.northerntrust.com/pooledfunds](http://www.northerntrust.com/pooledfunds).

Where a share class is a "reporting fund" Shareholders who are resident in the United Kingdom for tax purposes (other than persons who are dealing in the Shares who are subject to different rules) should be liable to capital gains tax (or corporation tax on chargeable gains) in respect of any gain realised on disposal or redemption of the Shares or on exchange from one class of Shares to another within the Company (subject to any available exemption or relief).

Even if "reporting fund" status is obtained with respect to a Fund or class of Shares, it cannot be guaranteed that "reporting fund" status will be maintained in respect of any relevant period of account.

If a Fund is not treated as a "reporting fund" throughout the period during which the investor holds the shares, any such gain realised will be taxable as an income and not a capital gain.

## **Individual Shareholders**

Subject to their personal circumstances, Shareholders who are resident in the United Kingdom for taxation purposes will be liable to United Kingdom income tax on any dividend or other distribution made by the Fund.

Where a Fund does not meet the "qualifying investments" test, distributions to Shareholders will be treated as interest income (as opposed to dividends) of those Shareholders for United Kingdom tax purposes

A Fund will not meet the "qualifying investments" test if the market value of its "qualifying investments" exceeds 60% of the market value of its aggregate investments (excluding cash awaiting investment). "Qualifying investments" for these purposes broadly means investments which yield a return directly or indirectly in the form of interest (or equivalent to interest).

A class of Shares constituting a Fund which is an Authorised Money Market Fund will therefore likely not meet the "qualifying investments" test by reason of that Fund's investment objectives and policies (as an Authorised Money Market Fund).

A class of Shares constituting a Fund which is a Non-Authorised Money Market Fund is also unlikely to meet the "qualifying investments" test by reason of that Fund's investment objectives and policies (as a Non-Authorised Money Market Fund).

Shareholders who are domiciled outside the United Kingdom (and not deemed to be domiciled in the United Kingdom) should note that the remittance basis of taxation may (depending upon the personal circumstances of that Shareholder) apply to dividend or other distributions received from the Fund and amounts taxed as offshore income gains. The operation of the remittance basis system is particularly complex and can have implications which vary according to the specific circumstances of the Shareholder. As such, Shareholders in this category should consult their own tax advisers on the particular consequences for them of these rules.

A Shareholder who has ceased to be resident in the United Kingdom for a period of less than five years and who disposes of Shares during that period may be liable on his return to United Kingdom to United Kingdom taxation on any capital gain realised (subject to any available reliefs and exemptions).

## **Transfer of Assets Abroad**

The attention of individuals resident in the United Kingdom is drawn to the provisions of Section 714 to 726 of the Income Tax Act 2007. These provisions are aimed at preventing the avoidance of income tax by individuals through transactions resulting in the transfer of assets or income to persons (including

companies) resident or domiciled abroad and may render them liable to taxation in respect of undistributed income and profits of the Company on an annual basis.

## **Corporate Shareholders**

Corporate Shareholders resident in the United Kingdom for tax purposes may be liable to corporation tax on dividends or other distributions (although they may fall within one of a number of exemptions). Where a Fund does not meet the "qualifying investments" test (as set out above), corporate Shareholders resident or with a permanent establishment in the United Kingdom for tax purposes will normally be assessed to tax in respect of their Shares pursuant to the loan relationships provisions of Chapter 3 of Part 6 of the Corporation Tax Act 2009. This means that dividends and distributions will be treated as giving rise to loan relationship credits for the corporate Shareholders and credits and debits from the relationship will be determined in accordance with fair value accounting. Accordingly, a corporate investor in the Company may, depending on its own circumstances, incur a charge to corporation tax on an unrealised increase in the value of its holding of Shares (and, likewise, obtain relief against corporation tax for an unrealised reduction in the value of its holding of Shares).

As noted above, a class of Shares constituting a Fund which is an Authorised Money Market Fund will therefore likely not meet the "qualifying investments" test by reason of that Fund's investment objectives and policies (as an Authorized Money Market Fund).

A class of Shares constituting a Fund which is a Non-Authorised Money Market Fund is also unlikely to meet the "qualifying investments" test by reason of that Fund's investment objectives and policies (as a Non-Authorised Money Market Fund).

## **Controlled Foreign Company**

If the Company or a Fund were controlled by persons resident to the United Kingdom, the controlled foreign company (CFC) legislation may apply to corporate investors who are resident in the United Kingdom, and who, alone, or with connected person hold of at interest at least 25 per cent in the Company or a Fund. Under the CFC rules, part of any undistributed income accruing to the Company may be attributable to such a Shareholder and may in certain circumstances be chargeable to United Kingdom corporation tax in the hands of the Shareholder.

## **Close Companies**

If the Company would be a close company if resident in the United Kingdom, gains accruing to it which would be chargeable gains for the purpose of United Kingdom taxation may be apportioned to certain United Kingdom resident Shareholders who may thereby become liable to capital gains tax or corporation tax on chargeable gains on the gains apportioned to them.

## **Stamp Duty and Stamp Duty Reserve Tax**

No United Kingdom stamp duty should be chargeable on an instrument transferring the Shares provided that the instrument of transfer or document evidencing a transfer is executed and kept outside the United Kingdom and that the transfer does not relate to any property situated, or any matter or thing done, or to be done, in the UK.

On the basis that the Company is not incorporated in the UK and there will not be a UK share register in respect of the Shares they will not be "chargeable securities" for the purposes of United Kingdom stamp duty reserve tax, and accordingly, no stamp duty reserve tax will be chargeable in respect of agreements for their transfer.

The Company may be liable to transfer taxes in the United Kingdom on acquisitions of investments. The rate of UK stamp duty and stamp duty reserve tax is 0.5% of the value of the consideration for a chargeable transfer, rounded up to the nearest £5.

### **Anti-Avoidance - Transactions in Securities**

The attention of Shareholders is drawn to anti-avoidance legislation in Chapter 1 of Part 13 of the Income Tax Act 2007 and Part 15 of the Corporation Tax Act 2010 that could apply if Shareholders are seeking to obtain tax advantages in prescribed conditions relating to transactions in securities.

## **GENERAL**

### **Conflicts of Interest**

The Directors, the Manager, the Investment Manager, the Administrator and the Depositary and their respective Affiliates, officers, directors and shareholders, employees and agents (each a "Connected Party" for these purposes, collectively the "Connected Parties") are or may be involved in other financial, investment and professional activities (for example provision of Securities Lending agent services) which may on occasion cause a conflict of interest with the management of the Company and/or their respective roles with respect to the Company. These other activities may include managing or advising other funds, purchases and sales of securities, banking and investment management services, brokerage services and serving as directors, officers, advisers or agents of other funds or companies, including funds or companies in which the Company may invest. Each of the Connected Parties will use reasonable endeavours to ensure that any conflicts which may arise will be resolved fairly. The appointment of the Manager, the Investment Manager, Administrator and Depositary in their primary capacity as service providers to the Company are excluded from the scope of these Connected Party requirements.

The Manager or the Investment Manager may advise or manage other collective investment schemes in which a Fund may invest or which have similar or overlapping investment objectives to or with the Funds. Also, a conflict of interest may arise where the competent person valuing unlisted securities and/or OTC derivatives held by a Fund is the Manager or the Investment Manager or a sub-investment manager or any other Connected Party. For example, because the Manager or the Investment Manager's fees are calculated on the basis of a percentage of a Fund's Net Asset Value, such fees increase as the Net Asset Value of the Fund increases. When valuing securities owned or purchased by a Fund, the Manager or the Investment Manager (or any other Connected Party) will, at all times, have regard to its obligations to the Company and the Fund and will ensure that such conflicts are resolved fairly.

There is no prohibition on transactions with the Company, the Manager, the Investment Manager, the Administrator, the Depositary or entities related to the Manager, the Investment Manager, the Administrator or the Depositary including, without limitation, holding, disposing or otherwise dealing with Shares issued by or property of the Company and none of them shall have any obligation to account to the Company for any profits or benefits made by or derived from or in connection with any such transaction provided that such transactions are in the best interests of Shareholders and dealings are carried out as if effected on normal commercial terms negotiated on an arm's length basis and

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

The Depositary (or in the case of a transaction involving the Depositary, the Manager) shall document how it complies with paragraphs (i), (ii) and (iii) above and where transactions are conducted in accordance with paragraph (iii), the Depositary (or in the case of a transaction involving the Depositary, the Manager), must document the rationale for being satisfied that the transaction conformed to the principles outlined above.

Potential conflicts of interest may arise from time to time from the provision by the Depositary and/or its Affiliates of other services to the Company and/or other parties. For example, the Depositary and/or its Affiliates may act as the depositary, trustee, custodian and/or administrator of other funds. It is therefore possible that the Depositary (or any of its Affiliates) may in the course of its business have conflicts or potential conflicts of interest with those of the Company and/or other funds for which the Depositary (or any of its Affiliates) act.

Where a conflict or potential conflict of interest arises, the Depositary will have regard to its obligations to the Company and will treat the Company and the other funds for which it acts fairly and such that, so far as is practicable, any transactions are effected on terms which are not materially less favourable to the Company than if the conflict or potential conflict had not existed. Such potential conflicts of interest are identified, managed and monitored in various other ways including, without limitation, the hierarchical and functional separation of the Depositary's functions from its other potentially conflicting tasks and by the Depositary adhering to its "Conflicts of Interest Policy" (a copy of which can be obtained on request from the head of compliance for the Depositary).

Each Connected Party will provide the Company with relevant details of each transaction (including the name of the party involved and where relevant, fees paid to that party in connection with the transaction) in order to facilitate the Company discharging its obligation to provide the Central Bank with a statement within the relevant Fund's annual and semi-annual reports in respect of all Connected Party transactions.

The preceding list of potential conflicts of interest does not purport to be a complete enumeration or explanation of all of the conflicts of interest that may be involved in an investment in the Company.

Any potential conflicts may be disclosed in the relevant Supplement.

### **Soft Commissions**

It is not currently intended that any soft commission arrangements will be made in respect of the Company. In the event that the Manager and/or the Investment Manager do enter into soft commission arrangements they shall ensure that (i) the broker or counterparty to the arrangement will agree to provide best execution to the Company; (ii) the benefits under the arrangement(s) shall be those which assist in the provision of investment services to the relevant Fund and (iii) brokerage rates will not be in excess of customary institutional full service brokerage rates. A report will be included in the relevant Fund's annual and semi-annual reports describing the Manager and/or the Investment Manager's soft commission practices. Where appropriate, any such arrangements will comply with the requirements of Article 11 of the MiFID II Delegated Directive.

### **Cash Commission/ Rebates and Fee Sharing**

Where the Manager and/or an Investment Manager, or any of its delegates, successfully negotiates the recapture of a portion of the commissions charged by brokers or dealers in connection with the purchase and/or sale of securities or FDI for a Fund, the rebated commission shall be paid to the relevant Fund. The Manager and/or an Investment Manager or their delegates may be paid / reimbursed out of the assets of the relevant Fund for reasonable



## The Share Capital

The issued share capital of the Company shall at all times equal the Net Asset Value. There are no rights of pre-emption upon the issue of Shares in the Company.

The authorised share capital of the Company is 500 billion shares of no par value initially designated as unclassified shares. As at 31 December 2021 the issued share capital of the Company was USD 15,068,306,203, STG 9,912,403,786 and EUR 2,165,687,180 and the total number of shares in issue was 26,879,780,496.

Each of the Shares entitles the Shareholder to participate equally on a pro rata basis in the dividends and net assets of the Fund in respect of which they are issued, save in the case of dividends declared prior to becoming a Shareholder.

The proceeds from the issue of Shares shall be applied in the books of the Company to the relevant Fund and shall be used in the acquisition on behalf of the relevant Fund of assets in which the Fund may invest. The records and accounts of each Fund shall be maintained separately.

Although each Fund will be treated as bearing its own liabilities, the Company as a whole will remain liable to third parties. Accordingly, the Directors reserve the right, with the approval of the Depositary, to transfer any assets to and from Funds if it is necessary to do so to satisfy any creditor proceeding against certain of the assets of the Company or otherwise. In the event that any asset attributable to a Fund is taken in execution of a liability not attributable to that Fund, the provisions of section 1406 of the Companies Act shall apply. The Directors also reserve the right to redesignate any class of Shares from time to time, provided that Shareholders in that class shall first have been notified by the Company that the Shares will be redesignated and shall have been given the opportunity to have their Shares redeemed by the Company, except that this requirement shall not apply where the Directors redesignate Shares in issue in order to facilitate the creation of an additional class of Shares. In the event that the Directors transfer any asset to and from any Fund they shall advise Shareholders of any such transfer in the next succeeding annual or half-yearly report to Shareholders.

