TA INVESTMENT
A MEMBER OF THE TA GROUP

TA SUSTAINABLE WATER & WASTE FUND

INFORMATION MEMORANDUM

Manager : TA Investment Management Berhad (Registration Number: 199501011387 (340588-T))

Trustee : CIMB Commerce Trustee Berhad (Registration Number: 199401027349 (313031-A))

This Information Memorandum is dated 23 February 2022.

The date of constitution of the TA Sustainable Water & Waste Fund is 18 February 2022.

TA SUSTAINABLE WATER & WASTE FUND IS A QUALIFIED SUSTAINABLE AND RESPONSIBLE INVESTMENT (SRI) FUND UNDER THE GUIDELINES ON SUSTAINABLE AND RESPONSIBLE INVESTMENT FUNDS.

INVESTORS ARE ADVISED TO READ AND UNDERSTAND THE CONTENTS OF THIS INFORMATION MEMORANDUM. IF IN DOUBT, PLEASE CONSULT A PROFESSIONAL ADVISER.

FOR INFORMATION CONCERNING CERTAIN RISK FACTORS WHICH SHOULD BE CONSIDERED BY PROSPECTIVE INVESTORS, SEE "RISK FACTORS" COMMENCING ON PAGE 15.

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RESPONSIBILITY STATEMENTS AND STATEMENTS OF DISCLAIMER

Responsibility Statements

This Information Memorandum has been reviewed and approved by the directors of TA Investment Management Berhad and they collectively and individually accept full responsibility for the accuracy of the information. Having made all reasonable enquiries, they confirm to the best of their knowledge and belief, that there are no false or misleading statements, or omission of other facts which would make any statement in this Information Memorandum false or misleading.

Statements of Disclaimer

The Securities Commission Malaysia is not liable for any non-disclosure on the part of TA Investment Management Berhad, the management company responsible for the Fund and takes no responsibility for the contents in this Information Memorandum. The Securities Commission Malaysia makes no representation on the accuracy or completeness of this Information Memorandum, and expressly disclaims any liability whatsoever arising from, or in reliance upon, the whole or any part of its contents.

INVESTORS SHOULD RELY ON THEIR OWN EVALUATION TO ASSESS THE MERITS AND RISKS OF THE INVESTMENT. IF INVESTORS ARE UNABLE TO MAKE THEIR OWN EVALUATION, THEY ARE ADVISED TO CONSULT PROFESSIONAL ADVISERS.

Additional Statements

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

This Information Memorandum does not constitute an offer or solicitation to anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation.

The Fund will not be offered for sale in the United States of America, its territories or possessions and all areas subject to its jurisdiction, or to any US Person(s), except in a transaction which does not violate the securities laws of the United States of America. Accordingly, investors may be required to certify that they are not US Person(s) before making an investment in the Fund.

Additional Disclosures on Personal Information

Investors are advised to read and understand the full personal data or information related disclosures which will be given to you together with the application form before purchasing Units of the Fund. The said disclosures consist of, but is not limited to, TA Investment Management Berhad being entitled to transfer, release or disclose from time to time any information relating to the Unit Holders to any of TA Investment Management Berhad’s parent company, subsidiaries, associate companies, affiliates, delegates, service providers and/or agents (including any outsourcing agents and/or data processors) for any purpose on the basis that the recipients shall continue to maintain the confidentiality of information disclosed as required by laws, regulations or directives, regulatory agency, government body or authority, or in relation to any legal action to any court.

DEFINITION

Act	Capital Markets and Services Act 2007, which reference shall include all amendments, modifications, alterations, consolidations or re-enactment made thereto or for the time being in force and all statutory instruments, regulations or orders made pursuant thereto or for the time being in force.
AUD	Australian Dollar, the lawful currency of Australia.
AUD Hedged Class	The Class issued by the Fund denominated in AUD that aims to minimise the effect of exchange rate fluctuations between the Base Currency and AUD.
Base Currency	The base currency of the Fund, i.e. USD.
Business Day	A day on which Bursa Malaysia is open for trading or banks in Kuala Lumpur are open for business. The Manager may declare certain business days to be a non business day although Bursa Malaysia or the banks are open for business. ***Note:*** *We may declare certain Business Days to be a non-Business Day if the jurisdiction of the Target Fund declares a non-business day and/or if the Target Fund's manager declares a non-dealing day.*
Bursa Malaysia	The stock exchange managed and operated by Bursa Malaysia Securities Berhad and includes any changes to the name or the operator of the Malaysian stock exchange.
Class(es)	Any class of units representing similar interest in the assets of the Fund.
CSSF	Commission de Surveillance du Secteur Financier.
Deed	The deed dated 18 February 2022 entered into between the Manager and the Trustee in respect of the Fund as may be modified or varied by a supplemental deed from time to time.
Efficient Portfolio Management	Reference to Efficient Portfolio Management throughout the Target Fund's Prospectus shall mean reference to techniques and instruments which fulfil the following criteria: a) they are economically appropriate in that they are realised in a cost effective way; b) they are entered into for one or more of the following specific aims; I. reduction of risk; II. reduction of cost; III. generation of additional capital or income for the funds with a level of risk which is consistent with the risk profile of the funds and the risk diversification rules laid down in Part V. (5.1, A. III); c) their risks are adequately captured by the risk management process of the Target Fund.
Eligible Market	A Regulated Market in an Eligible State.
Eligible State	Any Member State of the EU or any other state in Eastern and Western Europe, Asia, Africa, Australia, North and South America and Oceania.
ESG	Environmental, social and corporate governance.
EU	European Union.

Fund	TA Sustainable Water & Waste Fund.
GBP	Pound Sterling, the lawful currency of United Kingdom.
GBP Hedged Class	The Class issued by the Fund denominated in GBP that aims to minimise the effect of exchange rate fluctuations between the Base Currency and GBP.
G20	The informal group of twenty finance ministers and central bank governors from twenty major economies: Argentina, Australia, Brazil, Canada, China, France, Germany, India, Indonesia, Italy, Japan, Mexico, Russia, Saudi Arabia, South Africa, South Korea, Turkey, United Kingdom, United States of America and the EU.
Information Memorandum	The information memorandum in relation to the Fund.
Initial Offer Period	The period of not more than twenty-one (21) days from the date of this Information Memorandum. The Manager reserves the right to shorten the Initial Offer Period at its own discretion.
Initial Offer Price	The price payable by an applicant for a Unit during the Initial Offer Period.
Investment Manager	FIL Fund Management Limited.
IUTA	A corporation registered with the Federation of Investment Managers Malaysia and authorised to market and distribute unit trust schemes of another party.
Last Practicable Date	31 December 2021 being the latest practicable date in respect of the information in this Information Memorandum.
Law of 2010	The Luxembourg law of 17 December 2010 relating to undertakings for collective investment, as it may be amended from time to time.
Management Company	FIL Investment Management (Luxembourg) S.A.
MCR	Multi-class ratio, being the apportionment of the NAV of each Class over the total NAV of the Fund based on the size of each Class. The MCR is calculated by dividing the NAV of the respective Class by the NAV of the Fund before income and expenses for the day. The apportionment is expressed as a ratio and calculated as a percentage.
Member State	Any member state of the EU as well as Iceland, Liechtenstein and Norway.
Member State of the EU	Any member state of the European Union.
Money Market Instruments	In relation to the Target Fund, money market instruments mean instruments, as defined in Article 2(1) of Directive 2009/65/EC, as amended and as referred to in Article 3 of Commission Directive 2007/16/EC.
MYR Class	The Class issued by the Fund denominated in RM.
MYR Hedged Class	The Class issued by the Fund denominated in RM that aims to minimise the effect of exchange rate fluctuations between the Base Currency and RM.
NAV	Net Asset Value.
NAV of the Fund	The value of all the Fund's assets less the value of all the Fund's liabilities at a valuation point.

