FLEXIBLE INCOME FAM FUND

SUPPLEMENT DATED 13 February 2023

This Supplement contains specific information in relation to the **FLEXIBLE INCOME FAM FUND** (the "**Fund**"), a sub-fund of **FAM SERIES UCITS ICAV** (the "**ICAV**"), an open-ended umbrella type Irish Collective Asset-management Vehicle with variable capital and segregated liability between sub-funds, authorised by the Central Bank on 1 August 2018 pursuant to the UCITS Regulations.

This Supplement forms part of and should be read in the context of and in conjunction with the prospectus of the ICAV dated 1 December 2022 and the addendum thereto (together the "Prospectus").

An investment in the Fund should not constitute a substantial proportion of an investment portfolio and may not be appropriate for all investors. Please see the section of this Supplement entitled "Risk Factors", together with the section of the Prospectus entitled "Risk Factors" for detailed disclosures of the risks associated with an investment in the Fund.

Interpretation and Definitions

Defined terms used in this Supplement will bear the meaning given to them in the Prospectus or shall have the meaning given to them in this Supplement. In the event of any inconsistency between the Prospectus and this Supplement, the terms of this Supplement will prevail.

Bond Connect	means the mutual bond market access link between Hong Kong and China which facilitates investment in the China Interbank Bond Market through mutual access and connection arrangements in respect of trading, custody and settlement between the related financial infrastructure institutions of Hong Kong and China;
China A Shares	means shares denominated in Renminbi, issued by companies in China and listed on the Shanghai Stock Exchange ("**SSE**") and/or the Shenzhen Stock Exchange (the "**SZSE**"), or such other shares that may in the future be defined as China A shares issued by companies in China on the SSE and/or SZSE and available for investment using the Stock Connects;
CoCos	means contingent convertible Debt Securities, which are a form of hybrid fixed income security that convert into equity or have their principal written down upon the occurrence of certain "triggers", such as attainment of regulatory capital thresholds. The Investment Manager believes CoCos offer the Fund an attractive investment opportunity as they are typically issued by banks and insurance companies and are issued at a significant discount/higher coupon compared to bank senior and subordinated capital and may offer good relative value compared to other securities issued by a bank;

Dealing Deadline	means 11:59am (Irish time) on the relevant Dealing Day;
Debt Securities	means debt securities such as fixed or floating rate government bonds, corporate bonds, treasury bonds, municipal bonds and commercial paper, of Investment Grade or sub-Investment Grade, and issued by governments, quasi-sovereign entities, institutions, public listed companies which have as their main activity the ownership and management of property-related assets ("**REITs**") or companies based anywhere in the world;
Equity Instrument(s)	means equities and equity related securities, such as warrants, convertible stocks or preferred stock listed (or about to be listed) or traded on any Recognised Market, issued by companies and REITS incorporated or established anywhere in the world, including emerging markets, and including exposure through financial derivative instruments ("**FDI**");
Money Market Instruments	means money market instruments (including, but not limited to, T-bills, certificates of deposit, commercial paper, and bankers' acceptances) that the Fund may, in accordance with Central Bank requirements, invest in;
Shanghai-Hong Kong Stock Connect	means the securities trading and clearing links program developed by Hong Kong Exchanges and Clearing Limited ("**HKEX**"), SSE and the China Securities Depositary and Clearing Corporation Limited ("**ChinaClear**"). It is comprised of a Northbound Shanghai Trading Link and a Southbound Hong Kong Trading Link. Under the Northbound Shanghai Trading Link, Hong Kong and overseas investors (including the Fund), through their Hong Kong brokers and a securities trading service company established by the Stock Exchange of Hong Kong (the "**SEHK**"), may be able to trade eligible China A Shares listed on the SSE by routing orders to the SSE. Under the Southbound Hong Kong Trading Link, investors in China may trade certain stocks listed on the SEHK. Under a joint announcement issued by the Securities & Futures Commission of Hong Kong and the CSRC, the Shanghai-Hong Kong Stock Connect commenced trading on 17 November 2014;
Shenzhen-Hong Kong Stock Connect	means the securities trading and clearing links program developed by HKEX, SZSE and ChinaClear. It is comprised of a Northbound Shenzhen Trading Link and a Southbound Hong Kong Trading Link. Under the