Each of the Shares entitles the holder to attend and vote at meetings of the Company and of the Fund represented by those Shares. No class of Shares confers on the holder thereof any preferential or preemptive rights or any rights to participate in the profits and dividends of any other class of Shares or any voting rights in relation to matters relating solely to any other class of Shares.

Any resolution to alter the class rights of the Shares requires the approval of three quarters of the holders of the Shares represented or present and voting at a general meeting duly convened in accordance with the Articles.

The Articles empower the Directors to issue fractional Shares in the Company. Fractional Shares may be issued to two decimal places of a Share and shall not carry any voting rights at general meetings of the Company or of any Fund and the Net Asset Value of any fractional Share shall be the Net Asset Value per Share adjusted in proportion to the fraction.

The Subscriber Shares entitle the Shareholders holding them to attend and vote at all meetings of the Company, but do not entitle the holders to participate in the dividends or net assets of any Fund or of the Company.

## Meetings

All general meetings of the Company shall be held in Ireland. In each year the Company shall hold a general meeting as its annual general meeting. The quorum for any general meeting convened to consider any alteration to the class rights of the Shares shall be such number of Shareholders being two or more persons whose holdings comprise one twentieth of the Shares. The quorum for meetings other than a meeting to consider changes in class rights shall be two persons present in person or by proxy. Twenty-one days' notice (excluding the day of posting and the day of the meeting) shall be given in respect of

each general meeting of the Company. The notice shall specify the venue and time of the meeting and the business to be transacted at the meeting. A proxy may attend on behalf of any Shareholder. An ordinary resolution is a resolution passed by a majority of 50% or more of votes cast and a special resolution is a resolution passed by a majority of 75% or more of the votes cast. The Articles of Association provide that matters may be determined by a meeting of Shareholders on a show of hands unless a poll is requested by five Shareholders or by Shareholders holding 10% or more of the Shares or unless the Chairman of the meeting requests a poll. Each Share (including the Subscriber Shares) gives the holder one vote in relation to any matters relating to the Company which are submitted to Shareholders for a vote by poll.

## **Remuneration Policy**

The Manager has a remuneration policy in place to ensure compliance with UCITS V. This remuneration policy imposes remuneration rules on staff and senior management within the Manager whose activities have a material impact on the risk profile of the Funds. The Manager will ensure that its remuneration policies and practices are consistent with sound and effective risk management, will not encourage risk-taking which is inconsistent with the risk profile of the Funds and the Articles, and will be consistent with UCITS V. The Manager will ensure that the remuneration policy is at all times consistent with the business strategy, objectives, values and interests of the Company, the Funds and Shareholders, and includes measures to ensure that all relevant conflicts of interest may be managed appropriately at all times. Further details with regard to the remuneration policy are available at the following website: [www.northerntrust.com/asset-management/europe/services/pooled-funds](http://www.northerntrust.com/asset-management/europe/services/pooled-funds). The remuneration policy may be obtained free of charge on request from the Manager.

## **Reports**

In each year the Directors shall cause to be prepared an annual report and audited annual accounts for the Company. These will be forwarded to Shareholders at least twenty-one days before the annual general meeting and in any event, within four months of the end of the financial year. In addition, the Company shall prepare and circulate to Shareholders within two months of the end of the relevant period a half yearly report which shall include unaudited half yearly accounts for the Company.

Annual accounts are made up to the 31st day of January in each year and will be published within four months of such date and unaudited half-yearly accounts of the Company are made up to the 31st day of July in each year and will be published within two months of such date and in each case will be offered to subscribers before conclusion of a contract. Audited information will also be sent on request to any Shareholder and any prospective investor.

The Directors may send such reports and accounts electronically to Shareholders in accordance with the Central Bank Rules.

## **Termination**

All of the Shares or all of the Shares in a Fund may be redeemed by the Company in the following circumstances:

- (a) by not less than four no more than six weeks' notice redeem all if the Shares of the Company or a Fund;
- (b) if 75% of the holders of the Shares voting at a general meeting of the Company or any Fund, of which not more than six and not less than four weeks' notice has been given, approve the redemption of the Shares;
- (c) there is a change in material aspects of the business, or in the economic or political situation relating to a Fund that the Directors consider would have material adverse consequences on the investments of the Fund;

- (d) the Directors have resolved that it is impracticable or inadvisable for a Fund to continue to operate having regard to prevailing market conditions and the best interests of the Members; and shall apply to the Central Bank for the withdrawal of the Fund's approval. The Directors shall give notice of the redemption of all the Shares of a Fund pursuant to the Articles to Shareholders of the relevant Fund and by such notice fix the date at which such redemption is to take effect, which date shall be for such period after the service of such notice as the Directors shall at their absolute discretion determine;
- (e) if, the Net Asset Value of the Company or Fund on each Dealing Day within a period of five consecutive weeks is less than USD100,000,000, provided that notice of not less than four and not more than six weeks has been given to the holders of the Shares within four weeks of such period;  
or
- (f) if no replacement Depositary shall have been appointed during the period of three months commencing on the date the Depositary or any replacement thereof shall have notified the Company of its desire to retire as Depositary or shall have ceased to be approved by the Central Bank.

Where a redemption of Shares would result in the number of Shareholders falling below seven or such other minimum number stipulated by statute or where a redemption of Shares would result in the issued share capital of the Company falling below such minimum amount as the Company may be obliged to maintain pursuant to applicable law, the Company may defer the redemption of the minimum number of Shares sufficient to ensure compliance with applicable law. The redemption of such Shares will be deferred until the Company is wound up or until the Company procures the issue of sufficient Shares to ensure that the redemption can be effected. The Company shall be entitled to select the Shares for deferred redemption in such manner as it may deem to be fair and reasonable and as may be approved by the Depositary.

If all of the Shares in any Fund are to be redeemed, the assets available for distribution (after satisfaction of creditors' claims) shall be distributed pro rata to the holders of the Shares in proportion to the number of the Shares held in that Fund. The balance of any assets of the Company then remaining not comprised in any of the other Funds shall be apportioned as between the Funds pro rata to the Net Asset Value of each Fund immediately prior to any distribution to Shareholders and shall be distributed among the Shareholders of each Fund pro rata to the number of Shares in that Fund held by them. With the authority of an ordinary resolution of the Shareholders, the Company may make distributions in specie to Shareholders. If all of the Shares are to be redeemed and it is proposed to transfer all or part of the assets of the Company to another company, the Company, with the sanction of a special resolution of Shareholders may exchange the assets of the Company for shares or similar interests in the transferee company for distribution among Shareholders. The Subscriber Shares do not entitle the holders to participate in the dividends or net assets of any Fund. If a Shareholder so requests the Company shall arrange to dispose of the investments on behalf of the Shareholder. The price obtained by the Company may be different from the price at which the investments were valued when determining the Net Asset Value and the Investment Manager and the Company shall not be liable for any loss arising. The transaction costs incurred in the disposal of such investments shall be borne by the Shareholder.

On a winding up of the Company, the assets available for distribution shall be distributed pro rata to the number of the Shares held by each Shareholder.

A Fund may be wound up pursuant to section 1406 of the Companies Act and in such event the provisions reflected in this section shall apply mutatis mutandis in respect of that Fund.

## Miscellaneous

- (a) The Company has not been engaged in any legal or arbitration proceedings since its incorporation and no legal or arbitration proceedings are known to the Directors to be pending or threatened by or against the Company.
- (b) At the date of this Prospectus, no Director has any direct or indirect interest in the share capital of the Company or any options in respect of such capital. Although none of the Directors are required to be investors, all of the Directors and any associate may invest in the Company. The level of investment is likely to vary over time.
- (c) No share or loan capital of the Company is under option or is agreed conditionally or unconditionally to be put under option.
- (d) Save as disclosed herein in the section entitled "Expenses of the Fund", no commissions, discounts, brokerage or other special terms have been granted by the Company in relation to Shares issued by the Company.
- (e) The Company does not have, nor has it had since its incorporation, any employees or subsidiary companies.
- (f) Alan Keating, Cian Farrell, Feargal Dempsey, Ton Daniels, Claire Cawley, Marie Dzanis, Martha Fee and Bimal Shah are directors of the Manager. Marie Dzanis, Martha Fee and Bimal Shah are Directors of the Investment Manager.

## Material Contracts

The following contracts, details of which are set out in the section entitled "Management and Administration", have been entered into and are, or may be, material:

- The amended and restated Depositary Agreement dated 31 January 2022, between the Company and the Depositary under which the Depositary has been appointed as depositary of the Company. Under the Depositary Agreement, the Depositary will provide asset verification services, cash-flow monitoring services, custody services and oversight services to the Company. This agreement provides that the appointment of the Depositary will continue unless and until terminated by the Company or the Depositary giving to the other parties not less than 90 days' written notice although in certain circumstances the Agreement may be terminated immediately by the Company or the Depositary provided that the appointment of the Depositary shall continue in force until a replacement Depositary approved by the Central Bank has been appointed and provided further that if within a period of 90 days' from the date on which the Depositary notifies the Company of its desire to retire or from the date on which the Company notifies the Depositary of its intention to remove the Depositary, no replacement Depositary shall have been appointed, the Company shall apply to the High Court for an order to wind up the Company or convene in an extraordinary general meeting of the Shareholders of the Company at which there shall be proposed an ordinary resolution to wind up the Company. The Depositary shall be liable to the Company, or to the Shareholders, for all losses suffered by them as a result of the Depositary's negligent or intentional failure to properly fulfil its obligations as set out in the Depositary Agreement and UCITS V. The Depositary shall be liable to the Company and to the Shareholders, for the loss by the Depositary or a duly appointed third party of any financial instruments held in custody (determined in accordance with UCITS V) and shall be responsible for the return of financial instruments or corresponding amount to the Company without undue delay. The Depositary Agreement contains indemnities in favour of the Depositary for certain losses incurred but excluding circumstances where the Depositary is liable for the losses incurred.

The Depositary Agreement shall be governed by the laws of Ireland and the courts of Ireland shall have non-exclusive jurisdiction to hear any disputes or claims arising out of or in connection with the Depositary Agreement.

- The amended and restated Administration Agreement dated 31 January 2022, between the Manager, the Company pursuant to which the Administrator has been appointed as administrator to administer the Company subject to the overall supervision of the Directors. The Administration Agreement contains certain indemnities in favour of the Administrator (and its officers and employees) which are restricted to exclude, inter alia, matters arising by reason of the negligence, wilful default or fraud of the Administrator or its permitted delegates in the performance of its obligations and duties.

The Administration Agreement provides that the appointment of the Administrator will continue unless and until terminated by the Company or the Administrator giving to the other of them not less than 90 days' written notice although in certain circumstances the agreement may be terminated immediately by any party in the event that:

- (a) any party is unable to pay its debts as they fall due or go into liquidation or receivership or an examiner is appointed to another Party (except for a voluntary liquidation for the purpose of reconstruction or amalgamation upon terms previously agreed in writing by the notifying Party);
- (b) if another shall commit any material breach of the provisions of the Administration Agreement and shall if capable of remedy not have remedied the same within thirty (30) days after the service of notice requiring it to be remedied;
- (c) if the continued performance of the Administration Agreement for any reason ceases to be lawful;
- (d) in the event that fraud is proven against another party to the Administration Agreement or the Investment Manager;

Further, the Administration Agreement shall terminate automatically upon the revocation by the Central Bank of the Manager or the Company's authorisation pursuant to the UCITS Regulations.

The Manager may terminate the Administration Agreement with immediate effect if it considers this to be in the best interest of Shareholders in the Company.

- The Management Agreement dated 31 January 2022, between the Company and the Manager. The Manager is appointed by the Company under the Management Agreement to provide management services to the Company subject to the UCITS Regulations, the Instrument of Incorporation and the overall policies and directions of the Board. The Management Agreement provides that the appointment of the Manager will continue in force unless and until terminated by either party giving to the other not less than 90 days' written notice although in certain circumstances the Agreement may be terminated forthwith by notice in writing by either party to the other:

The Manager shall perform, on behalf of the Company, the duties of a "responsible person" as set out in the Central Bank Regulations.

The Management Agreement contains certain indemnities in favour of the Manager which are restricted to exclude matters arising by reasons of the fraud, bad faith, negligence or wilful default of the Manager in the performance or non-performance of its duties or obligations and certain provisions regarding its legal responsibilities and limitations thereon.