NAV of the Class	The value of the assets of the Fund attributable to a Class less the value of the liabilities of the Fund attributable to such Class at a valuation point.
NAV per Unit	The NAV of the Class divided by the number of Units in circulation of that Class at the same valuation point.
OECD	Organisation for Economic Co-operation and Development.
Regulated Market	A market within the meaning of directive 2014/65/EC of 15 May 2014 on markets in financial instruments and any other market which is regulated, operates regularly and is recognised and open to the public. For the avoidance of any doubt this shall include the US OTC Bond Market, the Moscow Exchange, the Shanghai Stock Exchange, the Shenzhen Stock Exchange as well as the mainland China interbank bond market.
Reinvestment Date	The income distribution reinvestment date shall be within three (3) Business Days after the date of declaration of any income distribution.
RM / MYR	Ringgit Malaysia, the lawful currency of Malaysia.
RMB	Renminbi, the lawful currency of the People's Republic of China.
RMB Hedged Class	The Class issued by the Fund denominated in RMB that aims to minimise the effect of exchange rate fluctuations between the Base Currency and RMB.
SC / Securities Commission	Securities Commission Malaysia established under the Securities Commission Malaysia Act 1993.
SFDR	Refers to the 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 from time to time.
SGD	Singapore Dollar, the lawful currency of Singapore.
SGD Hedged Class	The Class issued by the Fund denominated in SGD that aims to minimise the effect of exchange rate fluctuations between the Base Currency and SGD.
Sophisticated Investor(s)	Refers to any person who: (a) falls within any of the categories of investors set out in Part I, Schedule 6 and 7 of the Act; or (b) acquires unlisted capital market products where the consideration is not less than two hundred and fifty thousand ringgit or its equivalent in foreign currencies for each transaction whether such amount is paid for in cash or otherwise Note: For more information, please refer to our website at www.tainvest.com.my for the current excerpts of Part 1, Schedules 6 and 7 of the Act.
Special Resolution	A resolution passed by a majority of not less than three-fourths (¾) of the Unit Holders voting at a meeting of Unit Holders. For the purpose of terminating or winding up the Fund, a Special Resolution is passed by a majority in number representing at least three-fourths (¾) of the value of the Units held by Unit Holders voting at the meeting.
Sustainability Risks	Sustainability risks are an environmental, social or governance event or condition that, if it occurs, could cause an actual or a potential material negative impact on the value of the investment, as defined under the SFDR.

Target Fund	Fidelity Funds – Sustainable Water & Waste Fund.
Target Fund's Prospectus	The prospectus for the Target Fund dated January 2022 and as may be amended and/or supplemented from time to time.
Transferable Securities	In relation to the Target Fund, transferable securities shall mean: - shares and other securities equivalent to shares, - bonds and other debt instruments, - any other negotiable securities which carry the right to acquire any such transferable securities by subscription or exchange, excluding techniques and instruments relating to Transferable Securities and Money Market Instruments.
Trustee	CIMB Commerce Trustee Berhad (Registration Number: 199401027349 (313031-A)).
UCI (or other UCI)	An undertaking for collective Investment within the meaning of Article 1, paragraph (2), points a) and b) of Directive 2009/65/EC, as amended.
UCITS	An undertaking for collective investment in Transferable Securities" authorized pursuant to Directive 2009/65/EC, as amended.
Unit or Units	An undivided share in the beneficial interest and/or right in the Fund and a measurement of the interest and/or right of a Unit Holder in the Fund.
Unit Holder(s) / investor(s) / you	Sophisticated Investor(s) registered for the time being as the holder or holders of Units of the Fund including persons jointly registered.
US	United States.
USD	United States Dollar, the official currency of United States of America.
USD Class	The Class issued by the Fund denominated in USD.
Valuation Day	A Business Day on which the price of the Fund is calculated.
We / our / us / the Manager / TAIM	TA Investment Management Berhad (Registration Number: 199501011387 (340588-T)).

CORPORATE DIRECTORY

Manager

Name:	TA Investment Management Berhad (Registration Number: 199501011387 (340588-T))
Registered Address:	34th Floor, Menara TA One 22 Jalan P. Ramlee 50250 Kuala Lumpur
Head Office / Business Address:	23rd Floor, Menara TA One 22 Jalan P. Ramlee 50250 Kuala Lumpur
Telephone number: Facsimile number: Email address: Website:	03-2031 6603 03-2031 4479 investor.taim@ta.com.my www.tainvest.com.my

Trustee

Name:	CIMB Commerce Trustee Berhad (Registration Number: 199401027349 ((313031-A))
Registered Address:	Level 13, Menara CIMB Jalan Stesen Sentral 2 Kuala Lumpur Sentral 50470 Kuala Lumpur
Telephone number: Facsimile number: Website:	03-2261 8888 03-2261 0099 www.cimb.com
Business Address:	Level 21, Menara CIMB Jalan Stesen Sentral 2 Kuala Lumpur Sentral 50470 Kuala Lumpur
Telephone number: Facsimile number:	03-2261 8888 03-2261 9894

CHAPTER 1: THE FUND

<table>
<tr><th colspan="2">FUND INFORMATION</th></tr>
<tr><td>Fund Name</td><td>TA Sustainable Water & Waste Fund</td></tr>
<tr><td>Fund Profile
Fund Category
Fund Type</td><td>
Feeder fund (Equity)
Growth</td></tr>
<tr><td>Base Currency</td><td>USD</td></tr>
<tr><td>Class(es) of Units</td><td>USD Class
MYR Class
AUD Hedged Class
SGD Hedged Class
GBP Hedged Class
MYR Hedged Class
RMB Hedged Class</td></tr>
<tr><td>Launch Date</td><td><table><tr><th>USD Class</th><th>MYR Class</th><th>AUD Hedged Class</th><th>SGD Hedged Class</th><th>GBP Hedged Class</th><th>MYR Hedged Class</th><th>RMB Hedged Class</th></tr><tr><td colspan="7">23 February 2022</td></tr></table></td></tr>
<tr><td>Initial Offer Price</td><td><table><tr><th>USD Class</th><th>MYR Class</th><th>AUD Hedged Class</th><th>SGD Hedged Class</th><th>GBP Hedged Class</th><th>MYR Hedged Class</th><th>RMB Hedged Class</th></tr><tr><td>USD 1.0000</td><td>RM 1.0000</td><td>AUD 1.0000</td><td>SGD 1.0000</td><td>GBP 1.0000</td><td>RM 1.0000</td><td>RMB 1.0000</td></tr></table></td></tr>
<tr><td>Initial Offer Period</td><td>A period of twenty-one (21) days from the Launch Date of the Fund.

The Initial Offer Period may be shortened when we deem appropriate to enter the market to capitalize on the prevailing yields and/or market condition.

The Fund may create new Classes without having to seek Unit Holders’ prior approval. You will be notified of the issuance of the new Classes by way of a written and the prospective investors will be notified of the same by way of a supplementary/replacement information memorandum.</td></tr>
<tr><td>Commencement Date</td><td>The next Business Day immediately following the end of the Initial Offer Period.</td></tr>
<tr><td>Investment Objective</td><td>The Fund aims to achieve long-term capital growth.

Any material change to the Fund’s investment objective would require Unit Holders’ approval.</td></tr>
<tr><td>Investment Strategy</td><td>The Fund seeks to achieve its investment objective by investing a minimum of 90% of the Fund’s NAV in the Target Fund and the remainder of the Fund’s NAV will be invested in liquid assets.

The Fund may employ currency hedging strategies to hedge the foreign currency exposure to manage the currency risk of the hedged Classes which are not denominated in the Base Currency.</td></tr>
</table>

	The Fund is a qualified sustainable and responsible investment fund. It invests predominantly in the Target Fund. The investments of the Target Fund are subject to ESG criteria. For further details on the ESG criteria adopted by the Investment Manager please refer to the Target Fund's Prospectus as may be updated from time to time and/ or https://fidelityinternational.com/sustainable-investing-framework/. The Target Fund is part of the Fidelity Sustainable Family and adopts a Sustainable Thematic strategy, under which a minimum of 90% of the Target Fund's net assets will be analysed[1] as to whether they maintain sustainable characteristics and a minimum of 70% of the Target Fund's net assets will be invested in securities which are deemed to maintain sustainable characteristics, as described in the Section 3.10 of this Information Memorandum. Sustainable characteristics are defined by reference to a combination of different measurements such as ESG ratings provided by external agencies or Fidelity Sustainability Ratings. A maximum of 30% of the Target Fund's net assets are allowed in issuers that are not deemed to maintain sustainable characteristics in accordance with the criteria above, but which demonstrate improving sustainable indicators. Improving sustainable indicators are issuers classified as such through the trajectory outlook of Fidelity Sustainability Ratings or issuers which in the view of the Investment Manager demonstrate the potential for improvement through the implementation and execution of a formal engagement plan. Further details on the methodology applied are set out at https://fidelityinternational.com/sustainable-investing-framework/ and may be updated from time to time. Please refer to Section 3.10 "Fidelity Sustainable Family of Funds" of this Information Memorandum for details. When selecting investments, the Target Fund's investment universe, as represented by the Index (for the purpose of this calculation), will be reduced by at least 20% due to the exclusion of issuers on the basis of their ESG characteristics The Manager will endeavor to obtain assurances from the Investment Manager to ensure that the Target Fund has policies and processes to deal with such events where the Target Fund's investments become inconsistent with its investment strategies and policies, and to ensure that the overall impact of the Target Fund's investments are not inconsistent with any other sustainability considerations. If the Target Fund's investment becomes inconsistent with its investment strategy and sustainability considerations, the Investment Manager may consider the exclusion of companies from their investment universe based on specific ESG criteria. For further details on the policies and/or strategies to be adopted by the Investment Manager in such divestment or exclusion please refer to https://fidelityinternational.com/sustainable-investing-framework/. If and when the Manager considers the investment in the Target Fund is unable to meet the investment objective of the Fund and/or the Guidelines on Sustainable and Responsible Investment Funds, the Manager may replace the Target Fund with another collective investment scheme that is deemed more appropriate. The Manager will seek Unit Holders' approval before any such change is made. In the event there is a change of the Target Fund, the Manager will ensure that the replacement of the Target Fund complies with the Guidelines on Sustainable and Responsible Investment Funds ("SRI Guidelines") and notify the SC immediately if there is any changes to the SRI Guidelines that would have an impact on the Fund's compliance with these SRI Guidelines. As this is a feeder fund, the Manager does not intend to take a temporary defensive position for the Fund during adverse market, economic and/or any