Northbound Shenzhen-Trading Link, Hong Kong and overseas investors (including the Fund), through their Hong Kong brokers and a securities trading service company established by SEHK, may be able to trade eligible China A Shares listed on the SZSE by routing orders to SZSE. Under the Southbound Hong Kong Trading Link, investors in China will be able to trade certain stocks listed on the SEHK. Under a joint announcement issued by the SEC and CSRC, the Shenzhen-Hong Kong Stock Connect commenced trading on 5 December 2016;

Stock Connect(s)	means the Shanghai-Hong Kong Stock Connect and/or the Shenzhen-Hong Kong Stock Connect respectively. The aim of each Stock Connect is to achieve mutual stock market access between mainland China and Hong Kong; and
Valuation Point	means 12 noon (Irish time) on the relevant Dealing Day.

Investment Objective and Policies

The investment objective of the Fund is to provide regular income with the prospect of long-term capital growth. The Fund may:

(i) invest up to 100% of its Net Asset Value in Equity Instruments;
(ii) invest up to 100% of its Net Asset Value in Debt Securities;
(iii) invest up to 10% of its Net Asset Value in CoCos;
(iv) invest up to 20% of its Net Asset Value in asset-backed securities (ABS), which may embed leverage and which may include, but not be limited to, residential mortgage-backed securities (RMBS), commercial mortgage-backed securities (CMBS), corporate asset-backed securities (CABS), collateralised loan obligations (CLOs), collateralised debt obligations and asset-backed commercial paper (ABCP);
(v) invest up to 30% of its Net Asset Value in Money Market Instruments;
(vi) invest up to 10% of its Net Asset Value in cash with any one credit institution or up to 20% of its Net Asset Value in cash where the cash is booked in an account with the Depositary;
(vii) invest up to 10% of its Net Asset Value in units or shares of Underlying Funds within the meaning of Regulation 68(1)(e) of the UCITS Regulations and where the purpose of such investment is to gain exposure to the types of Investments described herein;
(viii) invest up to 30% of its Net Asset Value in China A Shares via the Stock Connects. There are specific risks associated with direct investment in China and investors' attention is drawn to the section titled "Risk Factors" below;
(ix) invest up to 30% of its Net Asset Value in the China Interbank Bond Market (the "**CIBM**") via Bond Connect. There are specific risks associated with such investment and investors' attention is drawn to the section entitled "Risk Factors" below;
(x) invest up to 10% of its Net Asset Value in the Investments mentioned in this Supplement from issuers in India as a Foreign Portfolio Investor registered with the Securities and Exchange Board of India under the Securities and Exchange Board of India (Foreign Portfolio Investors)

Regulations, 2014, as may be amended from time-to-time, and for this purpose, the Fund has registered itself as a Category II FPI. This license will allow the Fund to purchase Investments in India. An FPI wishing to invest into India must register itself as a designated depositary participant with SEBI for the purpose of the FPI Regulations under the single window clearance mechanism and must comply with the provisions of the FPI Regulations. Depending on their risk profile, applicants for FPI registration must fall under one of three categories. The Fund will register as a Category II FPI, which is the category that applies to entities that are considered to be appropriately regulated by SEBI. There are specific risks associated with such direct investment in India and investors' attention is drawn to the section titled "Risk Factors" below;

(xi) invest up to 10% of its Net Asset Value in the Investments mentioned in this Supplement that are listed or traded on the Moscow Exchange only;

(xii) have an indirect exposure to each of China, India and Russia through investment in the Investments mentioned in this Supplement that the Fund may acquire in accordance with its investment objective and policy and which are listed or traded on one of the Recognised Markets listed in Schedule I of the Prospectus;

(xiii) invest in FDIs for investment, efficient portfolio management and hedging purposes as further described in the sub-section titled "Use of FDI" below. In particular, the Fund may enter into currency forwards for hedging purposes or for investment purposes. As described in the paragraph headed "Currency Forwards" below, the Investment Manager may seek to enhance investment returns by altering the currency exposure of the Fund's assets in circumstances where the Investment Manager anticipates changes in currency values based on its assessment of the value and outlook for currency markets. Investment in currency forwards will be used on an ancillary basis by the Investment Manager and is not expected to form a substantial proportion of the Fund's overall use of FDI; and

(xiv) invest up to 10% of its Net Asset Value in exchange traded commodities ("ETCs") being instruments that give investors indirect exposure to commodities in the form of certificates or debt securities. ETCs can be bought or sold on exchanges, they track the price movement of commodities - such as oil, gold and silver or a basket of commodities - and fluctuate in value based on the underlying commodity(ies).