- The amended and restated **Investment Management Agreement** dated 31 January 2022, between the Manager and the Investment Manager. The Investment Management Agreement provides that the appointment of the Investment Manager will continue unless and until terminated by any party giving 90 days' written notice to the other parties, although in certain circumstances the Agreement may be terminated forthwith by notice in writing by any party to the other parties. The Investment Manager is appointed by the Manager under the Investment Management Agreement to provide investment management services to the Company in accordance with the Instrument of Incorporation, the UCITS Regulations, the Central Bank Regulations and this prospectus. The Investment Management Agreement contains certain indemnities in favour of the Investment Manager which are restricted to exclude matters resulting from the bad faith, fraud, wilful default or negligence of the Investment Manager in the performance or non-performance of its obligations and duties.

## Supply and inspection of Documents and publication of information

The following documents may be provided in a durable medium (which shall include in writing and/or by electronic mail) or in an electronic format on a website designated by the Manager for this purpose ([www.northerntrust.com/pooledfunds](http://www.northerntrust.com/pooledfunds)) or such other website as the Manager may notify to Shareholders in advance from time to time). A copy in writing of such documents shall be provided to Shareholders on request, free of charge:

- this Prospectus
- once published, the latest annual and half yearly reports of the Company
- KIID

In addition, copies of the following documents may be obtained free of charge from the registered office of the Company in Ireland during normal business hours, on any Business Day:

- the Articles
- once published, the latest annual and half yearly reports of the Company

An up-to-date version of the KIID shall be made available for access in an electronic format on a website designated by the Company for this purpose ([www.northerntrust.com/pooledfunds](http://www.northerntrust.com/pooledfunds)) or such other website as the Manager may notify to Shareholders in advance from time to time). In the event that the Company proposes to register one or more Funds for public offering in other EU Member States, it shall make the following additional documentation available on such website:

- this Prospectus
- once published, the latest annual and semi-annual reports of each Fund
- the Articles.

To the extent not captured in this Prospectus or in the event such details have changed and have not been reflected in a revised version of this Prospectus, up-to-date information will be provided to Shareholders on request, free of charge regarding:

- the identity of the Depositary and a description of its duties and of conflicts of interest that may arise; and
- a description of any safe-keeping functions delegated by the Depositary, a list of delegates and sub-delegates and any conflicts of interest that may arise from such delegation.

Where the Company is required to make certain information publically available pursuant to the CBDF Directive or CBDF Regulation such information may be made available at [www.northerntrust.com/pooledfunds](http://www.northerntrust.com/pooledfunds).

Unless otherwise disclosed to investors, where a Fund is marketed in another Member State, the Manager shall make available facilities to perform the following tasks directly or through one or more third parties:

- a) process subscription, repurchase and redemption orders and make other payments to Shareholders relating to the Shares of the Fund, in accordance with the conditions set out in the Prospectus required pursuant to Chapter IX of the UCITS Directive;
- b) provide Shareholders with information on how orders referred to in point (a) can be made and how repurchase and redemption proceeds are paid;
- c) facilitate the handling of information and access to procedures and arrangements referred to in Article 15 of the UCITS Directive relating to the Shareholders' exercise of their rights arising from their investment in the Fund in the Member State where the Fund is marketed;
- d) make the information and documents required pursuant to Chapter IX of the UCITS Directive available to Shareholders under the conditions laid down in Article 94 of the UCITS Directive, for the purposes of inspection and obtaining copies thereof;
- e) provide Shareholders with information relevant to the tasks that the facilities perform in a durable medium;
- f) act as a contact point for communicating with the competent authorities.

The facilities to perform the tasks referred to above shall be provided in the official language or one of the official languages of the Member State where the Fund is marketed or in a language approved by the competent authorities of that Member State

### **Reporting to Shareholders**

The types of reports that Shareholders receive and/or are given access to in relation to their investment in the Company and the frequency and/or timing of such reporting may vary from Fund to Fund. In addition to the information disclosed in the periodic reports of the Company, the Company may, from time to time, make available to investors supplemental Fund related data such as portfolio holdings and portfolio related information in respect of one or more of the Funds or information in respect of one or more of the Funds regarding liquidity stress testing reports or results. Any such information will be available to all investors in the relevant Fund on request. Any such information will only be provided on a historical basis and after the relevant Dealing Day to which the information relates. Notwithstanding the fact that this will be historical information, an investor that has received such information may be in a more informed position regarding the relevant Fund than investors that have not received the information.

Notwithstanding any other provision contained in the Prospectus, nothing shall limit, prevent or restrict the Company from disclosing supplemental Fund related data for the purposes of compliance with the laws and regulations of any relevant jurisdiction where shares of the Company are sold or disclosing such information to a court of a competent jurisdiction, upon request. This does not affect the provision to Shareholders of the annual report and audited annual accounts referred to above under "Reports".





## Schedule 1

### 1 Permitted Investments

- 1.1 Investments of a Fund other than an Authorised Money Market Fund are confined to:
- (a) transferable securities and money market instruments which are either admitted to official listing on a stock exchange in an EU Member State or non-EU Member State or which are dealt on a market which is regulated, operates regularly, is recognised and open to the public in an EU Member State or non-EU Member State;
  - (b) recently issued transferable securities which will be admitted to official listing on a stock exchange or other market (as described above) within a year;
  - (c) money market instruments other than those dealt on a regulated market;
  - (d) units of UCITS;
  - (e) units of AIFs;
  - (f) deposits with credit institutions; and
  - (g) FDIs.

### 2 Investment Restrictions

- 2.1 A Fund other than an Authorised Money Market Fund may invest no more than 10% of net assets in transferable securities and money market instruments other than those referred to in paragraph 1.
- 2.2 A Fund other than an Authorised Money Market Fund may invest no more than 10% of net assets in recently issued transferable securities which will be admitted to official listing on a stock exchange or other market (as described in paragraph 1.1) within a year. This restriction will not apply in relation to investment by the Fund in certain US securities known as Rule 144A securities provided that:
- (a) the securities are issued with an undertaking to register with the US Securities and Exchanges Commission within one year of issue; and
  - (b) the securities are not illiquid securities i.e. they may be realised by the relevant Fund within seven days at the price, or approximately at the price, at which they are valued by the Fund.
- 2.3 A Fund other than an Authorised Money Market Fund may invest no more than 10% of net assets in transferable securities or money market instruments issued by the same body provided that the total value of transferable securities and money market instruments held in the issuing bodies in each of which it invests more than 5% is less than 40%.
- 2.4 The limit of 10% (in 2.3) is raised to 25% in the case of bonds that are issued by a credit institution which has its registered office in an EU Member State and is subject by law to special public supervision designed to protect bond-holders. If a Fund invests more than 5% of its net assets in these bonds issued by one issuer, the total value of these investments may not exceed 80% of the Net Asset Value of the Fund.
- 2.5 The limit of 10% (in 2.3) is raised to 35% if the transferable securities or money market instruments are issued or guaranteed by an EU Member State or its local authorities or by a non-EU Member State or public international body of which one or more EU Member States are members.

- 2.6 The transferable securities and money market instruments referred to in 2.4. and 2.5 shall not be taken into account for the purpose of applying the limit of 40% referred to in 2.3.
- 2.7 Cash booked in accounts and held as ancillary liquidity shall not exceed 20% of the Net Asset Value of a Fund other than an Authorised Money Market Fund.
- 2.8 The risk exposure of a Fund other than an Authorised Money Market Fund to a counterparty to an OTC derivative may not exceed 5% of net assets.
- 2.9 This limit is raised to 10% in the case of credit institutions authorised in the EEA; credit institutions authorised within a signatory state (other than an EEA member state) to the Basle Capital Convergence Agreement of July, 1988 or a credit institution authorised in Jersey, Guernsey, the Isle of Man, Australia or New Zealand.
- 2.10 Notwithstanding paragraphs 2.3, 2.7 and 2.8 above, a combination of two or more of the following issued by, or made or undertaken with, the same body may not exceed 20% of net assets:
- (a) investments in transferable securities or money market instruments;
  - (b) deposits; and/or
  - (c) counterparty risk exposures arising from OTC derivatives transactions.
- 2.11 The limits referred to in 2.3, 2.4, 2.5, 2.7, 2.8 and 2.9 above may not be combined, so that exposure to a single body shall not exceed 35% of net assets.
- 2.12 Group companies are regarded as a single issuer for the purposes of 2.3, 2.4, 2.5, 2.7, 2.8 and 2.9. However, a limit of 20% of net assets may be applied to investment in transferable securities and money market instruments within the same group.
- 2.13 A Fund other than an Authorised Money Market Fund may invest up to 100% of net assets in different transferable securities and money market instruments issued or guaranteed by any EU Member State, its local authorities, non-EU Member States or public international bodies of which one or more EU Member States are members or any of the following:
- OECD Member States
  - Government of Brazil (provided the relevant issues are investment grade)
  - Government of India (provided the relevant issues are investment grade)
  - Government of Singapore
  - European Investment Bank
  - European Bank for Reconstruction & Development
  - International Finance Corporation
  - International Monetary Fund
  - Euratom
  - The Asian Development Bank, Council of Europe
  - Eurofima African Development Bank
  - The World Bank
  - The International Bank for Reconstruction & Development
  - The Inter American Development Bank
  - European Union, European Central Bank
  - Federal National Mortgage Association

Federal Home Loan Mortgage Corporation

Government National Mortgage Association

Student Loan Marketing Association

Federal Home Loan Bank

Federal Farm Credit Bank

Tennessee Valley Authority and Straight-A Funding LLC

The Fund must hold securities from at least 6 different issues, with securities from any one issue not exceeding 30% of net assets.

### **3 Investment in Collective Investment Schemes ("CIS")**

- 3.1 A Fund other than an Authorised Money Market Fund may not invest more than 10% of net assets in any one CIS.
- 3.2 Investment in AIFs may not, in aggregate, exceed 30% of net assets.
- 3.3 Any CIS in which a Fund invests must be prohibited from investing more than 10% of net assets in other open-ended CIS.
- 3.4 When a Fund invests in the units of other CIS that are managed, directly or by delegation, by the Fund's management company or by any other company with which the Fund's management company is linked by common management or control, or by a substantial direct or indirect holding, that management company or other company may not charge subscription, conversion or redemption fees on account of the Fund's investment in the units of such other CIS.
- 3.5 Where a commission (including a rebated commission) is received by the Fund's investment adviser by virtue of an investment in the units of another CIS, this commission must be paid into the property of the Fund.

### **4 Index Tracking UCITS**

- 4.1 A Fund other than an Authorised Money Market Fund may invest up to 20% of net assets in shares and/or debt securities issued by the same body where the investment policy of the Fund is to replicate an index which satisfies the criteria set out in the Central Bank Rules and is recognised by the Central Bank.
- 4.2 The limit in 4.1 may be raised to 35%, and applied to a single issuer, where this is justified by exceptional market conditions.

### **5 General Provisions**

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

The limits laid down in 5.2(b), 5.2(c) and 5.2(d) above may be disregarded at the time of acquisition if at that time the gross amount of the debt securities or of the money market instruments, or the net amount of the securities in issue cannot be calculated.

5.3. 5.1 and 5.2 shall not be applicable to:

- (e) transferable securities and money market instruments issued or guaranteed by an EU Member State or its local authorities;
- (f) transferable securities and money market instruments issued or guaranteed by a non-EU Member State;
- (g) transferable securities and money market instruments issued by public international bodies of which one or more EU Member States are members;
- (h) shares held by a Fund other than an Authorised Money Market Fund in the capital of a company incorporated in a non-EU Member State which invests its assets mainly in the securities of issuing bodies having their registered offices in that state, where under the legislation of that state such a holding represents the only way in which the Fund other than an Authorised Money Market Fund can invest in the securities of issuing bodies of that state. This waiver is applicable only if in its investment policies the company from the non-EU Member State complies with the limits laid down in 2.3 to 2.11, 3.1, 3.2, 5.1, 5.2, 5.4, 5.5 and 5.6 and provided that where these limits are exceeded, paragraphs 5.5 and 5.6 below are observed;
- (i) shares held by a Fund other than an Authorised Money Market Fund in the capital of subsidiary companies carrying on only the business of management, advice or marketing in the country where the subsidiary is located, in regard to the repurchase of shares at Shareholders' request exclusively on their behalf.

5.3 Other than an Authorised Money Market Fund a Fund need not comply with the investment restrictions herein when exercising subscription rights attaching to transferable securities or money market instruments which form part of their assets.

5.4 The Central Bank may allow recently authorised Funds other than an Authorised Money Market Fund to derogate from the provisions of 2.3 to 2.12, 3.1, 3.2, 4.1 and 4.2 for six months following the date of their authorisation, provided they observe the principle of risk spreading.