[1] Pursuant to the current Fidelity Sustainable Family Framework described in the Section 3.10 of the Information Memorandum, the sustainable characteristics of all securities in the Target Fund are subject to assessment.

	other conditions. However, in such conditions the Manager may decide to temporarily lower the asset allocation or exposure of the Fund in the Target Fund to below 90% of the Fund's NAV should the Manager decide that this will be in the best interest of the Unit Holders. Currently, the Fund invests in Class A-ACC-USD shares of the Target Fund. The Fund may change its entire investment into another class of the Target Fund (which must be denominated in the same currency) if the Manager is of the opinion that the change is in the interest of the Unit holders. If the Manager wishes to effect such change, the Manager will seek concurrence from the Trustee and the Unit Holders will be notified before implementation. Please refer to Chapter 3, The Information on Fidelity Funds – Sustainable Water & Waste Fund ("Target Fund") for details of the Target Fund. Investors may obtain a copy of the Target Fund's Prospectus from the Manager upon request.
Asset Allocation	• A minimum of 90% of the Fund's NAV will be invested in the Target Fund; • A maximum of 10% of the Fund's NAV will be invested in liquid assets.
Principal Risk Associated with the Fund	• Risk of passive strategy; • Currency risk; • Country risk; • Fund management of the Target Fund risk; • Counterparty risk; and • Temporary Suspension of the Target Fund Risk.
Performance Benchmark	MSCI ACWI Index (Net)
Investor Profile	The Fund is suitable for Sophisticated Investors who: • seek for long-term capital growth; • wish to participate in equity markets while being prepared to accept the investment risks involved; • seek medium or long-term investment.
Permitted Investments	Unless otherwise prohibited by the relevant regulatory authorities or any relevant law and provided always that there are no inconsistencies with the objective of the Fund, the Fund is permitted under the Deed to invest in the following: 1. units and or shares of a collective investment scheme; 2. money market instruments; 3. deposits placed with financial institutions; 4. financial derivatives instruments, including but not limited to options, futures contracts, forward contracts and swaps, for hedging purposes; and 5. any other investments as may be agreed between the Manager and the Trustee from time to time.
Investment Restrictions and Limits	The Fund is not subject to any investment restriction or limit.

FEES AND CHARGES RELATED TO THE FUND
The table below describes the fees and charges directly incurred by you when you purchase or redeem Units of the Fund. All fees and charges quoted below are <u>exclusive</u> of any tax which may be imposed by the government or relevant authority unless otherwise specified.

<table>
<tr><td>SALES CHARGE</td><td>Up to 5.50% of the NAV per Unit imposed either by IUTAs, unit trust consultants or Manager.

All sales charge is to be rounded to two (2) decimal points. We reserve the right to waive and/or reduce the sales charge from time to time at our absolute discretion.

Note: Sophisticated Investors may negotiate for a lower sales charge through the sales and promotional campaigns from time to time; alternatively, Sophisticated Investors may negotiate with their preferred distributors for a lower sales charge. Investment through the distributors shall be subject to their respective terms and conditions.</td></tr>
<tr><td>REDEMPTION CHARGE</td><td>Nil.</td></tr>
<tr><td>SWITCHING FEE</td><td>We may impose an administrative fee for a switching transaction from each Class, subject to our discretion.

<table><tr><th>USD Class</th><th>MYR Class</th><th>AUD Hedged Class</th><th>SGD Hedged Class</th><th>GBP Hedged Class</th><th>MYR Hedged Class</th><th>RMB Hedged Class</th></tr><tr><td>USD25</td><td>-</td><td>AUD25</td><td>SGD25</td><td>GBP25</td><td>-</td><td>RMB25</td></tr></table>or such other lower amount as we may decide from time to time.

Note: In addition to the switching fee, Unit Holders will have to pay the difference in sales charge, if any, when switching from a Class to any other funds managed by us. No sales charge difference will be charged if the Class or fund (or its class) to be switched into has a lower sales charge.</td></tr>
<tr><td>TRANSFER FEE</td><td>No transfer fee will be imposed for each transfer.</td></tr>
<tr><td>OTHER CHARGES PAYABLE DIRECTLY BY AN INVESTOR WHEN PURCHASING OR REDEEMING THE UNITS</td><td>Any applicable bank charges and other bank fees incurred as a result of an investment or redemption will be borne by you.</td></tr>
<tr><td colspan="2">The table below describes the fees and charges indirectly incurred by you when you invest in the Fund. All fees and charges quoted below are <u>exclusive</u> of any tax which may be imposed by the government or relevant authority unless otherwise specified.</td></tr>
<tr><td>ANNUAL MANAGEMENT FEE</td><td>Up to 1.80% per annum of the NAV of the Fund, calculated and accrued on a daily basis.

Note: We may, at our own discretion, from time to time, charge an annual management fee that is lower than that stated above.</td></tr>
<tr><td>ANNUAL TRUSTEE FEE</td><td>Up to 0.04% per annum of the NAV of the Fund, subject to a minimum fee of RM12,000 per annum of the Fund (excluding foreign custodian fees and charges).</td></tr>
<tr><td>OTHER EXPENSES RELATED TO THE FUND</td><td>Only the expenses (or part thereof) which are directly related and necessary to the operation and administration of the Fund or each Class may be charged to the Fund or each Class respectively. These would include (but are not limited to) the following:</td></tr>
</table>

	(i) commissions or fees paid to brokers or dealers in effecting dealings in the investments of the Fund, shown on the contract notes or confirmation notes (if any); (ii) (where the custodial function is delegated by the Trustee), charges and fees paid to sub-custodians taking into custody any foreign assets of the Fund; (iii) taxes and other duties charged on the Fund by the government and/or other authorities; (iv) costs, fees and expenses properly incurred by the auditor of the Fund; (v) costs, fees and expenses incurred for the valuation of any investment of the Fund by independent valuers for the benefit of the Fund; (vi) costs, fees and expenses incurred for any modification of the Deed save where such modification is for the benefit of the Manager and/or the Trustee; (vii) costs, fees and expenses incurred for any meeting of the Unit Holders save where such meeting is convened for the benefit of the Manager and/or the Trustee; (viii) costs, commissions, fees and expenses of the sale, purchase, insurance and any other dealing of any asset of the Fund; (ix) costs, fees and expenses incurred in engaging any specialists approved by the Trustee for investigating or evaluating any proposed investment of the Fund; (x) costs, fees and expenses incurred in engaging any adviser for the benefit of the Fund; (xi) costs, fees and expenses incurred in the preparation and audit of the taxation, returns and accounts of the Fund; (xii) costs, fees and expenses incurred in the termination of the Fund or the removal of the Trustee or the Manager and the appointment of a new trustee or management company; (xiii) costs, fees and expenses incurred in relation to any arbitration or other proceedings concerning the Fund or any asset of the Fund, including proceedings against the Trustee or the Manager by the other for the benefit of the Fund (save to the extent that legal costs incurred for the defence of either of them are ordered by the court not to be reimbursed by the Fund); (xiv) costs, fees and expenses deemed by the Manager to have been incurred in connection with any change or the need to comply with any change or introduction of any law, regulation or requirement (whether or not having the force of law) of any governmental or regulatory authority; (xv) all costs and expenses associated with the distributions declared pursuant to the Deed and the payment of such distribution including without limitation fees, costs and/or expenses for the revalidation or reissuance of any distribution cheque or warrant or telegraphic transfer; (xvi) expenses and charges incurred in connection with the printing and postage for the annual or quarterly report, tax certificates and other services associated with the administration of the Fund; and (xvii) any tax now or hereafter imposed by law or required to be paid in connection with any costs, fees and expenses incurred under sub-paragraphs (i) to (xvi) above.

Note: We may for any reason and at any time, waive or reduce: (a) any fees (except the trustee fee); (b) other charges payable by you in respect of the Fund; and/ or (c) transactional values including but not limited to the Units or amount, for any Unit holder and/or investments made via any distribution channels or platform.