(the "**Investments**"). Other than permitted investment in unlisted securities and FDIs, the Fund's Investments will be limited to securities that are traded on the markets listed in Schedule I of the Prospectus.

Process of Selecting and Allocating Investments

When selecting Investments across all asset classes, the Investment Manager follows a three-stage process, involving formulating a macro-economic view, deciding on asset class weightings and risk-driven portfolio construction:

1 The Investment Manager formulates a **macro-economic view**. This involves continuous assessment of the following consistent set of building blocks:

- macro-economic fundamentals: business cycle, economic momentum, profit cycle, earnings revisions;
- sentiment: risk appetite, positioning, liquidity, technical indicators (technical indicators are statistical trends that emerge from trading activity (such as price movements) that can be analysed to help forecast future market direction);
- monetary and fiscal policy: interest rates, central bank activity (including measures to encourage lending and investment. For example, a central bank may purchase government securities or increase the money supply which in turn will encourage

additional investment and lending activity in the relevant economy) and communications, regulatory framework; and

- valuation: absolute and relative measures of value, for example: ratios of security prices to underlying company earnings, cash flows, book value. The Investment Manager compares these ratios between different securities and against historical records.

2 **Asset class weightings**. The Investment Manager defines the underweight or overweight convictions at the asset-class level based on the macro-economic view. For example, if the Investment Manager has a positive view of the macro-economic environment, it may hold a higher proportion of (i.e. be “overweight”) equities against a lower proportion of (i.e. be “underweight”) fixed income, because when the environment is positive, equities tend to outperform fixed income assets. Asset class Investments can be implemented using a variety of instruments including the allocation of capital to active managers of other Underlying Funds , individual securities and derivative instruments. The choice of instrument type will depend on factors such as time horizon of the investment view, pricing, liquidity, the ease of generating active returns in the respective market (i.e. how easily the instrument type is expected to outperform the respective market), among others.

3 **Risk Driven Portfolio Construction** is an ongoing and iterative process whereby the Investment Manager considers each Investment position relative to the objectives of the strategy and the macro- economic view. When making an Investment, the Investment Manager considers first the strength of its conviction that such Investment will deliver capital growth to the portfolio, and how large or small that contribution might be. This is the primary factor in defining the size of the Investment. The second question is how does that Investment fit in with the remaining Investments in the portfolio, which may also affect the size of the Investment. The portfolio construction process considers four key areas:

- *asset allocation across asset classes* - the relative weight within the portfolio to asset classes such as equities to bonds, or US equities to European equities (for example);
- *security selection within asset classes* - the relative weight of individual securities within equities, for example the stock of one US company to another;
- *currency management* - the base currency of the Fund is Euro, but Investments are made globally. When making an Investment in a US stock market, for example, the Investment Manager decides how much to hedge the dollar return of that Investment into euro based on its views of performance of currencies and the cost of hedging from one currency into another; and
- *risk management* - the Investment Manager carefully analyses the level of risk of the whole portfolio against its objectives, and the level of risk contributed by individual Investments.

Use of FDI

The Fund may engage in FDI transactions for investment purposes to generate returns, for the purposes of efficient portfolio management and for the purposes of hedging. The types of FDI that the Fund may use are futures & forwards, currency forwards, options and cleared index credit default swaps. Due to the fact that currency positions held by the Fund may not correspond with the asset position held by the Fund, the effect of movements in foreign exchange rates may be significantly different in the Fund compared to another fund with similar investments. The underlying assets of FDIs will be limited to those Investments that the Fund may acquire in accordance with its investment policy. The expected effect of the use of FDI will be to enhance returns and/or reduce inherent risks affecting the Fund's Investments. For information in relation to the risks associated with the use of FDIs, please refer to the "Risk Factors" section of the Prospectus.