5.5 If the limits laid down herein are exceeded for reasons beyond the control of the Company, or as a result of the exercise of subscription rights, the Company must adopt as a priority objective for its sales transactions the remedying of that situation, taking due account of the interests of its Shareholders.

5.6 Neither the Company nor a Fund, may carry out uncovered sales of:

- (a) transferable securities;
- (b) money market instruments;
- (c) units of CIS; or
- (d) FDIs.

5.7 A Fund other than an Authorised Money Market Fund may hold ancillary liquid assets.

## 6 FDIs

6.1 The below additional investment restrictions in respect of FDI shall apply in respect of all Funds.

- 6.2 The Fund's global exposure relating to FDI must not exceed its total Net Asset Value (this provision may not be applicable to Funds that calculate their global exposure using the value at risk methodology as disclosed in the relevant Supplement).
- 6.3 Position exposure to the underlying assets of FDIs, including embedded FDIs in transferable securities or money market instruments, when combined where relevant with positions resulting from direct investments, may not exceed the investment limits set out in the Central Bank Rules. (This provision does not apply in the case of index based FDIs provided the underlying index is one which meets with the criteria set out in the Central Bank Rules.)
- 6.4 A Fund may invest in FDIs dealt in OTC derivatives provided that the counterparties to OTC transactions are institutions subject to prudential supervision and belonging to categories approved by the Central Bank.
- 6.5 Investment in FDIs is subject to the conditions and limits laid down by the Central Bank

## **Authorised Money Market Funds**

### **7 Permitted Instruments**

An Authorised Money Market Fund shall invest only in one or more of the following categories of financial assets and only under the conditions specified in the Money Market Fund Regulation:

- 7.1 Money Market Instruments.
- 7.2 Eligible securitisations and asset-backed commercial paper ("ABCPs").
- 7.3 Deposits with credit institutions.
- 7.4 FDIs.
- 7.5 Repurchase agreements that fulfil the conditions set out in Article 14 of the Money Market Fund Regulation.
- 7.6 Reverse repurchase agreements that fulfil the conditions set out in Article 15 of the Money Market Fund Regulation.
- 7.7 Units or shares of other Authorised Money Market Funds.

### **8 Investment Restrictions**

- 8.1 An Authorised Money Market Fund shall invest no more than:
  - (a) 5% of its assets in money market instruments, securitisations and ABCPs issued by the same body;
  - (b) 10% of its assets in deposits made with the same credit institution, unless the structure of the banking sector in the Member State in which the Authorised Money Market Fund is domiciled is such that there are insufficient viable credit institutions to meet that diversification requirement and it is not economically feasible for the Authorised Money Market Fund to make deposits in another Member State, in which case up to 15% of its assets may be deposited with the same credit institution.
- 8.2 By way of derogation from paragraph 8.1(a), a VNAV MMF may invest up to 10% of its assets in money market instruments, securitisations and ABCPs issued by the same body provided that the total value of such money market instruments, securitisations and ABCPs held by the VNAV MMF in each issuing body in which it invests more than 5% of its assets does not exceed 40 % of the value of its assets.

- 8.3 The aggregate of all of an Authorised Money Market Fund's exposures to securitisations and ABCPs shall not exceed 15% of the assets of the Authorised Money Market Fund. As from the date of application of the delegated act referred to in Article 11(4) of the Money Market Fund Regulation, the aggregate of all of an Authorised Money Market Fund's exposures to securitisations and ABCPs shall not exceed 20% of the assets of the Authorised Money Market Fund, whereby up to 15 % of the assets of the Authorised Money Market Fund may be invested in securitisations and ABCPs that do not comply with the criteria for the identification of STS (as defined in the Money Market Fund Regulation) securitisations and ABCPs.
- 8.4 The aggregate risk exposure of an Authorised Money Market Fund to the same counterparty to OTC derivative transactions which fulfil the conditions set out in Article 13 of the Money Market Fund Regulation shall not exceed 5% of the assets of the Authorised Money Market Fund.
- 8.5 The cash received by the Authorised Money Market Fund as part of the repurchase agreement does not exceed 10% of its assets.
- 8.6 The aggregate amount of cash provided to the same counterparty of an Authorised Money Market Fund in reverse repurchase agreements shall not exceed 15% of the assets of the Authorised Money Market Fund.
- 8.7 Notwithstanding paragraphs 8.1 and 8.4 above, an Authorised Money Market Fund shall not combine, where to do so would result in an investment of more than 15% of its assets in a single body, any of the following:
- (a) investments in Money Market Instruments, securitisations and ABCPs issued by that body;
  - (b) deposits made with that body;
  - (c) OTC FDIs giving counterparty risk exposure to that body.
- 8.8 By way of derogation from the diversification requirement provided for in paragraph 8.7, where the structure of the financial market in the Member State in which the Authorised Money Market Fund is domiciled is such that there are insufficient viable financial institutions to meet that diversification requirement and it is not economically feasible for the Authorised Money Market Fund to use financial institutions in another Member State, the Authorised Money Market Fund may combine the types of investments referred to in points 8.7(a) to 8.7(c) up to a maximum investment of 20% of its assets in a single body.
- 8.9 An Authorised Money Market Fund may invest up to 100% of its assets in different Money Market Instruments issued or guaranteed separately or jointly by the European Union, the national, regional and local administrations of the Member States or their central banks, the European Central Bank, the European Investment Bank, the European Investment Fund, the European Stability Mechanism, the European Financial Stability Facility, a central authority or central bank of a third country, the International Monetary Fund, the International Bank for Reconstruction and Development, the Council of Europe Development Bank, the European Bank for Reconstruction and Development, the Bank for International Settlements, or any other relevant international financial institution or organisation to which one or more Member States belong.
- 8.10 Paragraph 8.9 shall only apply where all of the following requirements are met:
- (a) the Authorised Money Market Fund holds Money Market Instruments from at least six different issues by the issuer;
  - (b) the Authorised Money Market Fund limits the investment in Money Market Instruments from the same issue to a maximum of 30% of its assets;
  - (c) the Authorised Money Market Fund makes express reference, in its fund rules or instruments of incorporation, to all administrations, institutions or organisations referred to in the first

subparagraph that issue or guarantee separately or jointly money market instruments in which it intends to invest more than 5% of its assets;

- (d) the Authorised Money Market Fund includes a prominent statement in its prospectus and marketing communications drawing attention to the use of the derogation and indicating all administrations, institutions or organisations referred to in the first subparagraph that issue or guarantee separately or jointly Money Market Instruments in which it intends to invest more than 5% of its assets.
- 8.11 Notwithstanding the individual limits laid down in paragraph 8.1, an Authorised Money Market Fund may invest no more than 10% of its assets in bonds issued by a single credit institution that has its registered office in a Member State and is subject by law to special public supervision designed to protect bondholders. In particular, sums deriving from the issue of those bonds shall be invested in accordance with the law in assets which, during the whole period of validity of the bonds, are capable of covering claims attaching to the bonds and which, in the event of failure of the issuer, would be used on a priority basis for the reimbursement of the principal and payment of the accrued interest.
- 8.12 Where an Authorised Money Market Fund invests more than 5% of its assets in the bonds referred to in paragraph 8.11 issued by a single issuer, the total value of those investments shall not exceed 40% of the value of the assets of the Authorised Money Market Fund.
- 8.13 Notwithstanding the individual limits laid down in paragraph 8.1, an Authorised Money Market Fund may invest no more than 20% of its assets in bonds issued by a single credit institution where the requirements set out in point (f) of Article 10(1) or point (c) of Article 11(1) of Delegated Regulation (EU) 2015/61 are met, including any possible investment in assets referred to in paragraph 8.11.
- 8.14 Where an Authorised Money Market Fund invests more than 5% of its assets in the bonds referred to in paragraph 2.13 issued by a single issuer, the total value of those investments shall not exceed 60% of the value of the assets of the Authorised Money Market Fund, including any possible investment in assets referred to in paragraph 8.11, respecting the limits set out therein.
- 8.15 Companies which are included in the same group for the purposes of consolidated accounts under Directive 2013/34/EU of the European Parliament and of the Council or in accordance with recognised international accounting rules, shall be regarded as a single body for the purpose of calculating the limits referred to in paragraphs 8.1 to 8.8.

## **9 Eligible units or shares of Authorised Money Market Funds**

- 9.1 An Authorised Money Market Fund may acquire the units or shares of any other Authorised Money Market Fund ('targeted MMF') provided that all of the following conditions are fulfilled:
- (a) no more than 10% of the assets of the targeted MMF are able, according to its fund rules or instruments of incorporation, to be invested in aggregate in units or shares of other Authorised Money Market Funds;
  - (b) the targeted MMF does not hold units or shares in the acquiring MMF.
- 9.2 An Authorised Money Market Fund whose units or shares have been acquired shall not invest in the acquiring MMF during the period in which the acquiring MMF holds units or shares in it.
- 9.3 An Authorised Money Market Fund may acquire the units or shares of other Authorised Money Market Funds, provided that no more than 5% of its assets are invested in units or shares of a single Authorised Money Market Fund.
- 9.4 An Authorised Money Market Fund may, in aggregate, invest no more than 17.5% of its assets in units or shares of other Authorised Money Market Funds.
- 9.5 Units or shares of other Authorised Money Market Funds shall be eligible for investment by an Authorised Money Market Fund provided that all of the following conditions are fulfilled:

- (a) the targeted MMF is authorised under the Money Market Fund Regulation;
- (b) where the targeted MMF is managed, whether directly or under a delegation, by the same manager as that of the acquiring MMF or by any other company to which the manager of the acquiring MMF is linked by common management or control, or by a substantial direct or indirect holding, the manager of the targeted MMF, or that other company, is prohibited from charging subscription or redemption fees on account of the investment by the acquiring MMF in the units or shares of the targeted MMF;

9.6 Short-term MMFs may only invest in units or shares of other short-term MMFs.

9.7 Standard MMFs may invest in units or shares of short-term MMFs and standard MMFs.

## 10 **FDIs**

10.1 A Fund's global exposure relating to FDI must not exceed its total net assets (this provision may not be applicable to Funds that calculate their global exposure using the value at risk methodology as disclosed in the relevant Supplement).

10.2 Position exposure to the underlying assets of FDI including embedded FDI in transferable securities or money market instruments, when combined where relevant with positions resulting from direct investments, may not exceed the investment limits set out in the Central Bank Rules. (This provision does not apply in the case of index based FDI provided the underlying index is one which meets with the criteria set out in the Central Bank Rules.)

10.3 A Fund may invest in FDIs dealt in OTC derivatives provided that the counterparties to OTC derivatives are institutions subject to prudential supervision and belonging to categories approved by the Central Bank.

10.4 Investment in FDI is subject to the conditions and limits laid down by the Central Bank.

10.5 The Company will not amend such investment restrictions except in accordance with the Central Bank Rules.



## Schedule 2 Markets

The following is a list of regulated stock exchanges and markets on which a Fund's investments in securities and FDI other than permitted investment in unlisted investments, will be listed or traded and is set out in accordance with the Central Bank Rules. With the exception of permitted investments in unlisted investments, each Fund's investment in securities and derivative instruments will be restricted to the stock exchanges and markets listed below. The Central Bank does not issue a list of approved stock exchanges or markets.

- (a) any stock exchange which is:
  - (i) located in an EEA Member State; or
  - (ii) located in Australia, Canada, Hong Kong, Japan, New Zealand, Switzerland, United Kingdom, United States of America; or
- (b) any stock exchange included in the following list:
  - (i) Channel Islands (Guernsey, Jersey & Isle of Man)
  - (ii) Channel Islands Stock Exchange;
- (c) any of the following:
  - (i) The market organised by the International Capital Market Association;
  - (ii) The (i) market conducted by banks and other institutions regulated by the Prudential Regulation Authority ("**PRA**") and (ii) market in non-investment products which is subject to the guidance contained in the Non-Investment Products Code drawn up by the participants in the London market, including the PRA and the Bank of England;
  - (iii) The market in US government securities conducted by primary dealers regulated by the Federal Reserve Bank of New York and the US Securities and Exchange Commission;
  - (iv) The OTC market in the United States conducted by primary and secondary dealers regulated by the Securities and Exchanges Commission and by the National Association of Securities Dealers (and by banking institutions regulated by the US Comptroller of the Currency, the Federal Reserve System or Federal Deposit Insurance Corporation);
  - (v) KOSDAQ;
  - (vi) NASDAQ;
  - (vii) SESDAQ;
  - (viii) TAISDAQ/Gretai Market;
  - (ix) The Chicago Board of Trade;
  - (x) The Chicago Mercantile Exchange;
  - (xi) The OTC market in Japan regulated by the Securities Dealers Association of Japan;

- (xii) The OTC market in Canadian Government Bonds as regulated by the Investment Dealers Association of Canada;
- (xiii) The French market for Titres de Creance Negotiable (OTC market in negotiable debt instruments).