THERE ARE FEES AND CHARGES INVOLVED AND SOPHISTICATED INVESTORS ARE ADVISED TO CONSIDER THEM BEFORE INVESTING IN THE FUND.

<table>
<tr><th colspan="2">TRANSACTION INFORMATION</th></tr>
<tr><td>Minimum Initial Investment</td><td>
<table>
<tr><th>USD Class</th><th>MYR Class</th><th>AUD Hedged Class</th><th>SGD Hedged Class</th><th>GBP Hedged Class</th><th>MYR Hedged Class</th><th>RMB Hedged Class</th></tr>
<tr><td>USD 5,000</td><td>RM 5,000</td><td>AUD 5,000</td><td>SGD 5,000</td><td>GBP 5,000</td><td>RM 5,000</td><td>RMB 5,000</td></tr>
</table>
or such other lower amount as we may decide from time to time.</td></tr>
<tr><td>Minimum Additional Investment</td><td>
<table>
<tr><th>USD Class</th><th>MYR Class</th><th>AUD Hedged Class</th><th>SGD Hedged Class</th><th>GBP Hedged Class</th><th>MYR Hedged Class</th><th>RMB Hedged Class</th></tr>
<tr><td>USD 1,000</td><td>RM 1,000</td><td>AUD 1,000</td><td>SGD 1,000</td><td>GBP 1,000</td><td>RM 1,000</td><td>RMB 1,000</td></tr>
</table>
or such other lower amount as we may decide from time to time.</td></tr>
<tr><td>Minimum Redemption</td><td>
<table>
<tr><th>USD Class</th><th>MYR Class</th><th>AUD Hedged Class</th><th>SGD Hedged Class</th><th>GBP Hedged Class</th><th>MYR Hedged Class</th><th>RMB Hedged Class</th></tr>
<tr><td>1,000 Units</td><td>1,000 Units</td><td>1,000 Units</td><td>1,000 Units</td><td>1,000 Units</td><td>1,000 Units</td><td>1,000 Units</td></tr>
</table>
or such other lesser number of Units as we may decide from time to time.

Note: Unit Holders must hold the minimum holding of Units in their account for each Class if they wish to remain as Unit Holders. The Unit Holder will be deemed to have redeem all of his Units if his Units fall below the minimum holding amount for each Class and we will pay the redemption proceeds to the Unit Holders.</td></tr>
<tr><td>Minimum Transfer of Units</td><td>
<table>
<tr><th>USD Class</th><th>MYR Class</th><th>AUD Hedged Class</th><th>SGD Hedged Class</th><th>GBP Hedged Class</th><th>MYR Hedged Class</th><th>RMB Hedged Class</th></tr>
<tr><td>1,000 Units</td><td>1,000 Units</td><td>1,000 Units</td><td>1,000 Units</td><td>1,000 Units</td><td>1,000 Units</td><td>1,000 Units</td></tr>
</table>
or such other lesser number of Units as we may decide from time to time.</td></tr>
<tr><td>Minimum Holding of Units</td><td>
<table>
<tr><th>USD Class</th><th>MYR Class</th><th>AUD Hedged Class</th><th>SGD Hedged Class</th><th>GBP Hedged Class</th><th>MYR Hedged Class</th><th>RMB Hedged Class</th></tr>
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</table>
or such other lesser number of Units as we may decide from time to time.</td></tr>
<tr><td>Frequency of Redemption</td><td>There is no restriction on the frequency of redemption.

Redemption requests must be received by us before 4.00p.m. on any Business Day. Redemption requests that are received after 4.00p.m. will only be processed on the next Business Day.</td></tr>
<tr><td>Redemption Payment Period</td><td>Redemption proceeds will be paid to you within ten (10) Business Days from the day the redemption request is received by us based on the selected payment method stated in the transaction form received by our head office. However, for a withdrawal amount exceeding 10% of the total NAV of the Fund, the Manager may extend to fifteen (15) Business Days to pay the redemption proceeds to the Unit Holders.</td></tr>
<tr><td>Switching Facility</td><td>Switching is available between the Classes of the Fund and between a Class and any other TAIM’s funds (or its class of units), which are denominated in the same currency.

(a) for switching out of the Class
the minimum switching of Units is 1,000 Units; and
the minimum holding of Units is 1,000 Units (after the switch) of the respective Class, unless you are fully redeeming from the Class entirely.</td></tr>
</table>

	(b) for switching into the Class (a) the minimum initial investment amount or the minimum additional investment amount (as the case may be) applicable to the Class that you intend to switch into will be applicable to you. *Note: The Manager has the discretion to lower the minimum Units for switching from time to time.* We will process your switching transaction once a complete switching request form is received by us before 4.00p.m. on any Business Day. Any switching request received by us after 4.00p.m. will only be processed on the next Business Day. Currently, there is no restriction on the frequency to switch. However, we have the discretion to allow or reject any switching into (or out of) the Class, either generally (for all investors) or specifically (for any particular investor or a group of investors).
Transfer Policy	Unit Holders may transfer all or part of their Units to another person by completing a transfer form signed by both the transferor and transferee in the presence of a witness. For a partial transfer of Units, Unit Holders must maintain the minimum holding of Units of the Class or such other lesser number of Units as we may from time to time decide, and be subject to any other terms and conditions which may be applicable to the Class. We may, at our absolute discretion, allow or reject Unit Holders' applications to transfer their Units subject to such terms and conditions as may be stipulated by us from time to time. The person who is in receipt of the Units must be a Sophisticated Investor as well.
Cooling-off Period	A cooling-off right is not available for the Fund.
Eligibility to Subscribe	The Fund is only offered for sale to Sophisticated Investors. In the event that we become aware that a Unit Holder who is not eligible to apply for Units is in fact holding Units, we shall be deemed to have received a redemption request in respect of such Units on the Business Day following the day we first became aware of the Unit Holder's ineligibility.

Note: We may, at our absolute and sole discretion at any time and without having to assign any reason, allow for a lower amount or number of Units in any purchasing of Units (or additional Units) or withdrawing of Units or switching of Units and/or transferring of Units, either generally (for all investors) or specifically (for any particular investor, a group of investors or investments made via any digital platform) without prior notice to you. We may also, at our absolute and sole discretion at any time and without having to assign any reason, reduce the minimum holding, either generally (for all investors) or specifically (for any particular investor, a group of investors or investments made via any digital platform) without prior notice to you.

ADDITIONAL INFORMATION	
Distribution Policy	Subject to availability of income, distribution (if any) is incidental.
Financial Year End	31 August
Deed	The deed in respect of the Fund dated 18 February 2022 entered into between the Manager and the Trustee.
Avenue for Advice	You may contact our Customer Service at 1-800-38-7147.

Trustee	CIMB Commerce Trustee Berhad (Registration Number: 199401027349 (313031-A)).
Establishment of other classes	Under the Deed, the Manager has the sole and absolute right to issue and/or establish other, different or new classes of units in the Fund with different and/or similar features including but not limited to fees, charges, currency and/or distribution policy without the need to seek Unit Holders' prior approval provided the issuance of such other Classes and the imposition of the terms will not in the opinion of the Manager and the Trustee prejudice the rights of the Unit Holders of the existing Classes. Where a new Class is established or issued, Units in the Fund or any existing Classes may be re-designated so long as there is no prejudice to the existing Unit Holders of the Fund as a whole or of such Classes. As at the date of this Information Memorandum, there are seven (7) Classes in the Fund, i.e. USD Class, MYR Class, AUD Hedged Class, SGD Hedged Class, GBP Hedged Class, MYR Hedged Class and RMB Hedged Class.

You should read and understand the contents of this Information Memorandum and if necessary, consult your adviser(s) before making an investment decision.

CHAPTER 2: RISK FACTORS

We encourage Unit Holders to give careful consideration to the risks associated with the Fund when investing in the Fund and, accordingly, to obtain independent financial and taxation advice before investing in the Fund.