Futures & Forwards: The Fund may use future and forwards contracts to hedge against downward movements in the value of the Fund's portfolio of Investments (i.e. the Fund may enter into futures/forwards to sell Investments at a fixed price thereby establishing a floor on the price at which Investments may in the future be disposed), either by reference to Investments or markets to which the Fund may be exposed to. Futures and forwards contracts may also be used for investment purposes or to allocate Investments within the Fund by taking exposure to specific issuers or to increase the Fund's exposure general global market risk on a temporary basis, in advance of a longer term allocation or reappraisal of the Fund's commitment to specific markets or issuers, or on a long-term basis.

Currency Forwards: Currency forwards may be used for the purpose of hedging currency exposure, arising, for instance, from the redenomination of an Investment designated in a currency other than the Fund's Base Currency, and for investment purposes. Currency forwards can be used for taking active currency risk where the Investment Manager takes long or short exposure to currencies that it expects to rise or fall in value as the case may be, as determined based on an assessment of the relevant factors that determine the value of currency markets such as global economic conditions, interest rates, capital flows and credit spreads (i.e. difference in yield between debt securities of similar maturities). The Fund's exposure to long currency forward positions may be up to 100% of the Fund's Net Asset Value and its exposure to short currency forward positions may be up to 100% of the Fund's Net Asset Value.

Options: The Fund may buy or sell options and in particular call options may be used to gain exposure to Investments and can provide an efficient, liquid and effective mechanism for taking a position in Investments.

Put options may be used to reduce exposure to Investments' markets or hedge against downside risk by permitting the Fund to sell Investments at a fixed price and thereby protect the value of its portfolio of Investments in circumstances of a sell-off and decline in market values.

Credit Default Swaps ("CDS"): The Fund may purchase credit protection and use CDS on individual issuers, on indices or on a basket of indices in order to hedge, reduce and manage the credit risk and exposure of the portfolio and generally for the purposes of efficient portfolio management. CDS, in particular CDS on individual issuers, allow the Fund to protect itself against the default of an underlying instrument by transferring credit risk to a counterparty. The Fund's exposure to CDS is expected to be 0% of the Fund's Net Asset Value but may be up to 40% of the Fund's Net Asset Value.

Long/Short Positions: The Fund may as part of its investment strategy hold short credit and/or equity positions (taken only synthetically through derivatives). In the case of Debt Securities, such short positions will be selected based on the Investment Manager's assessment of the credit risk of underlying Investments (as determined by applying the Investment Manager's fundamental credit analysis of issuers on both an absolute and a relative basis as described in the Fund's investment policy). In the case of Equity Instruments, such short positions will be used to express a view on price movements of Investments or Investments' markets generally by taking short positions in individual Equity Instruments or selling equity index positions. The expected maximum level of long derivative positions which the Fund may hold is 900% of its Net Asset Value, measured on a gross basis using the sum of notionals of the derivatives held by the Fund. The expected maximum level of short derivative positions which the Fund may hold is 1000% of its Net Asset Value, measured on a gross basis using the sum of notionals of the derivatives held by the Fund. The Fund may also take short positions to hedge long positions in currencies, interest rates and Investments, in order to try to mitigate volatility and preserve the value of the Fund.

Exposure to Indices: The Fund may from time-to-time take exposure to indices, including through futures and forwards on indices or options on indices, provided that any such exposure will comply with the conditions and limits set down in the Central Bank's guidance titled "UCITS Financial Indices". When an index does not comply with the diversification requirements established by the UCITS Regulations, the Fund will apply a "look- through" approach which allows the Manager to analyse the Fund's exposure to the Index by looking through the derivative position which gives the Fund the relevant indirect exposure to the underlying indices. This allows the Fund to ensure that it meets the risk spreading requirements of the UCITS Regulations. Following this "look through" analysis, if the Fund's consolidated exposure does not meet the risk spreading requirements of the UCITS Regulations, the Fund will have to address this by reducing said exposure. It is not possible to identify the specific indices that the Fund may take exposure to (which may change from time-to-time), however, the underlying assets of such indices will be the abovementioned Investments that the Fund may acquire in accordance with its investment policy. The Investment Manager does not intend to use indices that rebalance more frequently than monthly, such rebalancing is not expected to have a material effect on the costs incurred within the index, and will be in accordance with the Central Bank UCITS Regulations. The indices, if any, that the Fund takes exposure to will be included in the financial statements of the ICAV and details of the indices, including details of websites where additional information can be obtained, will be available upon request from the Investment Manager.