**Schedule 3**  
**List of Sub-Custodial Agents Appointed by the Northern Trust Company**

<b>Country</b>	<b>Sub-Custodian</b>	<b>Sub-Custodian Delegates</b>
Argentina	Citibank N.A., Buenos Aires Branch	
Australia	The Hongkong and Shanghai Banking Corporation Limited	HSBC Bank Australia Limited
Austria	UniCredit Bank Austria A.G	
Bangladesh	Standard Chartered Bank	
Belgium	Deutsche Bank AG	
Bermuda	The Hongkong and Shanghai Banking Corporation Limited	HSBC Bank Bermuda Limited
Bosnia and Herzegovina - Federation of B & H	Raiffeisen Bank International AG	Raiffeisen Bank Bosnia DD BiH
Bosnia and Herzegovina - Republic of Srpska	Raiffeisen Bank International AG	Raiffeisen Bank Bosnia DD BiH
Botswana	Standard Chartered Bank Botswana Limited	
Brazil	Citibank, N.A., Brazilian Branch	Citibank Distribuidora de Titulos e Valores Mobiliarios S.A ("DTVM")
Bulgaria	Citibank Europe plc, Bulgaria Branch	
Canada	The Northern Trust Company, Canada	
Canada*	Royal Bank of Canada	
Chile	Citibank N.A.	Banco de Chile
China B Share	The Hongkong and Shanghai Banking Corporation Limited	HSBC Bank (China) Company Limited
Clearstream	Clearstream Banking S.A.,	Not applicable
Colombia	Cititrust Colombia S.A. Sociedad Fiduciaria	
Costa Rica	Banco Nacional de Costa Rica	
Croatia	UniCredit Bank Austria A.G.	Zagrebacka Banka d.d.
Cyprus	Citibank Europe PLC	
Czech Republic	UniCredit Bank Czech Republic and Slovakia, a.s.	
Denmark	Nordea Bank AB (publ)	
Egypt	Citibank N.A., Cairo Branch	
Estonia	Swedbank AS	
Euro CDs	Deutsche Bank AG, London Branch	

<b>Country</b>	<b>Sub-Custodian</b>	<b>Sub-Custodian Delegates</b>
Finland	Nordea Bank AB (publ)	
France	The Northern Trust Company	
Germany	Deutsche Bank AG	
Ghana	Standard Chartered Bank Ghana Limited	
Greece	Citibank Europe PLC	
Hong Kong	The Hongkong and Shanghai Banking Corporation Limited	
Hong Kong (Stock Connect Shanghai/Shenzhen)	The Hongkong and Shanghai Banking Corporation Limited	
Hungary	UniCredit Bank Hungary Zrt	
India	Citibank, N.A.	
Indonesia	Standard Chartered Bank	
Ireland	Euroclear UK and Ireland Limited (Northern Trust self-custody)*	
Israel	Bank Leumi Le-Israel BM	
Italy	Deutsche Bank SpA	
Japan	The Hongkong and Shanghai Banking Corporation Limited	
Jordan	Standard Chartered Bank	
Kazakhstan	Citibank Kazakhstan JSC	
Kenya	Standard Chartered Bank Kenya Limited	
Kuwait	The Hongkong and Shanghai Banking Corporation Limited	HSBC Bank Middle East Limited
Latvia	Swedbank AS	
Lithuania	AB SEB Bankas	
Luxembourg	Euroclear Bank S.A. / N.V	
Malaysia	The Hongkong and Shanghai Banking Corporation Limited	HSBC Bank Malaysia Berhad
Mauritius	The Hongkong and Shanghai Banking Corporation Limited	
Mexico	Banco Nacional de Mexico S.A. integrante del Grupo Financiero Banamex	
Morocco	Societe Generale Marocaine de Banques	
Namibia	Standard Bank Namibia Ltd	
Netherlands	Deutsche Bank AG	

<b>Country</b>	<b>Sub-Custodian</b>	<b>Sub-Custodian Delegates</b>
New Zealand	The Hongkong and Shanghai Banking Corporation Limited	
Nigeria	Stanbic IBTC Bank Plc	
Norway	Nordea Bank AB (publ)	
Oman	The Hongkong and Shanghai Banking Corporation Limited	HSBC Bank Oman SAOG
Pakistan	Citibank N.A., Karachi Branch	
Panama	Citibank, N.A., Panama Branch	
Peru	Citibank del Peru S.A.	
Philippines	The Hongkong and Shanghai Banking Corporation Limited	
Poland	Bank Polska Kasa Opieki Spółka Akcyjna	
Portugal	BNP Parisbas Securities Services	
Qatar	The Hongkong and Shanghai Banking Corporation Limited	HSBC Bank Middle East Limited
Romania	Citibank Europe plc	
Russia	AO Citibank	
Saudi Arabia	The Hongkong and Shanghai Banking Corporation Limited	HSBC Saudi Arabia Limited
Serbia	UniCredit Bank Austria A.G.	UniCredit Bank Serbia JSC
Singapore	DBS Bank Ltd	
Slovakia	Citibank Europe plc	
Slovenia	UniCredit Banka Slovenija d.d.	
South Africa	The Standard Bank of South Africa Limited	
South Korea	The Hongkong and Shanghai Banking Corporation Limited	
Spain	Deutsche Bank SAE	
Sri Lanka	Standard Chartered Bank	
Swaziland	Standard Bank Swaziland Ltd	
Sweden	Svenska Handelsbanken AB (publ)	
Switzerland	Credit Suisse AG	
Taiwan	Bank of Taiwan	
Tanzania	Standard Chartered Bank (Mauritius) Limited	Standard Chartered Bank Tanzania Ltd
Thailand	Citibank, N.A., Bangkok Branch	

<b>Country</b>	<b>Sub-Custodian</b>	<b>Sub-Custodian Delegates</b>
Tunisia	Union Internationale De Banques	
Turkey	Deutsche Bank AG & Deutsche Bank AS	
Uganda	Standard Chartered Bank Uganda Limited	
United Arab Emirates - ADX	The Hongkong and Shanghai Banking Corporation Limited	
United Arab Emirates - DFM	The Hongkong and Shanghai Banking Corporation Limited	
United Arab Emirates - NASDAQ Dubai	The Hongkong and Shanghai Banking Corporation Limited	
United Kingdom	Euroclear UK and Ireland Limited (Northern Trust self-custody)	
United States	The Northern Trust Company	
Uruguay	Banco Itau Uruguay S.A.	
Vietnam	The Hongkong and Shanghai Banking Corporation Limited	HSBC Bank (Vietnam) Ltd
Zambia	Standard Chartered Bank Zambia plc	

## **Schedule 4**

### **Risk Factors**

Investors in the Funds should understand that all investments involve risks. The following are some of the risks of investing in the Funds, but the list does not purport to be exhaustive. Investors should understand that an investment in any Fund may be exposed to other risks of an exceptional nature (in addition to, or separately from, those described below) from time to time:-

#### **Investment Risk**

There can be no assurance that a Fund will achieve its investment objective. An investment in any Fund involves investment risks, including possible loss of the amount invested. The capital return and income of each Fund are based on the capital appreciation and income on the investments it holds, less expenses incurred. Therefore, a Fund's return may be expected to fluctuate in response to changes in such capital appreciation or income. Shares of the Company are not bank deposits or obligations of, or guaranteed or endorsed or otherwise supported by, The Northern Trust Company, any related or associated company of The Northern Trust Company, or any other bank, and are not federally insured or guaranteed by the US Government, Federal Deposit Insurance Corporation, Federal Reserve Board, or any other government, government agency or other guarantee scheme which may protect the holders of a bank deposit.

The same investment process may be used for Funds that maintain a stable Net Asset Value per Share or a variable Net Asset Value per Share. The Investment Manager may also choose to apply uniform investment guidelines for both types of Fund. Whilst the Net Asset Values for such Funds would logically vary, given the different accounting techniques used, their risk exposure would be nearly identical.

#### **Segregated Liability Risk**

While the provisions of the Companies Act provide for segregated liability between Funds, these provisions have yet to be tested in foreign courts, in particular, in satisfying local creditors' claims. Accordingly, it is not free from doubt that the assets of any Fund of the Company may be exposed to the liabilities of other Funds of the Company. At the date of this Prospectus, the Directors are not aware of any such existing or contingent liability. In the event that any asset attributable to a Fund is taken in execution of a liability not attributable to that Fund, the provisions of Section 1406 of the Companies Act shall apply.

#### **Risk of Loss**

In the case of all Funds, whether seeking to maintain a stable Net Asset Value per Share or not, an investment in the Fund is neither insured nor guaranteed by any government, government agencies or instrumentalities or any bank guarantee fund. In the case of any Fund that seeks to maintain a stable Net Asset Value per Share (as will be the case unless otherwise disclosed in the relevant Supplement) maintenance of such a stable Net Asset Value per Share is not guaranteed. An investment in any Fund of the Company involves certain investment risks, including the possible loss of principal.

#### **Floating Rate Securities Risk**

Each Fund may invest in floating rate securities whose interest rates are not set but which fluctuate periodically. These securities reset their yield on a periodic basis (for example, daily, weekly or quarterly) and are closely correlated to changes in money market interest rates.

#### **Stable Net Asset Value per Share Risk**

For each Fund designated as a LVNAV MMF or Public Debt CNAV MMF (unless otherwise disclosed in the relevant Supplement) the Company shall seek to maintain a stable Net Asset Value per Share in respect of Distributing Shares of such Funds. However, there can be no assurance that any such Fund will

be able to achieve this objective. The price of Shares as well as the income therefrom may go down as well as up to reflect changes in the Net Asset Value.

### **Amortised Cost Method Risk**

Unless otherwise disclosed in the relevant Supplement, the investments of each Fund designated as a LVNAV MMF or Public Debt CNAV MMF will be valued at amortised cost. Investors' attention is drawn to the section of the Prospectus entitled "Valuation of Assets" for further information. In periods of declining short-term interest rates, the inflow of net new money to such Funds from the continuous issue of Shares will likely be invested in portfolio instruments producing lower yields than the balance of such Fund's portfolio, thereby reducing the current yield of the Fund. In periods of rising interest rates, the opposite can be true.

### **Liquidity and Settlement Risk**

Each Fund will be exposed to a credit risk on parties with whom it trades and may also bear the risk of settlement default. For example, although the seller under a repurchase agreement will be required to maintain the value of the securities subject to the agreement in an amount exceeding the repurchase price, default by the seller would expose a Fund to possible loss due to adverse market action or delay in connection with the disposition of the underlying obligations. Securities purchased or sold on a "when-issued" or "delayed delivery" basis involve a risk of loss if the value of the securities to be purchased declines prior to the settlement date or if the value of the securities to be sold increases prior to settlement date. Loans of securities also involve risks of delay in receiving additional collateral or in recovering the securities loaned, or possibly loss of rights in the collateral should the borrower of the securities become insolvent.

Furthermore, it may not be possible or may be difficult to sell a security held by a Fund at the time or the price that would normally prevail in the market. It may be necessary, due to illiquidity in the market or otherwise, to lower the price, sell other securities instead, or cease pursuing an investment opportunity, each of which could result in a negative effect on a Fund's performance. A formerly liquid security may become illiquid due to a number of reasons, including as a result of the factors described elsewhere in these risk factors.

### **Risks Associated with substantial Investment in Cash/money market instruments**

Where a Fund invests substantially in deposits or money market instruments, it should be noted that subscription for Shares in such a Fund is not the same as placing monies in deposit with a bank or other deposit-taking body. The value of such a Fund is capable of fluctuation and may be affected by the creditworthiness of issuers of the Fund's investments. The value of Shares are not insured or guaranteed and the Fund does not rely on external support for guaranteeing the liquidity of the Fund or stabilising the Net Asset Value per Share. Notwithstanding the policy of the relevant Fund to invest in short-term instruments, the value of that Fund may also be affected by substantial adverse movements in interest rates and involves certain investment risks, including the possible fluctuation and/or loss of principal.

### **Non-Authorised Money Market Funds Risk**

Funds that fall outside the scope of the Money Market Fund Regulation may invest in assets that are not as restricted as that of an Authorised Money Market Fund and it may therefore not be suitable for investors seeking the liquidity and return profile of an Authorised Money Market Fund. While such Funds may seek to invest in liquid securities with the aim of achieving stability of capital and income, the amount invested in Shares may fluctuate up or down and an investment in such Funds involves certain investment risks (some of which may not be associated with Authorised Money Market Funds), including the possible loss of principal.