2.1 GENERAL RISKS OF INVESTING IN THE FUND

Below are some of the **general risks** which Unit Holders should be aware of when investing in the Fund:

a) Market Risk

Market risk refers to the possibility that an investment will lose value because of a general decline in financial markets, due to economic, political and/or other factors, which will result in a decline in the Fund's NAV.

b) Manager Risk

This risk refers to the day-to-day management of the Fund by the Manager which will impact the performance of the Fund. For example, any non-compliance with internal policies, investment mandate, the Deed, relevant law or Guidelines due to factors such as human error or weaknesses in operational processes and systems may adversely affect the performance of the Fund.

c) Inflation Risk

Inflation risk is the risk that an investor's investment in the Fund may not grow or generate income at a rate that keeps pace with inflation. This would reduce the investor's purchasing power even though the value of the investment in monetary terms has increased.

d) Non-compliance Risk

This risk arises from non-compliance with laws, rules, regulations, prescribed practices and internal policies and procedures by the management company. For example, the Manager may fail to comply with internal policies and procedures due to internal factors such as oversight, human error and/or system error. This risk may also occur indirectly due to the imposition and/or amendment to the relevant regulatory frameworks, laws, rules and other prescribed practices affecting the Fund. The Manager has put in place internal controls to ensure that comprehensive and timely compliance monitoring is undertaken.

e) Loan Financing Risk

This risk occurs when investors take a loan or financing to finance their investment. The inherent risk of investing with borrowed money includes investors being unable to service the loan repayments. In the event Units are used as collateral, investors may be required to top-up the investors' existing instalment if the prices of Units fall below a certain level due to market conditions. Failing which, the Units may be sold at a lower NAV per Unit as compared to the NAV per Unit at the point of purchase towards settling the loan.

f) Operational Risk

Apart from a market disruption event, system interruption can also impact processes when there is an interruption in the flow of information needed for making qualified decisions where decisions are made based on accurate flow of information with operated system in managing the Fund. These disruptions may impact the performance of the Fund, the settlement of trades in the Fund and may also affect the investor's transactions with the Fund. The Manager has put in place internal controls to manage some of these disruptions such as business continuity plans. However, investors should note that not all circumstances can be prepared for nor anticipated. In such circumstances, the Manager in consultation with the Trustee will take appropriate measures to safeguard the Unit Holders' interests.

2.2 SPECIFIC RISKS RELATED TO THE FUND

Below are some of the **specific risks** when investing in the Fund; these may include but are not limited to:

a) Risk of Passive Strategy

The Fund adopts a passive strategy of investing a minimum of 90% of its NAV into the Target Fund at all times. This passive strategy would result in the Fund being exposed to the risk of its NAV declining when the Target Fund's net asset value declines. All investment decisions on the Target Fund are left with the Investment Manager of the Target Fund.

b) Currency Risk

The Fund may offer Units in multiple currency Classes, which will expose the Unit Holder to currency risk in respect to the currency of Units of a Class other than the Base Currency.

(i) Currency risk at the hedged Class level
Investors in the hedged Classes are subject to currency risk as the Manager will as much as practicable mitigate this risk by hedging the currency of the respective hedged Classes against the Base Currency. However, investors should note that hedging is subject to a minimum investment size of entering into a forward contract and the unhedged portion of the respective hedged Classes may still be affected by the exchange rate movement which may result in fluctuation of NAV of the respective hedged Classes. In addition, investors in the hedged Classes should note that by employing this hedging, investors would not be able to enjoy the additional currency gains when the Base Currency moves favourably against the currency of the hedged Classes. Additional transaction costs of hedging will also have to be borne by the investors in these hedged Classes.

(ii) Currency risk at the non-hedged Class level
For investors in the non-hedged Classes, the impact of the exchange rate movement between the Base Currency and the currency of the respective non-hedged Classes (other than USD Class) may result in a depreciation of the investor's holdings as expressed in the Base Currency.

c) Country Risk

The Fund invests in the Target Fund which is domiciled in Luxembourg. Any adverse changes in the economic fundamentals, social and political stability, currency movements and foreign investments policies in Luxembourg may have an impact on the prices of the Target Fund and consequently may also affect the Fund's NAV.

d) Fund Management of the Target Fund Risk

We have exercised due skill and care in selecting the Target Fund. However, we do not have control over the management of the Target Fund and there is no guarantee that the investment objective of the Target Fund will be met. This may affect the value of the Unit Holders' investments in the Fund.

The Target Fund may change its investment objective which may become inconsistent with the investment objective of the Fund. In such instances, we will replace the Target Fund with other collective investment scheme which we consider to be more appropriate in meeting the investment objective of the Fund. Any changes on the replacement of the Target Fund would require the Unit Holders' approval.

e) Counterparty Risk

Investors in the hedged Classes of the Fund are subject to counterparty risk on the derivatives contract that may be entered into with the financial institutions for the purpose of hedging strategy. Hence, any default or downgrade in rating by the counterparty may affect the NAV of the hedged Classes. In mitigating this risk, the Manager will carry out stringent selection process on the counterparty prior to entering the derivatives contract with the counterparty.

f) Temporary Suspension of the Target Fund Risk

If the right of the Fund to redeem its shares of the Target Fund is temporarily suspended, the Fund may also be affected if the Fund does not have sufficient liquidity to meet redemption request from Unit Holder. As such, the Manager will also suspend the redemption of Units of the Fund. Any redemption request received by the Manager during the suspension period will only be accepted and processed on the next Business Day after the cessation of the suspension.

2.3 SPECIFIC RISKS RELATED TO THE TARGET FUND

a) General Risk

1. **Risk to Capital and Income**
   The assets of the Target Fund are subject to fluctuations in value and other risks inherent in investing in securities and other financial instruments including the risks outlined below. The value of investments and the income of the Target Fund may go down as well as up. Therefore, your investment in the Target Fund may suffer losses, and you may not get back the original amount invested. Past performance is no guarantee of future performance**.**

2. **Foreign Currency Risk**
   Some or all of the Target Fund's assets may be denominated in currencies other than the base currency of the Target Fund. Also, a class of shares may be designated in a currency other than the base currency of the Target Fund. Fluctuations in the exchange rates between these currencies and the base currency as well as changes in exchange rate controls may adversely affect the Target Fund's net asset value. The Target Fund may, or may not, hedge these risks using foreign exchange contracts and the associated risks are explained below in this section g) Derivatives/ Counterparty Related Risk.

   If the Target Fund invests in assets denominated in restricted currencies (i.e. where governments impose controls on the amounts of currency that can be traded) this may be subject to higher volatility due to lower traded volumes and pricing uncertainty. Further, the ability to hedge these risks may be limited as derivative instruments such as forwards or futures may be restricted, overly expensive or unavailable.

3. **Cash and Cash Equivalents**
   The Target Fund may hold cash or cash equivalents (e.g. Money Market Instruments). If the Target Fund does not include this asset class as part of its asset allocation, it therefore may not fully participate in the movements of the market(s) on which it focuses.

4. **Liquidity**
   In normal market conditions the Target Fund's assets comprise mainly realisable investments which can be readily sold. The Target Fund's main liability is the redemption of any shares that investors wish to sell. In general the Target Fund manages its investments, including cash, such that it can meet its liabilities. Investments held may need to be sold if insufficient cash is available to finance such redemptions. If the size of the disposals is sufficiently large, or the market is illiquid, then there is a risk that either the investments might not be sold or the price at which they are sold may adversely affect the net asset value of theTarget Fund.

5. **Pricing & Valuation**
   The Target Fund's assets comprise mainly quoted investments where a valuation price can be obtained from an exchange or similarly verifiable source. However, the Target Fund may also invest in unquoted and/or illiquid investments which will increase the risk of mispricing. Further, the Target Fund will compute net asset values when some markets are closed for holidays or other reasons. In these and similar cases an objective verifiable source of market prices will not be available and the Investment Manager will invoke a process which will determine a fair value price for the relevant investments; this process involves assumptions, uncertainty and subjectivity. If such valuation turns out to be incorrect, this will affect the net asset value calculation of the Target Fund.

6. Counterparty Credit & Settlement

All security investments are transacted through brokers who have been approved by the Investment Manager as an acceptable counterparty. The list of approved brokers is reviewed regularly. There is a risk of loss if a counterparty fails to perform its financial or other obligations to the Target Fund, for example, the possibility that a counterparty may default, by failing to make payments due, or make payments in a timely manner. If settlement does not occur the loss incurred by the Target Fund will be the difference between the price of the original contract and the price of the replacement contract, or, in the case where the contract is not replaced, the absolute value of the contract at the time it is voided.

7. Legal & Tax

In some jurisdictions the interpretation and implementation of laws and regulations and the enforcement of shareholders' rights under such laws and regulations may involve significant uncertainties. Further, there may be differences between accounting and auditing standards, reporting practices and disclosure requirements and those generally accepted internationally. The Target Fund may be subject to withholding and other taxes. Tax law and regulations of any country are constantly changing, and they may be changed with retrospective effect. The interpretation and applicability of the tax law and regulations by tax authorities in some jurisdictions are not as consistent and transparent as those of more developed nations, and may vary from region to region.