Risk Measurement - Global Exposure and Leverage

Market risk created through the use of FDI will be measured daily using the relative value-at-risk approach ("**Relative VaR**"), which is a risk measurement technique designed to estimate the potential loss in the Fund's portfolio over a set period at a certain confidence level, and is based on statistical analysis of historical price trends and volatilities. The Relative VaR of the Fund's portfolio is calculated daily and is measured relative to, the value-at-risk of the following indices, which the Investment Manager considers is a comparable benchmark to the Fund's portfolio:

- 30% of ICE BofAML Global High Yield Constrained (EUR Hedged) Index (an index that tracks the performance of high yield bonds);
- 30% of ICE BofAML Global Corporate (EUR Hedged) Index (an index that tracks the performance of investment grade corporate debt); and
- 40% of MSCI World High Dividend Yield (Net) (an index that reflects the performance of global companies with higher dividend returns) (collectively the "Indices").

In compliance with the UCITS Regulations, the VaR of the Fund's portfolio shall not exceed twice the VaR of the Indices, as determined at least daily using a one-tailed confidence interval of 99%, a holding period of one month (20 Business Days) and an historical observation period of at least one year (250 Business Days), unless a shorter observation period is justified by a significant increase in price volatility, such as in extreme market conditions.

The level of gross leverage, calculated based on the sum of the absolute value of notionals of the derivatives used, in accordance with the requirements of the Central Bank, is expected to be 500% of the Fund's Net Asset Value. There is a possibility of higher leverage levels than this expected level. The expected level of leverage is calculated based on the sum of the absolute value of notionals of the derivatives used, does not take into account any netting and hedging arrangements and therefore is not a risk-adjusted method of measuring leverage.

Securities Lending Agreements

Securities lending is the temporary transfer of securities by a lender to a borrower, with agreement by the borrower to return equivalent securities to the lender at a pre-agreed time. These agreements will only be used for efficient portfolio management to enhance overall returns to the Fund through the receipt of finance charges for the lending by the Fund of Investments that it may acquire in accordance with its investment policy and are subject to the conditions and limits set out in the Central Bank UCITS Regulations. The Fund will only act as a lender under securities lending transactions and exposure to securities lending transactions is expected to be 5% of the Fund's Net Asset Value, subject to a maximum exposure of 30% of the Fund's Net Asset Value.

Investor Profile

The Fund is suitable for investors who seek regular income with the prospect of capital appreciation over a medium-term of at least three to five years but who are prepared to accept a medium to high level of volatility from time-to-time.

Investment Manager

The Manager has appointed M&G Investment Management Limited, whose registered office address is at 10 Fenchurch Avenue, London, EC3M 5AG, United Kingdom, to act as the investment manager pursuant to an investment management agreement dated 31 July 2018, as amended. The Investment Manager will provide discretionary investment management services to the Fund subject to the overall supervision of the Manager. The Investment Manager's principal business and occupation is to provide investment management services to clients.

SFDR Classification: Article 6 Fund.

SFDR Disclosure

The investments underlying the Fund do not take into account the EU criteria for environmentally sustainable economic activities. The classification of the Fund as an Article 6 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.

When assessing the Sustainability Risk associated with the Fund's underlying investments, the Investment Manager is attempting to understand the likelihood of the risk that the value of such underlying investments could be materially negatively impacted by an environmental, social or governance event or condition (see definition of Sustainability Risk in the main body of the Prospectus). **While the Investment Manager integrates Sustainability Risk into the Fund's investment decision making process as described below, the output of such Sustainability Risk integration is not the determining factor, nor potentially even among the most prominent factors, considered in the investment decisions of the Investment Manager in respect of the assets which the Fund may buy and/or hold. Accordingly, the Investment Manager may buy and/or hold assets which may expose the Fund to high or low levels of Sustainability Risk.**

The Fund integrates Sustainability Risk into its investment decision making process as summarised below:

i. Prior to acquiring investments on behalf of the Fund, the Investment Manager uses Sustainability Risk metrics of a third party data service provider, and/or Sustainability Risk metrics based on internal research, in order to assess the relevant investment against Sustainability Risk factors and to identify how vulnerable the investment is to such risks; and

ii. The Investment Manager will comply with the Manager’s exclusion list (which is based on the Manager’s exclusion policy and compiled by the Manager) whereby potential investments are removed from the investment universe on the basis that they pose a too great Sustainability Risk. The Manager’s exclusion policy may be obtained on the Manager’s website at: http://finecoassetmanagement.com/sustainability/.The Manager’s exclusion list may be obtained upon request from the Manager by reaching out to the contact details available on its website at: http://finecoassetmanagement.com/contact/.