## **LVNAV MMF Risk**

Under the Money Market Fund Regulation, LVNAV MMFs are permitted to issue and redeem Shares at a stable Net Asset Value per Share. However, where the Net Asset Value per Share calculated in accordance with the amortised valuation method deviates from the Net Asset Value per Share calculated in accordance with the mark to market or mark to model approach, as relevant (the "**Market Price**") by more than 0.20% the following issue and redemption of Shares is required to be undertaken at the Market Price. In the case of redemptions, this may result in more Shares being redeemed to satisfy the redemption request (where the redemption request is expressed in value terms) or less redemption proceeds being paid (where the redemption request relates to a certain number of Shares) than would have been the case had the redemption been effected at a stable Net Asset Value per Share.

Where an Authorised Money Market Fund operates an amortised system of advanced settlement, whereby redemption requests are settled in advance of the finalisation of the Net Asset Value per Share for a Dealing Day and subsequent to the settlement of redemption proceeds, the relevant Authorised Money Market Fund is no longer permitted to redeem Shares at a stable Net Asset Value per Share, the repurchasing Shareholder may be required to repay redemption proceeds to the relevant Authorised Money Market Fund to offset the over payment of redemption proceeds upon finalisation of the redemption price at the Market Price.

A LVNAV MMF is permitted to value assets on the basis of the amortised cost method only in respect of assets that have a residual maturity of up to 75 days and where the Market Price of such assets do not deviate by more than 0.10%. Where the value of such assets deviate by more than 0.10% they shall be valued using the Market Price, which may impact on the ability of the Fund to offer a stable Net Asset Value per Share.

## **Automatic Conversion Risk**

A Fund designated as a LVNAV MMF or a Public Debt CNAV MMF is required to take certain action in line with the liquidity management procedures of the Manager where the daily and/or weekly maturing assets of such Funds falls below the thresholds provided for in the Money Market Fund Regulation. Such action includes but is not limited to consideration of suspension of redemptions for a period of up to 15 Business Days. In the event that within a period of 90 days, the total duration of the suspension exceeds 15 Business Days, the Fund shall automatically cease to be a LVNAV MMF or Public Debt CNAV MMF as appropriate and become a VNAV MMF, in which case Shareholders in the relevant Fund will be immediately informed in writing. This will result in the Fund no longer being permitted to value assets on the amortised cost method and issue and redeem shares at a stable Net Asset Value per Share, which may result in Shareholders looking to redeem Shares receiving less redemption proceeds than would have been the case in the event that redemptions were effected at a stable Net Asset Value per Share.

## **Currency Risk**

The Net Asset Value per Share will be computed in the base currency of the relevant Fund. The Investment Manager, at its discretion, may enter into cross currency hedging transactions.

## **Currency Hedging at Share Class Level Risk**

Hedging activity at Share Class level may expose the Fund to cross contamination risk as it may not be possible to ensure (contractually or otherwise) that a counterparty's recourse in any such arrangements is limited to the assets of the relevant Share Class. Although the costs, gains and losses of the currency hedging transactions will accrue solely to the relevant Share Class, investors are nonetheless exposed to the risk that currency hedging transactions undertaken in one Share Class may impact negatively on another Share Class, particularly where (pursuant to EMIR) such currency hedging transactions require the Fund to post collateral (i.e. initial or variation margin). Any such collateral is posted by a Fund and at the Fund's risk (rather than by the Share Class and at the risk of the Share Class only because the Share Class does not represent a segregated portion of the Fund's assets) thus exposing investors in other Share Classes to a proportion of this risk.

## **Market Risk**

Some of the recognised exchanges on which each Fund may invest may prove to be illiquid or highly volatile from time to time and this may affect the price at which each Fund may liquidate positions to meet redemption requests or other funding requirements.

The market value of a security may go up or down, sometimes rapidly and unpredictably. Such fluctuations may cause a security to be worth less than the price originally paid for it, or less than it was worth at a previous date. Market risk may affect a single issuer, industry, sector, country or the market as a whole.

## **Valuation Risk**

A Fund may invest a limited proportion of its assets in unlisted securities, details of which shall be set out in the Supplement for that Fund. Such investment will be valued at the probable realisation value as determined in accordance with the valuation provisions set out under the headings "Determination of Net Asset Value" and "Valuation of Assets" below. Estimates of the fair value of such investments are inherently difficult to establish and are the subject of substantial uncertainty.

## **Issuer Risk**

The value of a security held by a Fund may decrease due to a number of reasons relating directly to the issuer of such security, including as a result of the issuer's financial leverage or performance, management changes or reduced demand for that issuer's goods or services.

## **Sovereign Debt Risk**

Investments in sovereign debt securities involve certain risks. The governmental authority that controls the repayment of the debt may be unwilling or unable to repay the principal and/or interest when due in accordance with the terms of such securities due to a range of factors that may include: the extent of its foreign reserves; the availability of sufficient foreign exchange on the date a payment is due; the relative size of the debt service burden to the economy as a whole; or the government debtor's policy towards the International Monetary Fund and the political constraints to which a government debtor may be subject. If an issuer of sovereign debt defaults on payments of principal and/or interest, a Fund may have limited legal recourse against the issuer and/or guarantor. In certain cases, remedies must be pursued in the courts of the defaulting party itself, and the Fund's ability to obtain recourse may be limited. Historically, certain issuers of the government debt securities in which a Fund may invest have experienced substantial difficulties in meeting their external or local market debt obligations, resulting in defaults on certain obligations and the restructuring of certain indebtedness. Such restructuring arrangements have included obtaining additional credit to finance outstanding obligations and the reduction and rescheduling of payments of interest and principal through the negotiation of new or amended credit agreements.

## **OTC Markets Risk**

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

## **Swaps**

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

## **Futures and Options**

The investment policies of a Fund may permit the Investment Manager to make use of futures and options for investment or hedging purposes. Due to the nature of futures, cash to meet margin monies will be held by a broker with whom the Fund has an open position. In the event of the insolvency or bankruptcy of the broker, there can be no guarantee that such monies will be returned to the Fund. On execution of an option, a Fund may pay a premium to a counterparty. In the event of the insolvency or bankruptcy of the counterparty, the option premium may be lost in addition to any unrealised gains where the contract is in the money.

### **Derivatives and Securities Financing Transactions Risk**

The use of derivatives and Securities Financing Transactions may result in greater returns but may entail greater risk for your investment. Derivatives may be used as a means of gaining indirect exposure to a specific asset, rate or index and/or as part of a strategy designed to reduce exposure to other risks, such as interest rate or currency risk. Use of derivatives involves risks different from, or possibly greater than, the risks associated with investing directly in securities and other investments. They also involve the risk of mispricing or improper valuation and the risk that changes in the value of the derivative may not correlate perfectly with the underlying asset, rate or index.

Investing in a derivative instrument could cause a Fund to lose more than the principal amount invested. Also, suitable derivative transactions may not be available in all circumstances and there can be no assurance that the Fund will engage in these transactions to reduce exposure to other risks when that would be beneficial.

The prices of derivative instruments are highly volatile. Price movements of derivative contracts are influenced by, among other things, interest rates, changing supply and demand relationships, trade, fiscal, monetary and exchange control programmes and policies of governments, national and international political and economic events, changes in local laws and policies. In addition, governments from time to time intervene, directly and by regulation, in certain markets, particularly markets in currencies and interest rate related futures and options. Such intervention often is intended directly to influence prices and may, together with other factors, cause all of such markets to move rapidly in the same direction because of, among other things, interest rate fluctuations. The use of derivatives also involves certain special risks, including (1) dependence on the ability to predict movements in the prices of securities being hedged and movements in interest rates; (2) imperfect correlation between the hedging instruments and the securities or market sectors being hedged; (3) the fact that skills needed to use these instruments are different from those needed to select the Fund's securities; and (4) the possible absence of a liquid market for any particular instrument at any particular time.

Securities Financing Transactions create several risks for the Company and its investors, including counterparty risk if the counterparty to a Securities Financing Transaction defaults on its obligation to return assets equivalent to the ones provided to it by the relevant Fund and liquidity risk if a Fund is unable to liquidate collateral provided to it to cover a counterparty default.

### **Absence of Regulation; Counterparty Risk**

In general, there is less government regulation and supervision of transactions in the OTC markets (in which currencies, spot and option contracts, certain options on currencies and swaps are generally traded) than of transactions entered into on recognised exchanges. OTC derivatives lack transparency as they are privately negotiated contracts and any information concerning them is usually only available to the contracting parties. While measures are being introduced under EMIR that aim to mitigate risks involved in investing in OTC derivatives and improve transparency, these types of investments continue to present challenges in clearly understanding the nature and level of risks involved. In addition, many of the protections afforded to participants on some recognised exchanges, such as the performance guarantee of an exchange clearing house, might not be available in connection with OTC transactions.

The counterparty for an OTC derivative will be the specific firm involved in the transaction rather than a recognised exchange and accordingly the bankruptcy or default of a counterparty with which the Fund

trades OTC derivatives could result in substantial losses to the Fund. In addition, a counterparty may refrain from settling a transaction in accordance with its terms and conditions because the contract is not legally enforceable or because it does not accurately reflect the intention of the parties or because of a dispute over the terms of the contract (whether or not bona fide) or because of a credit or liquidity problem, thus causing the Fund to suffer a loss. To the extent that a counterparty defaults on its obligation and the Fund is delayed or prevented from exercising its rights with respect to the investments in its portfolio, it may experience a decline in the value of its position, lose income and incur costs associated with asserting its rights. Regardless of the measures the Fund may implement to reduce counterparty credit risk, however, there can be no assurance that a counterparty will not default or that the Fund will not sustain losses on the transactions as a result. Counterparty exposure will be in accordance with the Fund's investment restrictions.

### **Correlation Risk**

The prices of derivative instruments may be imperfectly correlated to the prices of the underlying securities, for example, because of transaction costs and interest rate movements.

### **Legal Risk**

The use of OTC derivatives and Securities Financing Transactions will expose the Funds to the risk that the legal documentation of the relevant contract may not accurately reflect the intention of the parties.

### **OTC Markets Risk**

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

### **Liquidity Risk**

Liquidity risk exists when a particular derivative instrument is difficult to purchase or sell. If a derivative transaction is particularly large or if the relevant market is illiquid (as is the case with many privately negotiated derivatives), it may not be possible to initiate a transaction or liquidate a position at an advantageous time or price.

### **Foreign Exchange Transactions**

Where a Fund utilises derivatives which alter the currency exposure characteristics of securities held by the Fund the performance of the Fund may be strongly influenced by movements in foreign exchange rates because currency positions held by the Fund may not correspond with the securities positions held.

### **Efficient Portfolio Management Risk**

The Company on behalf of a Fund may employ techniques and instruments relating to Transferable Securities, Money Market Instruments and/or other financial instruments (including FDI) in which it invests for efficient portfolio management purposes. Many of the risks attendant in utilising derivatives, as disclosed in the section entitled "Derivatives Risk and Securities Financing Transactions Risk" above, will be equally relevant when employing such efficient portfolio management techniques. In addition to the sub-section entitled "General", particular attention is drawn to the sub-sections entitled "Counterparty Risk" and "Collateral Risk". Investors should also be aware that from time to time, a Fund may engage with repurchase/reverse repurchase agreements counterparties and/or securities lending agents that are related parties to the Depositary or other service providers of the Company. Such engagement may on occasion cause a conflict of interest with the role of the Depositary or other service provider in respect of the Company. Please refer to the section of the Prospectus entitled "Conflicts of Interest" for further details on the conditions applicable to any such related party transactions. The identity of any such related parties will be specifically identified in the Company's semi-annual and annual reports.

### **Securities Lending Risk**

The principal risk in securities lending arrangements is the insolvency of the borrower. In this event the lending agent will use the collateral to repurchase the loaned securities within the market. The risk here arises during the intervening period between the borrower default and repurchase, whereby the value of collateral may fall and subsequently be insufficient to repurchase the equivalent value and number of securities and entitlements in the market and therefore could possibly result in capital losses. Where collateral is received in the form of cash, there are additional risks of reinvestment like any other cash pool, which includes market and credit risks associated with the reinvestment pool and activity. Where a Fund enters into securities lending arrangements, the Fund will have the right to terminate such arrangements at any time and demand the return of any or all of the securities loaned.

### **Counterparty Risk**

Each Fund will be exposed to a credit risk in relation to the counterparties with whom they transact or place margin or collateral in respect of transactions in FDIs. To the extent that a counterparty defaults on its obligation and the Fund is delayed or prevented from exercising its rights with respect to the investments in its portfolio, it may experience a decline in the value of its position, lose income and incur costs associated with asserting its rights. Regardless of the measures the Fund may implement to reduce counterparty credit risk, however, there can be no assurance that a counterparty will not default or that the Fund will not sustain losses on the transactions as a result.