8. Custody

Custodial Risk

There are risks involved in dealing with the depositary of the Target Fund, sub-custodians or brokers who hold or settle the Target Fund's trades. It is possible that, in the event of the insolvency or bankruptcy of the depositary of the Target Fund, a sub-custodian or a broker, the Target Fund would be delayed or prevented from recovering its assets from the depositary of the Target Fund, sub-custodian or broker, or its estate and may have only a general unsecured claim against the depositary of the Target Fund, sub-custodian or broker for those assets. The depositary of the Target Fund will hold assets in compliance with applicable laws and such specific provisions as agreed in the depositary agreement of the Target Fund. These requirements are designed to protect the assets against the insolvency in bankruptcy of the depositary of the Target Fund but there is no guarantee they will successfully do so. In addition, as the Target Fund may invest in markets where custodial and/or settlement systems and regulations are not fully developed, including emerging markets, the assets of the Target Fund which are traded in such markets and which have been entrusted to sub-custodians, in circumstances where the use of sub-custodians is necessary, may be exposed to risk in circumstances where the depositary of the Target Fund will have no liability, where a loss to the Target Fund has arisen as a result of an external event beyond the depositary of the Target Fund's reasonable control, the consequences of which would have been unavoidable despite all reasonable efforts to the contrary. Please also refer to the section "The Depositary" in Part IV of the Target Fund's Prospectus for further detail on the provisions in relation to the liability of the depositary of the Target Fund.

Credit Risk with respect to Cash

The Target Fund will be exposed to the credit risk of the depositary of the Target Fund or any sub-custodian used by the depositary of the Target Fund where cash is held by the depositary of the Target Fund or sub-custodians. Credit risk is the risk that an entity will fail to discharge an obligation or commitment that it has entered into with the Target Fund. Cash held by the depositary of the Target Fund and sub-custodians will not be segregated in practice but will be a debt owing from the depositary of the Target Fund or other sub-custodians to the Target Fund as a depositor. Such cash will be co-mingled with cash belonging to other clients of the depositary of the Target Fund and/or sub-custodians. In the event of the insolvency of the depositary of the Target Fund or sub-custodians, the Target Fund will be treated as a general unsecured creditor of the depositary of the Target Fund or sub-custodians in relation to cash holdings of the Target Fund. The Target Fund may face difficulties and/or encounter delays in recovering such debt, or may not be able to recover it in full or at all, in which case the Target Fund will lose some or all of its cash. The Target Fund may enter into additional arrangements (for example, placing cash in money market collective investment schemes) in order to mitigate credit exposure for its cash holdings but may be exposed to other risks as a result. To mitigate the Target Fund's exposure to the depositary of the Target Fund, the Management Company employs specific procedures to ensure that the depositary of the Target Fund is a reputable institution and that the credit risk is acceptable to the Target Fund. If there is a change in depositary of the Target Fund then the new custodian will be a regulated entity subject to prudential supervision with high credit ratings assigned by international credit rating agencies.

Central Securities Depositary

Where securities are held by a central securities depositary or clearing system, such securities may be held by such entities in client omnibus accounts and in the event of a default by any such entity, where there is an irreconcilable shortfall of such securities, the Target Fund may have to share that shortfall on a pro-rata basis. Securities may be deposited with central securities depositary which the depositary of the Target Fund is not obliged to appoint as its sub-custodians and in respect of the acts or defaults of which the depositary of the Target Fund shall have no liability.

9. Cross Share Class Liabilities

Although assets and liabilities are clearly attributable to each class of Shares, there is no legal segregation between classes of Shares within the Target Fund. This means that if the liabilities of a class of Shares exceed its assets, creditors of such class may have recourse without restriction to assets which are attributable to the other classes of Shares within the Target Fund. Although the Management Company implements appropriate procedures to mitigate this risk of contagion, Shareholders should note that specific transactions (e.g. currency hedging) may be entered into for the benefit of a particular class of Shares but result in liabilities for the other classes of Shares within the Target Fund.

10. Dealing Arrangements

In certain circumstances, the investor's right to redeem Shares may be suspended or redemption requests may be deferred.

11. Cyber Events

Cyber-attacks, disruptions, or failures (collectively: cyber events) that affect the Target Fund's service providers or counterparties, issuers of securities held by the Target Fund or other market participants may adversely impact the Target Fund and its shareholders of the Target Fund, including by causing financial losses or impairing operations. While the Management Company has established systems and processes seeking to address cyber events there are inherent limitations as the Target Fund cannot control the cyber security plans of its counterparties.

12. Risk associated with Foreign Account Tax Compliance Act ('FATCA')

The Target Fund intends to fully comply with the legislation and the obligations imposed on it by FATCA and meet its obligation under the inter-governmental agreement ("IGA") with the US. However, no assurance can be given that the Target Fund will be able to fully achieve this and avoid being subject to US withholding taxes. In the event the Target Fund as a Luxembourg financial institution is deemed by the US Internal Revenue Service ("IRS") to not be meeting its obligations in the future, the Target Fund may become subject to additional US withholding taxes, which could materially impact income returns from certain US source securities. In addition shareholders of the Target Fund may suffer material loss in the Target Fund where US withholding tax is imposed on the capital value of US source securities. Investors should consult their legal, tax and financial advisers to determine their status under the FATCA regime before making any decision to invest in the Target Fund.

13. Replacement of LIBOR and other IBORs

The London Inter-bank Offered Rate ("LIBOR") is the average of interest rates estimated by leading banks in London, based on what they would be charged to borrow from other banks. The Target Fund may undertake transactions in instruments that are valued using LIBOR or other, currency specific, IBOR rates or enter into contracts which determine payment obligations by reference to IBORs. From the end of 2021, the UK Financial Conduct Authority (FCA) will no longer require panel banks to submit rates for the calculation of LIBOR and therefore it is not certain whether, and to what extent, they will continue to provide submissions and whether LIBOR will continue on its current basis.

The discontinuance of LIBOR and other IBORs is part of a regulatory agenda to transition the industry from IBORs to alternative benchmark rates. The transition presents risks to the Target Fund which it is not possible to identify exhaustively but these may adversely affect the performance of a fund, its net asset value, and its earnings and returns to shareholders of the Target Fund.

If an IBOR is discontinued or otherwise unavailable, the rate of interest on debt instruments referencing the IBOR will have to be determined based on any applicable fall-back provisions. This may in certain circumstances be reliant upon the provision by reference banks of offered quotations for the IBOR rate, which may not be available, or require the application of a fixed rate based on the last relevant IBOR rate available. Additionally, where such fall-back provisions need to be amended to reflect discontinuance and there is uncertainty on an alternative interest rate measure, there can be no assurance that such amendments or alternative interest rates will mitigate future interest rate risk in the same way.

Positions in IBOR instruments may suffer from reduced liquidity and fall in value as a result of its planned discontinuation. Also, any substitute reference rate and any pricing adjustments imposed unilaterally, by a regulator or by counterparties, may not be suitable for the Target Fund, resulting in costs incurred to close out positions and place replacement trades. Where such a reference index is referenced or used by the Target Fund, or in relation investments to which the Target Fund is exposed (directly or indirectly), there may be a need to replace such an index with alternatives and terminate or restructure a relevant investment which may result in close out and replacement trade costs. There may be extra costs if the instruments with the most favourable liquidity or pricing are not available to the Target Fund.

b) Equities Risk

The Target Fund invests in stocks, the value of those stocks may fluctuate, sometimes dramatically, in response to the activities and results of individual companies or because of general market and economic conditions or other events, including changes in investment sentiment, political and issuer-specific factors.

c) Sector Concentration Risk

The Target Fund invests in a single or small number of sectors which may have greater exposures to the market, liquidity, tax, legal, regulatory, and economic risks of those sectors than a fund which diversifies across a number of sectors, thereby making the Target Fund more susceptible to any adverse events affecting those sectors. This may result in lower liquidity of the Target Fund's assets and/or a higher volatility of the net asset value of the Target Fund than a fund that diversifies across more sectors.

1. Water and Waste Sectors Risk

Certain companies focusing on water and waste management sectors may make substantial investments in construction, operations and maintenance of associated facilities and any delay in commencement of operations due to delay in the construction works may adversely affect the profit or growth of the companies. Companies active in markets with regulated water and/or waste tariffs may suffer from decreasing tariffs, which would lower their revenues. Changes in regulations and policies may affect the operations of such companies. The foregoing factors may have unfavourable effects on the value of the companies invested by the Target Fund, which in turn may result in a fall of the Target Fund's net asset value.

A wide range of Sustainability Risks apply to companies operating in the waste and water sector. Environmental risks include but are not limited to; exposure to increasing water scarcity, waste management challenges, and impact on global and local ecosystems. Waste management risks includes disposal and handling of hazardous waste and infectious waste. For example, leak of a dangerous waste in the environment is an event that could cause material damage which could also jeopardize the investee company's reputation or lead to significant expenses. Social risks include, but are not limited to; product safety, supply chain management and labour standards, health and safety and human rights, employee welfare, and data & privacy concerns. Governance risks include board composition and effectiveness, management incentives, management quality and alignment of management with shareholders.