It has been determined that the Fund may have a higher prospect of being impacted by Sustainability Risk given that the Fund does not promote environmental or social characteristics nor does it have Sustainable Investment as its investment objective. To the extent that a Sustainability Risk occurs, there may be a sudden, material negative impact on the value of an investment, and hence there may be a material negative impact on the Net Asset Value of the Fund. Such negative impacts may result in an entire loss of value of an investment. The Manager and Investment Manager acknowledge that the Fund’s exposure to Sustainability Risks is changeable and shall keep the Fund’s exposure to these risks under periodic review. Where the Manager and/or the Investment Manager considers, as a result of such a review, that the Fund’s approach to the management of sustainability risks is to materially change, these disclosures will be updated accordingly.

It is possible that an assessment of Sustainability Risk may influence a decision by the Investment Manager to not make an investment, or to dispose of an existing investment that would otherwise be considered as attractive to invest in or retain when confining the factors considered to financial-related elements such as financial position, revenue, capital structure.

Please refer to the section of the Prospectus entitled "Sustainable Finance Disclosures" for further information.

Base Currency: Euro.

Offer of Shares

The following Classes of Shares are available for subscription:

Share Class	**Initial Offer Price**	**Initial Offer Period**	**Currency Denomination and Hedged Class**		**Sales Charge**	**Minimum Initial Subscription and Minimum Subsequent Subscription**	**Distribution Type**
Class L Acc	€100	Closed	Euro	No	Yes/ 5%	€1,000 / €100	Accumulating

Class LH Acc	€100	14 February 2023– 11 August 2023	Euro	No	Yes/ 5%	€1,000 / €100	Accumulating
Class L Dist	€100	Closed	Euro	No	Yes/ 5%	€1,000 / €100	Distributing
Class LH Dist	€100	14 February 2023– 11 August 2023	Euro	No	Yes/ 5%	€1,000 / €100	Distributing
Class I Acc	€100	Closed	Euro	No	No	€1,000,000 / €100	Accumulating
Class A Acc	€100	Closed	Euro	No	No	€1,000 / €100	Accumulating
Class K Dist	€100	Closed	Euro	No	No	€100 / €100	Distributing
Class KH Dist GBP	£100	14 February 2023– 11 August 2023	GBP	Yes	No	£100/£100	Distributing
Class K Dist GBP	£100	Closed	GBP	No	No	£100/£100	Distributing
Class D Acc	€100	14 February 2023 – 11 August 2023	Euro	No	No	€500/ €100	Accumulating
Class J Acc	€10,000	14 February 2023 – 11 August 2023	Euro	No	No	€1,000,000 / €100	Accumulating
Class J Dist	€10,000	14 February 2023– 11	Euro	No	No	€1,000,000 / €100	Distributing

		August 2023					

During the initial offer period, Shares are available for subscription at the initial offer price as indicated in the table above. Where the initial offer period has closed, Shares will be available at the prevailing Net Asset Value of each Class of Shares.

Application for Shares

Full details on how to purchase Shares are described in the Prospectus under the section titled "Application for Shares". Applications for Shares may be made to the Paying Agent or the Administrator (whose details are set out in the Application Form). Applications received by the Paying Agent or the Administrator prior to the Dealing Deadline for any Dealing Day will be processed on that Dealing Day. Any applications received after the Dealing Deadline for a particular Dealing Day will be processed on the following Dealing Day, unless the Directors in their absolute discretion, in exceptional circumstances, otherwise determine to accept one or more applications received after the Dealing Deadline for processing on that Dealing Day, provided that such application(s) have been received prior to the Valuation Point for the particular Dealing Day.

Fees and Expenses

Fees and expenses are payable out of the assets of the Fund and details of how Fees are accrued and paid, and details of other general management and fund charges, are set out in the Prospectus under the heading "Fees and Expenses".