### **Emerging Market Risks**

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

#### **(a) Settlement and Credit Risks**

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

#### **(b) Regulatory Risks and Accounting Standards**

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

#### **(c) Political Risks**

The performance of a Fund may be affected by changes in economic and market conditions, uncertainties such as political developments, changes in government policies, the imposition of

restrictions on the transfer of capital and in legal, regulatory and tax requirements. A Fund may also be exposed to risks of expropriation, nationalisation and confiscation of assets and changes in legislation relating to the level of foreign ownership.

(d) Custody Risks

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

(e) Currency Risk

The value of a Fund's assets may be affected by political, legal, economic and fiscal uncertainties. Existing laws and regulations may not be consistently applied.

(f) Legal

The legal infrastructure and accounting, custodial, auditing and reporting standards in certain countries in which investment may be made may not provide the same degree of investor protection or information to investors as would generally apply in major securities markets. Risks associated with many emerging market legal systems (for example the Russian legal system) include (i) the untested nature of the independence of the judiciary and its immunity from economic, political or nationalistic influences; (ii) inconsistencies among laws, presidential decrees and governmental and ministerial orders and resolutions; (iii) the lack of judicial and administrative guidance on interpreting applicable laws; (iv) a high degree of discretion on the part of government authorities; (v) conflicting local, regional and federal laws and regulations; (vi) the relative inexperience of judges and courts in interpreting new legal norms; and (vii) the unpredictability of enforcement of foreign judgements and foreign arbitration awards. There is no guarantee that further judicial reform aimed at balancing the rights of private and governmental authorities in courts and reducing grounds for re-litigation of decided cases will be implemented and succeed in building a reliable and independent judicial system.

(g) Market Characteristics/ Liquidity

In general, emerging markets are still in the early stages of their development, have less volume, are less liquid and experience greater volatility than more established markets and many emerging markets are not highly regulated. When seeking to sell emerging market securities, little or no market may exist for the securities. The combination of price volatility and the less liquid nature of securities markets in emerging markets may, in certain cases, affect a Fund's ability to acquire or dispose of securities at the price and time it wishes to do so, and consequently may have an adverse impact on the investment performance of the Fund.

**Class Actions**

Where a Fund invests in an asset that is or becomes subject to a class action, the Board of Directors may or may not decide to participate in such event(s). The Board of Directors may obtain independent legal advice at the cost of the Fund to aid in any decision pertaining to potential class actions.

### **Depository Risk**

If a Fund invests in assets that are financial instruments that can be held in custody ("**Custody Assets**"), the Depository is required to perform full safekeeping functions and will be liable for any loss of such assets held in custody unless it can prove that the loss has arisen as a result of an external event beyond its reasonable control, the consequences of which would have been unavoidable despite all reasonable efforts to the contrary. In the event of such a loss (and the absence of proof of the loss being caused by such an external event), the Depository is required to return identical assets to those lost or a corresponding amount to the Fund without undue delay.

If a Fund invests in assets that are not financial instruments that can be held in custody ("**Non-Custody Assets**"), the Depository is only required to verify the Fund's ownership of such assets and to maintain a record of those assets which the Depository is satisfied that the Fund holds ownership of. In the event of any loss of such assets, the Depository will only be liable to the extent the loss has occurred due to its negligent or intentional failure to properly fulfil its obligations pursuant to the Depository Agreement.

As it is likely that the Funds may each invest in both Custody Assets and Non-Custody Assets, it should be noted that the safekeeping functions of the Depository in relation to the respective categories of assets and the corresponding standard of liability of the Depository applicable to such functions differs significantly.

The Funds enjoy a strong level of protection in terms of Depository liability for the safekeeping of Custody Assets. However, the level of protection for Non-Custody Assets is significantly lower. Accordingly, the greater the proportion of a Fund invested in categories of Non-Custody Assets, the greater the risk that any loss of such assets that may occur may not be recoverable. While it will be determined on a case-by-case whether a specific investment by the Fund is a Custody Asset or a Non-Custody Asset, generally it should be noted that derivatives traded by a Fund over-the-counter will be Non-Custody Assets. There may also be other asset types that a Fund invests in from time to time that would be treated similarly. Given the framework of Depository liability under UCITS V, these Non-Custody Assets, from a safekeeping perspective, expose the Fund to a greater degree of risk than Custody Assets, such as publicly traded equities and bonds.

### **Collateral Risk**

Collateral or margin may be passed by the Fund to a counterparty or broker in respect of OTC FDI transactions. Assets deposited as collateral or margin with brokers may not be held in segregated accounts by the brokers and may therefore become available to the creditors of such brokers in the event of their insolvency or bankruptcy.

### **Reinvestment of Cash Collateral Risk**

As a Fund may in accordance with the Regulations reinvest cash collateral received, subject to the conditions and within the limits laid down by the Central Bank, a Fund reinvesting cash collateral will be exposed to the risk associated with such investments, such as failure or default of the issuer of the relevant security.

### **Changes in the UK Political Environment**

Changes in the UK political environment following the UK's decision by referendum to exit from the EU may lead to political, legal, tax and economic uncertainty. This could impact general economic conditions in the UK. A UK exit could adversely affect the Investment Manager's ability to access markets, make investments, attract and retain employees or enter into agreements (on its own behalf or on behalf of the Company) or continue to work with non-UK counterparties and service providers, all of which could result in increased costs to the Company.

## **Operational Risks (including Cyber Security and Identity Theft)**

An investment in a Fund, like any fund, can involve operational risks arising from factors such as processing errors, human errors, inadequate or failed internal or external processes, failure in systems and technology, changes in personnel, infiltration by unauthorised persons and errors caused by service providers such as the Investment Manager, the Depositary or the Administrator. While the Funds seek to minimise such events through controls and oversight, there may still be failures that could cause losses to a Fund.

The Investment Manager, Administrator and Depositary (and their respective groups) each maintain appropriate information technology systems. However, like any other system, these systems could be subject to cyber security attacks or similar threats resulting in data security breaches, theft, a disruption in the Investment Manager's, Administrator's and/or Depositary's service or ability to close out positions and the disclosure or corruption of sensitive and confidential information. Notwithstanding the existence of policies and procedures designed to detect and prevent such breaches and ensure the security, integrity and confidentiality of such information as well as the existence of business continuity and disaster recovery measures designed to mitigate any such breach or disruption at the level of the Company and its delegates, such security breaches may potentially also result in loss of assets and could create significant financial and or legal exposure for the Company.

## **Index Provider Liability**

The Investment Manager cannot guarantee the accuracy or the completeness of the underlying index or any data included therein and shall have no liability for any errors, omissions or interruptions therein. Neither the Company nor the Investment Manager makes any warranty, express or implied, to the owners of shares of the Fund as to results to be obtained by the Fund from the use of the underlying index or any data included therein. Without limiting any of the foregoing, in no event shall the Investment Manager have any liability for any special, punitive, direct, indirect or consequential damages regarding the relevant index or its data, even if notified of the possibility of such damages.

## **Sustainable Finance Disclosures Risks**

### *SFDR - Legal risk*

The series of legal measures (including SFDR) requiring firms that manage investment funds to provide transparency on how they integrate sustainability considerations into the investment process with respect to the investment funds they manage (the EU sustainable finance action plan) is being introduced in the European Union on a phased basis and some elements (for example supporting regulatory technical standards) are subject to implementation delays.

The Company seeks to comply with all legal obligations applicable to it but notes there may be challenges in meeting all the requirements of these legal measures as they are introduced. The Company may be required to incur costs in order to comply with these new requirements as part of the initial implementation phase and to incur further costs as the requirements change and further elements are introduced. This could be the case in particular if there are adverse political developments or changes in government policies as the implementation phase progresses. These elements could impact on the viability of the Funds and their returns.

### *ESG Data reliance*

The scope of SFDR is extremely broad, covering a very wide range of financial products and financial market participants. It seeks to achieve more transparency regarding how financial market participants integrate Sustainability Risks into their investment decisions and consideration of adverse sustainability impacts in the investment process. Data constraint is one of the biggest challenges when it comes to sustainability related information to end-investors, especially in the case of principal adverse impacts of investment decisions, and there are limitations on sustainability and ESG-related data provided by market participants in relation to comparability. Disclosures in this Prospectus may develop and be subject to



change due to ongoing improvements in the data provided to, and obtained from, financial market participants and financial advisers to achieve the objectives of SFDR in order to make sustainability-related information available.

*Relative performance*

An ESG Orientated Fund or a Sustainable Investment Fund may underperform or perform differently relative to other comparable funds that do not promote environmental and/or social characteristics or pursue a sustainable investment objective.

# NORTHERN TRUST GLOBAL FUNDS PLC (the "Company")

## ADDITIONAL INFORMATION FOR INVESTORS IN GERMANY

The following information is addressed to potential investors of the Company in the Federal Republic of Germany. This supplement is supplemental to, forms part of and should be read in conjunction with the Prospectus for the Company dated 31 January 2022 (the "Prospectus") as may be amended from time to time together with any supplement or addendum thereto (collectively the "Prospectus").

This Country Supplement will be appended to the Prospectus which is designated for distribution in Germany. All capitalised terms contained herein shall have the same meaning in this Country Supplement as in the Prospectus unless otherwise indicated.

### **RIGHT TO MARKET SHARES IN GERMANY**

Pursuant to section 310 of the German Capital Investment Code (*Kapitalanlagegesetzbuch*, "KAGB") the Company has notified the *Bundesanstalt für Finanzdienstleistungsaufsicht* ("BaFin") (Federal Institute for the Supervision of Financial Services) of the intention to market shares of selected funds in the Federal Republic of Germany.

**No marketing notification will be submitted for the following Funds of the Company:**

**The Sterling Conservative Ultra Short ESG Fund  
The Sterling Ultra Short ESG Fund**

**Accordingly, these Funds must not be marketed to investors in the Federal Republic of Germany.**

### **GERMAN FACILITIES AGENT**

The Company has appointed **ACOLIN Europe AG** as Facilities Agent for the Company in the Federal Republic of Germany pursuant to section 306a para 1 (2-6) KAGB (the "**German Facilities Agent**").

ACOLIN Europe AG  
Reichenaustrasse 11 a–c,  
78467 Konstanz, Germany

The fees and expense of the German Facilities Agent will be borne at normal commercial rates.

The Prospectus and Fund Supplements, the Key Investor Information Documents relating to the shares of the Company that are admitted to be marketed in Germany, the Memorandum and Articles of Association, the latest available annual and semi-annual reports as well as the issue and redemption prices of the shares may be obtained free of charge in paper form or requested electronically, from the registered office of the German Facilities Agent, ACOLIN Europe AG at [facilityagent@ACOLIN.com](mailto:facilityagent@ACOLIN.com) / [www.acolin.com/services/facilities-agency-services](http://www.acolin.com/services/facilities-agency-services).

### **REDEMPTION AND CONVERSION REQUESTS, PAYMENTS**

Investors may refer to the following sections of the Prospectus:

“Redemption Requests” section on page 42 of the Prospectus.

“Exchange of Shares” section on page 46 of the Prospectus.

Contact details of the Administrator are as follows:

Northern Trust International Fund Administration Services (Ireland) Limited, Georges Court, 54-62  
Townsend Street, Dublin 2, Ireland

General queries: [NTfundservice@NTRS.com](mailto:NTfundservice@NTRS.com)

Submitting email dealing instructions/application forms: [NTAMTAInstructions@ntrs.com](mailto:NTAMTAInstructions@ntrs.com)

## **PUBLICATION OF PRICES**

The most recent issue and redemption prices of shares for every fund launched, as well as any other documents and information in respect of the Company which must be published under Irish Law will be published on <http://www.northerntrust.com/pooledfunds>

## **PARTICULAR EVENTS**

In addition to a communication via Shareholder letter, shareholders will be informed in German via a publication on the website <http://www.northerntrust.com/pooledfunds> about the following events:

- the suspension of the redemption of the Company’s shares,
- the termination of the management or winding up of the Company,
- amendments to the Memorandum and Articles of Association of the Company insofar as such amendments are not compatible with the existing investment principles, they affect material investor rights or relate to remuneration and reimbursement of expenses that can be withdrawn from the Company’s assets,
- the merger of the Company,
- the conversion of the Company into a feeder fund or master fund structure.

## **TAXATION**

For questions on the tax impact of an investment in the Company, please contact your tax advisor.