Failure to effectively manage these risks can lead to a deterioration in financial outcomes as well as a negative impact on society and the environment.

d) Thematic Focus Risk

The Target Fund may adopt a thematic investment approach. The investments in specific themes may not achieve the desired results under all circumstances and market conditions. Investors should note that the thematic investment approach adopted may result in the Target Fund being more volatile than a fund which invests in more diversified types of investments.

e) Emerging Markets Risk

The Target Fund may invest, in part or in whole, in emerging market securities. The price of these securities may be more volatile and/or less liquid than those of securities in more developed markets due to increased risk and special considerations not typically associated with investment in more developed markets. This volatility or lack of liquidity may stem from political and economic uncertainties, legal and taxation risks, settlement risks, transfer of securities, custody risk and currency / currency control factors. Some emerging market economies may be sensitive to world commodity prices and/or volatile inflation rates. Others are especially vulnerable to economic conditions. Although care is taken to understand and manage these risks, the relevant funds will ultimately bear the risks associated with investing in these markets.

A wide range of Sustainability Risks apply to investments within global emerging markets. Governance risks can be more pronounced in the developing world, with a lack of maturity or corporate tenure being one of the contributing factors. Other risks include board composition and effectiveness, management incentives, management quality and alignment of management with shareholders. Governance risks in emerging markets can present a higher risk compared to developed markets; ownership structures more commonly include controlling state interests or the controlling interests of an individual or family. In addition, share structure can be more complex, with non-voting shares leaving minorities with less recourse and connected parties can introduce political risks, which have far reaching implications.

With commodity related business activities more prevalent in the emerging markets, extractive industries can increase environmental and social risks. Such risks may in particular be linked to the ability of companies to mitigate and adapt to climate change leading such emerging market companies to face inter alia increasing carbon prices, increasing water scarcity (and hence higher water prices), waste management challenges, as well as potential negative impacts on global and local ecosystems. Social risks include, but are not limited to; product safety, supply chain management and labour standards, health and safety and human rights, employee welfare, data & privacy concerns and increasing technological regulation and diversity, which are all more exposed to potential issues in emerging markets.

For sovereign issuers in emerging markets, Sustainability Risks may affect the credit quality of the bond issuer for example due to higher political instability, less robust regulatory regimes and the lower rule of law, through increased risk of corruption, lower freedom of speech and a higher reliance on the evolution of commodities related sectors.

Failure to effectively manage these risks can lead to a deterioration in financial outcomes as well as a negative impact on society and the environment.

f) Specific Instrument Related Risk – China Related

(i) General

1. **Sustainability Risks**

   A wide range of Sustainability Risks apply to investments in China.

   Governance risks can be more pronounced in the developing world, with a lack of maturity or corporate tenure being one of the contributing factors. Governance risks include board composition and effectiveness, management incentives, management quality and alignment of management with shareholders. Governance risks in China can be higher compared to developed markets, as ownership structures more commonly include controlling state interests, or the controlling interests of an individual or family. Share structure can be more complex, with non-voting shares leaving minorities with less recourse. Connected parties can introduce political risks, which have far reaching implications. Whilst more limited trading history can place the investor at an information disadvantage.

In addition, it is critical to acknowledge that Chinese extractive industries can increase environmental and social risks. The ability of companies to mitigate and adapt to climate change and the potential for higher carbon prices, exposure to increasing water scarcity and potential for higher water prices, waste management challenges, and impact on global and local ecosystems. Social risks include, but are not limited to; product safety, supply chain management and labour standards, health and safety and human rights, employee welfare, data & privacy concerns and increasing technological regulation.

Investing in the technology sector in China can present additional Sustainability Risks. For instance, with regard to supply chain management, the responsible sourcing of materials and components and the workforce welfare of those in affiliated manufacturers, as well as avoidance of child labour. Also, in relation to product safety; ensuring that hardware and components do not pose a health hazard in any way to end users or those involved in intermediary manufacturing.

With regard to online publishers and social media there can be risks in the form of being able to undertake fact checking and verifying information published on their websites, and how they reduce the spread of misinformation without harming legitimate debate/freedom of expression.

There can also be concerns around cybersecurity; for example the attack 'surface area' for cyber criminals increased significantly during the year 2020 as a result of enhanced reliance on information technology whilst in lockdown; it may not be possible to establish whether businesses have appropriate measures in place to mitigate this. With regard to privacy, there can be concerns as to the options and protections that online businesses give users in terms of personal data, and how they handle such data. Theft or leakage of sensitive information and business interruptions are examples of material events linked to this risk that could cause harm to the company's reputation or company's business.

For risks in relation to online welfare it may not be apparent as to the controls that online companies have in terms of toxic content and their means of ensuring users' welfare generally.

More broadly, as many technology businesses in this region operate in relatively under-regulated areas, they may not be proactive in anticipating Sustainability Risks and dealing with them, before they become regulatory or political issues.

In addition, with regard to employees, there may be risks in terms of an organisation's ability to attract and retain quality talent. In the event that there are insufficient diversity and discrimination policies and practices, this can have a negative impact on employee turnover rates as well as operating costs related to recruiting, training, and retaining employees.

Failure to effectively manage these risks can lead to a deterioration in financial outcomes as well as a negative impact on society and the environment.

2. Chinese Renminbi Currency and Conversion Risks

The Chinese Renminbi (RMB) is subject to a managed floating exchange rate based on market supply and demand with reference to a basket of currencies. Currently, the RMB is traded in two markets: one in Mainland China (onshore RMB, or CNY), and one outside Mainland China, primarily in Hong Kong (offshore RMB, or CNH). Although CNH and CNY are the same currency, they trade at different rates, and any divergence between CNH and CNY may adversely impact investors. CNY is not freely convertible and is subject to exchange controls and certain requirements by the government of Mainland China, whereas the CNH is freely tradable.

Whilst the RMB is traded freely outside Mainland China, the RMB spot, forward foreign exchange contracts and related instruments reflect the structural complexities of this evolving market. Non-RMB based investors are exposed to foreign exchange risk and there is no guarantee that the value of RMB against the investors' base currencies will not depreciate. Any depreciation of RMB could adversely affect the value of an investor's investment in the Target Fund. Accordingly, the Target Fund may be exposed to greater foreign exchange risks. Under exceptional circumstances, payment of redemptions and/or dividend payment in RMB may be delayed due to the exchange controls and restrictions applicable to RMB.

3. China Assets

Investments in RMB by the Target Fund in China A / B Shares may be made through any permissible means pursuant to any prevailing regulations, including through the Qualified Foreign Institutional Investor ("QFII") status, the Shanghai-Hong Kong Stock Connect and the Shenzhen - Hong Kong Stock Connect programmes (the "Stock Connect"), and any other eligible means. The uncertainty and change of the relevant laws and regulations in the People's Republic of China ("PRC") and the potential for the PRC government and/or the regulators to implement policies that may affect the financial markets may have an adverse impact on the Target Fund.

High market volatility and potential settlement difficulties in the PRC markets may also result in significant fluctuations in the prices of the securities traded on such markets. Besides, securities exchanges in the PRC typically have the right to suspend or limit trading in any security traded on the relevant exchange. All these may have a negative impact on the net asset value of the Target Fund.

4. QFII

Under the prevailing regulations in the PRC, foreign investors can invest in China A Shares or onshore China fixed income securities through institutions that have obtained QFII status in the PRC. The current QFII regulations impose strict restrictions on China A Share investment or onshore China fixed income securities. The Target Fund's ability to make the relevant investments or to fully implement or pursue its investment objective and strategy is subject to the applicable laws, rules and regulations (including restrictions on investments, minimum investment holding periods and requirements on repatriation of principal and profits) in the PRC, which may be subject to change and such change may have potential retrospective effect. In certain circumstances, the Target Fund may incur losses due to limited investment opportunities, or may not be able to fully implement or pursue their investment objectives or strategy.

The Target Fund may also suffer substantial losses if, the approval of the QFII status is being revoked/terminated or otherwise invalidated as the Target Fund may be required to dispose of its securities holdings or prohibited from trading of relevant securities and repatriation of the Target Fund's monies, or if any of the key operators or parties (including QFII custodian/brokers) is bankrupt/in default and/or is disqualified from performing its obligations (including execution or settlement of any transaction or transfer of monies or securities).

5. Stock Connect

The Target Fund may invest and have direct access to certain eligible China A Shares via the Stock Connect, a securities trading and clearing linked programme which aims to achieve mutual stock market access between the PRC and Hong Kong.

Under the Stock Connect, overseas investors (including the Target Fund) may be allowed, subject to rules and regulations issued / amended from time to time, to trade China A Shares listed on the Shanghai Stock Exchange ("SSE") and the Shenzhen Stock Exchange ("SZSE") through the Northbound Trading Link.