Manager's Fee

Up to 2.25% per annum (plus VAT, if any) of the Net Asset Value of each Class of Shares.

Administrator's Fee

Up to 0.3% per annum (plus VAT, if any) of the Net Asset Value of each Class of Shares.

Depositary's Fee

Up to 0.2% per annum (plus VAT, if any) of the Net Asset Value of each Class of Shares.

Sales Charge

Up to 5% of the value of the gross subscription except in respect of an Underlying Fund which is managed, directly or by delegation, by the Manager or by any other entity with which the Manager is linked by common management or control, or by a substantial direct or indirect holding; in which case, in order to avoid double- charging, either (i) the Underlying Fund will waive any sales charge, or (ii) any sales charge will be waived in respect of the Fund. In respect of scenario (ii) above, the principle of equal and fair treatment of the investors will at all times be met by the Fund in accordance with the Central Bank UCITS Regulations.

If a sales charge fee is incurred, Shareholders should view their investment as medium to long-term.

Risk Factors

For any other risk that is not explicitly mentioned below in this supplement, the attention of investors is drawn to the section headed “Risk Factors” in the Prospectus.

CoCo Risk

CoCos are Debt Securities which have loss absorbing features and may convert to equity when a predetermined trigger is met, such as when the issuer’s capital falls in value. The existence of these trigger events creates a different type of risk from traditional Debt Securities and can result in a partial or total loss of value or alternatively they may be converted into shares of the issuer which may also have suffered a loss in value. Investing in CoCos carry the following (non-exhaustive) list of risks:

<u>Trigger level risk</u>: Each Coco has its own characteristics and the trigger levels upon which a CoCo is written down or converts to equity may be different for each instrument. Investors in CoCos bear the risk of loss of value due to a loss of capital of the issuer, which may result to the conversion of the CoCo to equity or write down of the value of the CoCo.

<u>Resolution powers</u>: Resolution powers written into statutory law provide resolution or supervisory authorities with powers to ensure that CoCos absorb losses if the issuer is deemed to be non-viable. The point of non- viability is defined as the point at which the resolution authority determines that: (i) the institution is failing or likely to fail; (ii) there is no reasonable prospect that a private action would prevent the failure; and (iii) a resolution action is necessary in the public interest. The point of non-viability may be deemed by the relevant authority to be before the level at which a trigger has been reached.

<u>Coupon cancellation risk</u>: Coupon payments on certain types of CoCos are entirely discretionary and may be cancelled by the issuer at any point, for any reason, and for any length of time.

<u>Capital structure inversion risk</u>: CoCo investors may suffer a loss of capital when equity holders do not. In certain scenarios, holders of CoCos will suffer losses ahead of equity holders, e.g., when a high trigger principal write-down CoCo is activated.

<u>Call extension risk</u>: As CoCos may be issued as perpetual instruments and investors may not be able to recover their capital on the optional reimbursement dates provided for in the terms of issue.

<u>Unknown risk</u>: CoCos are relatively new instruments and their behaviour during a period of stressed market conditions may be highly unpredictable. In a stressed environment, if an issuer or issuers suspend coupon payments or convert the instruments to equity there is a risk that investors consider this issue to be systemic, which could have a contagious impact on the market.

<u>Yield/Valuation risk</u>: CoCos often provide attractive yield and tend to compare favourably from a yield standpoint when compared to more highly rated debt issues of the same issuer. However, there is a risk that investors may not have fully understood the risk of conversion of these instruments to equity or the risk of cancellation of their coupon payments.

<u>Conversion risk</u>: It might be difficult to assess how CoCos will behave upon conversion. In the case of conversion into equity, the Fund might be forced to sell these new equity shares at a discount to their normal market value.

Liquidity risk: In the circumstances of the conversion of CoCos or if coupon payments are cancelled, this may affect the liquidity of these instruments and sellers of CoCos may have to accept a significant discount to the expected value of the CoCo in order to sell the instrument.

Write-down risk: Should a CoCo undergo a write-down, the Fund may lose some or all of the original investment in the CoCo.

Subordinated instruments: CoCos are subordinated instruments and rank junior in priority of payment to the claims of all senior creditors and certain subordinated creditors of the issuer.