**Dated: 18 October 2022**

## NORTHERN TRUST GLOBAL FUNDS PLC

### First Addendum to the Prospectus (the "Addendum")

**This Addendum is supplemental to, forms part of and should be read in conjunction with the prospectus for Northern Trust Global Funds plc (the "Company") dated 31 January 2022 (the "Prospectus").**

**This Addendum forms part of and may not be distributed unless accompanied by (other than to prior recipients of) the Prospectus and must be read in conjunction with the Prospectus.**

The Directors (whose names appear in the section entitled "Management and Administration" in the Prospectus) accept responsibility for the information contained in this Addendum. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure such is the case) the information contained in this Addendum, when read together with the Prospectus, is in accordance with the facts as at the date of this Addendum and does not omit anything likely to affect the import of such information.

**IMPORTANT:** If you are in doubt about the contents of this Addendum, you should consult your stockbroker, bank manager, solicitor, accountant or other financial adviser.

Neither the delivery of this Addendum nor the issue or sale of Shares, under any circumstances, constitutes a representation that the information contained in this Addendum is correct as of any time subsequent to the date of this Addendum.

## Amendments to the Prospectus

### 1 The "Definitions" section of the Prospectus shall be amended as follows:

#### (i) The following new definitions shall be included (being included as they would appear in alphabetical order):

**"Annex(es)"** means an annex to a Supplement to this Prospectus, issued from time to time, prepared for the purpose of meeting the specific financial product level disclosures contained in SFDR and specifically, the disclosure requirements applicable to Article 8 Funds and Article 9 Funds;

**"Article 6 Fund"** means a Fund of the Company which does not meet the criteria outlined in SFDR to qualify as either an Article 8 Fund or an Article 9 Fund;

**"Article 8 Fund"** means a Fund of the Company that meets the criteria outlined in Article 8 of SFDR to qualify as a financial product which promotes, among other characteristics, environmental or social characteristics, or a combination of those characteristics and provided that the companies that the Fund invests in follow good governance practices;

**"Article 9 Fund"** means a Fund of the Company that in accordance with the criteria outlined in Article 9 of SFDR has Sustainable Investment as its objective;

#### (ii) The following definition shall be amended and replaced as follows:

**"Supplement"** means any supplement to the Prospectus issued on behalf of the Company specifying certain information in relation to a Fund and/or one or more Classes from time to time, noting that any such supplement may be issued with an Annex or addendum containing supplemental information on the relevant Fund or Class;

#### (iii) The following definitions shall be deleted in their entirety:

"ESG Orientated Fund"  
"Information Card"  
"Mainstream Fund"  
"Sustainable Investment Fund"

### 2 The section entitled "Sustainable Finance Disclosures" shall be deleted in its entirety and replaced as follows:

The European Union has introduced a series of legal measures (the primary one being SFDR) requiring firms that manage investment funds to provide transparency on how they integrate sustainability considerations into the investment process with respect to the investment funds they manage.

This section of the Prospectus and the Annexes have been prepared for the purpose of meeting the specific financial product level disclosure requirements contained in SFDR.

Please refer to the relevant Annex for SFDR product level disclosures applicable to an Article 8 Fund or an Article 9 Fund.

It is noted that the regulatory technical standards to specify the details of the content and presentation of the information to be disclosed pursuant to SFDR were delayed and were not issued when the relevant disclosure obligations in SFDR became effective. It is further noted that some matters of interpretation of SFDR remain open (subject to ongoing exchanges between the European Supervisory Authorities and the European Commission). It is likely that the Annexes will need to be reviewed and updated once further clarification is provided on the open matters of interpretation of SFDR. Such clarifications could require a revised approach to how the relevant Article 8 or Article 9 Fund seeks to meet the SFDR disclosure obligations.

Disclosures in the Annexes may also develop and be subject to change due to ongoing improvements in the data provided to, and obtained by, financial market participants and financial

advisers to achieve the objectives of SFDR in order to make sustainability-related information available.

Compliance with the SFDR pre-contractual disclosure obligations is therefore made on a best-efforts basis and the Company issues the Annexes as a means of meeting these obligations.

#### *Fund Classification*

For SFDR purposes each Fund is classified as either (i) an Article 6 Fund; (ii) an Article 8 Fund; or (iii) an Article 9 Fund.

If a Fund is classified as either an Article 8 Fund or an Article 9 Fund, a clear indication of this classification (along with additional SFDR-related disclosure) will be made in the Supplement or the Annex for the relevant Fund.

As a default, and in the absence of such clear indication, each Fund will be classified as an Article 6 Fund.

### **Integration of Sustainability Risk and Consideration of Principal Adverse Impacts into the investment decision-making process**

#### *Article 6 Funds*

Article 6 Funds do not promote environmental or social characteristics in a way that meets the specific criteria contained in Article 8 of SFDR or have sustainable investment as their objective as per the requirements of Article 9 of SFDR. Accordingly, and for reasons further explained in the following paragraph, principal adverse impacts ("PAI") of investment decisions are not typically considered by the Investment Manager as part of the investment decision-making process in respect of Article 6 Funds. However, the Investment Manager may consider PAI in the ongoing management of Article 6 Funds via its stewardship, corporate engagement and voting practices with relevant companies held within the Funds aimed at reducing adverse impacts and seeking to influence more sustainable business models over the long-term.

Notwithstanding the Article 6 classification, consistent with the requirements applicable to it under the UCITS Regulations, the Manager is required to take Sustainability Risks into account in the process of selection and ongoing monitoring of investments and the Investment Manager will evaluate and integrate Sustainability Risks where relevant throughout the investment process. However, due to the fact that the Article 6 Funds are often passive in nature and designed to replicate a designated index that may not have any material ESG characteristics, Sustainability Risk considerations may not be a primary consideration for an investment decision and the Investment Manager does not expect that the assessment of likely impacts of Sustainability Risks will materially impact the expected risk or return characteristics of the Article 6 Funds.

#### *Article 8 and 9 Funds*

Article 8 Funds and Article 9 Funds will include specific and binding environmental or social criteria that is monitored and assessed so that Sustainability Risks are considered throughout the life cycle of the relevant Fund. The Investment Manager integrates a Sustainability Risk assessment into its investment decision-making and portfolio construction both initially and on an ongoing basis for the duration of the period the relevant Fund holds an investment or pursues a particular investment strategy. Relevant Sustainability Risks which are financially material and industry specific are identified by the Investment Manager using a range of ESG datasets, scores and frameworks and integrated into the overall assessment in a number of ways across the relevant Fund dependent upon asset class, approach and level of ESG integration. The Investment Manager considers that factoring an assessment of the likely impact of Sustainability Risk into the investment design and decision-making process has the potential to impact the returns of the Fund. Accordingly, an Article 8 or 9 Fund may perform differently relative to other comparable funds that do not promote environmental and/or social characteristics. Please refer to the relevant Annex for details on whether and how the relevant Article 8 or 9 Fund considers PAI.

### *Integration of Sustainability Risk*

The Investment Manager may use a number of different tools and data sets to embed sustainability considerations into the asset selection and portfolio construction of the Fund which may include:

- using third-party data providers to screen the relevant investment against Sustainability Risk by applying an exclusion policy (whereby potential investments do not meet certain sustainability criteria);
- leveraging proprietary frameworks of measurable ESG targets;
- integrating ESG approaches such as tilting Funds towards ESG factors and selecting companies that are likely to be less exposed to Sustainability Risks;
- selecting investments with the intention to generate a measurable, positive social or environmental impact along with financial return, with a view to mitigating the impact of Sustainability Risks within the portfolio construction.

During the life of the investment, Sustainability Risk is monitored through the review of ESG data published by the issuer or selected data provider to determine whether the level of Sustainability Risk has changed since the initial assessment has been conducted and has increased beyond the ESG risk appetite for the relevant Fund.

For more details on how Sustainability Risks are integrated into the investment process please refer to <https://cdn.northerntrust.com/pws/nt/documents/funds/intl/sfdr/sfdr-article-3-information-statement.pdf>.

### *Risk Factors*

Please refer to Schedule 4 to this Prospectus (section entitled "Risk Factors; Sustainable Finance Disclosures Risks") in respect of the risks related to sustainable finance disclosures.

### **Taxonomy Regulation**

The Taxonomy Regulation is a piece of directly effective EU legislation that is applicable to the Company. Its purpose is to establish a framework to facilitate sustainable investment. It sets out harmonised criteria for determining whether an economic activity qualifies as environmentally sustainable and outlines a range of disclosure obligations to enhance transparency and to provide for objective comparison of financial products regarding the proportion of their investments that contribute to environmentally sustainable economic activities. It is notable that the scope of environmentally sustainable economic activities, as prescribed in the Taxonomy Regulation, is narrower than the scope of sustainable investments under SFDR. Therefore although there are disclosure requirements for both, these two concepts should be considered and assessed separately. This below section addresses only the specific disclosure requirements of the Taxonomy Regulation.

#### *Article 6 Funds*

The Investment Manager does not integrate a consideration of environmentally sustainable economic activities into the investment process for the Article 6 Funds. Therefore, for the purpose of the Taxonomy Regulation, it should be noted that the investments underlying the Article 6 Funds do not take into account the EU criteria for environmentally sustainable economic activities.

#### *Article 8 and Article 9 Funds*

Please see the relevant Annex for details on how and to what extent each Article 8 and Article 9 Fund's investments are in economic activities that qualify as environmentally sustainable in accordance with the Taxonomy Regulation.

- 3 The sub-section under the heading "Sustainable Finance Disclosures Risks", within Schedule 4 "Risk Factors" shall be deleted in its entirety and replaced as follows:**

### **Sustainable Finance Disclosures Risks**

#### *SFDR - Legal risk*

The series of legal measures (including SFDR) requiring firms that manage investment funds to provide transparency on how they integrate sustainability considerations into the investment process with respect to the investment funds they manage (the EU sustainable finance action plan) is being introduced in the European Union on a phased basis and some elements (for example supporting regulatory technical standards) have been subject to implementation delays.

The Company seeks to comply with all legal obligations applicable to it but notes there may be challenges in meeting all the requirements of these legal measures as they are introduced. The Company may be required to incur costs in order to comply with these new requirements as part of the initial implementation phase and to incur further costs as the requirements change and further elements are introduced. This could be the case in particular if there are adverse political developments or changes in government policies as the implementation phase progresses. These elements could impact on the viability of the Funds and their returns.

#### *ESG Data reliance*

The scope of SFDR is extremely broad, covering a very wide range of financial products and financial market participants. It seeks to achieve more transparency regarding how financial market participants integrate Sustainability Risks into their investment decisions and consideration of adverse sustainability impacts in the investment process. Data constraint is one of the biggest challenges when it comes to sustainability related information to end-investors, especially in the case of principal adverse impacts of investment decisions, and there are limitations on sustainability and ESG-related data provided by market participants in relation to comparability. Disclosures in this Prospectus may develop and be subject to change due to ongoing improvements in the data provided to, and obtained from, financial market participants and financial advisers to achieve the objectives of SFDR in order to make sustainability-related information available.

#### *Relative performance*

An Article 8 Fund or an Article 9 Fund may underperform or perform differently relative to other comparable funds that do not promote environmental and/or social characteristics or pursue a sustainable investment objective.



**4 A new section entitled "ESG Considerations" shall be added to the Prospectus after the sub-section "Sustainable Finance Disclosures":**

**ESG Considerations**

Save as otherwise set out in the relevant Supplement or Annex, the Funds will generally act in accordance with rules regarding cluster munitions laid down in the relevant national legislation adopting the Convention on Cluster Munitions.

Consequently, the Funds will take adequate measures to restrict them from:

- (i) acquiring financial instruments issued by a company involved in the production, sale or distribution of cluster munition ("**Cluster Munition Companies**"); or
- (ii) acquiring transferable shares in Cluster Munition Companies.

In addition, the Funds are restricted from:

- (i) acquiring financial instruments issued by a company which holds more than fifty (50) per cent of the share capital of Cluster Munition Companies; or
- (ii) acquiring transferable shares in such parent companies.

However, the Funds are not restricted from:

- (i) entering into transactions based on an index that consists of less than five per cent of Cluster Munitions Companies;
- (ii) investing in AIFs provided that the relevant AIF consists of less than five (5) per cent of Cluster Munition Companies; and
- (iii) investing in specifically described projects of Cluster Munition Companies, provided that the invested funds will not be used for the production, sale or distribution of cluster munition.

For the definition of "cluster munition", please refer to article 2(2) of the Convention on Cluster Munitions which was adopted on 30 May 2008 in Dublin, Ireland and entered into force on 1 August 2010.

**Dated 29 November 2022**