Investments through the Stock Connect are subject to risks, such as quota limitations, suspension risk, operational risk, restrictions on selling imposed by front-end monitoring, recalling of eligible stocks, clearing and settlement risks, nominee arrangements in holding China A Shares and regulatory risk. The Stock Exchange of Hong Kong Limited ("SEHK"), SSE and SZSE reserve the right to suspend trading through Stock Connect if necessary to ensure an orderly and fair market and prudently manage risks which could adversely affect the Target Fund's ability to access the PRC market. Where a suspension in the trading through the programme is effected, the Target Fund's ability to invest in China A Shares or access the PRC market through the programme will be adversely affected. PRC regulations require that before an investor sells any share, there should be sufficient shares in the account (front-end monitoring); otherwise SSE or SZSE, as relevant, will reject the sell order concerned. SEHK will carry out pre-trade checking on China A Shares sell orders of its participants (i.e. the stock brokers) to ensure there is no over-selling. Furthermore, the Stock Connect only operates on days when both the PRC and Hong Kong markets are open for trading and when banks in both markets are open on the corresponding settlement days so it is possible that there are occasions when it is a normal trading day for the PRC market but Hong Kong investors (such as the Target Fund) cannot carry out any China A Shares trading. The Target Fund may be subject to a risk of price fluctuations in China A Shares during the time when the Stock Connect is not trading as a result.

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

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

6. **Risks associated with the Small and Medium Enterprise (“SME”) board, ChiNext market and/or the Science and Technology Innovation Board (“STAR board”)**
The Target Fund may have exposure to stocks listed on SME board of the SZSE, ChiNext market of the SZSE and the STAR board of the SSE.

Higher fluctuation on stock prices and liquidity risk
Listed companies on the SME board, ChiNext market and/or STAR board are usually of emerging nature with smaller operating scale. In particular, listed companies on ChiNext market and/or STAR board are subject to wider price fluctuation limits, and due to higher entry thresholds for investors may have limited liquidity, compared to other boards. Hence, companies listed on these boards are subject to higher fluctuation in stock prices and liquidity risks and have higher risks and turnover ratios than companies listed on the main boards of the SZSE and/or the SSE.

Overvaluation Risk
Stocks listed on SME board, ChiNext market and/or STAR board may be overvalued and such exceptionally high valuation may not be sustainable. Stock price may be more susceptible to manipulation due to fewer circulating shares.

Differences in regulation
The rules and regulations regarding companies listed on ChiNext market and STAR board are less stringent in terms of profitability and share capital than those in the main boards of the SZSE and/or the SSE and SME board.

Delisting risk
It may be more common and faster for companies listed on the SME board, ChiNext market and/or STAR board to delist. In particular, ChiNext market and STAR board have stricter criteria for delisting compared to other boards. This may have an adverse impact on the Target Fund if the companies that it invests in are delisted.

Concentration risk
The STAR board is a newly established board and may have a limited number of listed companies during the initial stage. Investments in the STAR board may be concentrated in a small number of stocks and subject the Target Fund to higher concentration risk.

Investments in the SME board, ChiNext market and/or STAR board may result in significant losses for the Target Fund and its investors.

7. Mainland China Tax Risk

There are risks and uncertainties associated with the current tax laws, regulations and practice of Mainland China in respect of capital gains realised via QFII status or Stock Connect or access products on the Target Fund's investments in Mainland China (which may have retrospective effect). Any increased tax liabilities on the Target Fund may adversely affect the Target Fund's value.

Based on professional and independent advice, currently no provision is being made by the Target Fund for tax on capital gains on disposals of (i) China A Shares and B Shares, or (ii) China fixed income securities listed or traded on exchanges or the mainland China interbank bond market or for tax on interest on such onshore Mainland China fixed income securities or for tax on dividends, if any, received on China A Shares (including those acquired through Stock Connect), without deduction of tax provision made ultimately may prove excessive or inadequate to meet any at source. The actual tax liabilities (if any) will be debited from the Target Fund's assets, and may adversely affect the Target Fund's net asset value.

Although no tax provision has been made under current situation, the situation will be under review and after taking professional and independent tax advice, the Investment Manager may make tax provision going forward where appropriate. Whilst the Investment Manager reviews the tax provisioning policy on an on-going basis, investors should note that, even if tax provision is made, any shortfall between the provision and the actual tax liabilities will be debited from the Target Fund's assets and will adversely affect the net asset value of the Target Fund. The actual tax liabilities may be lower than the tax provision made. Depending on the timing of their subscriptions and/or redemptions, investors may be disadvantaged as a result of any shortfall of tax provision and will not have the right to claim any part of the overprovision (as the case may be).

8. Volatility and Liquidity Risk associated with Mainland China Debt Securities

The debt securities in Mainland China markets may be subject to higher volatility and lower liquidity compared to more developed markets. The prices of securities traded in such markets may be subject to fluctuations. The bid and offer spreads of the price of such securities may be large and the Target Fund investing in Mainland China debt securities may incur significant trading costs.

g) Derivatives / Counterparty Risk

(i) General

The Target Fund may use various financial derivative instruments to reduce risks or costs or to generate additional capital or income in order to meet their investment objectives. Financial derivative instruments may be used for investment purposes and/or to implement more complex strategies, as further described in the investment objectives of the Target Fund, depending on the circumstances and the purposes for which the derivatives are used. Entering into financial derivatives instruments for investment purposes may, to some extent, impact the risk profile of the Target Fund.

Throughout this section and others that refer to derivatives, privately negotiated or non-exchange traded derivatives are referred to as being 'Over The Counter', which is abbreviated to OTC.

Investors may wish to consult their independent financial adviser about the suitability of the Target Fund for their investment needs bearing in mind its powers with regard to the use of derivatives.

While the judicious use of derivative instruments by experienced investment advisers such as the Investment Manager can be beneficial, derivative instruments also involve risks different from, and, in certain cases, greater than, the risks associated with more traditional investments.

The following are important risk factors concerning the use of derivative instruments that investors should understand before investing in the Target Fund.

1. **Valuation**
   Some derivative instruments, in particular OTC derivative instruments, do not have prices observable on an exchange and so involve the use of formulae, with prices of underlying securities or reference benchmarks obtained from other sources of market price data. OTC instruments involve the use of models, with assumptions, which increases the risk of pricing errors. Improper valuations could result in increased cash payment requirements to counterparties or a loss of value to the Target Fund.

2. **Liquidity**
   Liquidity risk exists when a particular instrument is difficult to purchase or sell at a given valuation. If a derivative instrument transaction is particularly large or if the relevant market is illiquid (as can be the case with OTC derivative instruments), it may not be possible to initiate a transaction or liquidate a position at an advantageous price.

3. **Basis**
   Basis risk is the risk of loss due to divergence between two rates or prices. Derivative instruments do not always perfectly or even highly correlate with the assets, rates or indices they are designed to track. Consequently, the Target Fund's use of derivative instruments may not always be an effective means of, and sometimes could be counterproductive to, furthering the Target Fund's investment objective. This applies particularly where an underlying position is hedged through derivative contracts which may be similar to (but are not the same as) the underlying position.

4. **Leverage**
   The use of derivatives may give rise to a form of leverage, which may cause the net asset value of the Target Fund to be more volatile and/or change by greater amounts than if they had not been leveraged. This is because leverage tends to exaggerate the effect of any increase or decrease in the value of the Target Fund's portfolio securities and other instruments. The leverage element of a derivative can result in a loss significantly greater than the amount invested in the derivatives by the Target Fund. Exposure to derivatives may lead to a high risk of significant loss by the Target Fund.

5. **Counterparty Credit**
   This is the risk that a loss may be sustained by the Target Fund as a result of the failure of the other party to a derivative instrument (usually referred to as a 'counterparty') to comply with the terms of the derivative instrument contract. The counterparty credit risk for exchange-traded derivative instruments is generally less than for OTC derivative instruments, since the clearing firm, which is the issuer or counterparty to each exchange-traded derivative instrument, provides a guarantee of clearing. This guarantee is supported by a daily payment system (i.e. margin requirements) operated by the clearing firm in order to reduce overall counterparty credit risk. Assets deposited as margin with the brokers and/or exchanges may not be held in segregated accounts by these counterparties and may therefore become available to the creditors of such counterparties in the event of default by them. For OTC derivative instruments, there is no similar clearing firm guarantee. Therefore, the Investment Manager adopts a counterparty risk management framework which measures, monitors and manages counterparty credit risk, taking into account both current and potential future credit exposure, through the use of internal credit assessments and external credit agency ratings. OTC derivative instruments are not standardised. They are an agreement between two parties and can therefore be tailored to the requirements of the parties involved. The documentation risk is reduced by adhering to standard International Swaps and Derivatives Association ("ISDA") documentation.

   The Target Fund's exposure to an individual counterparty shall not exceed 10% of the Target Fund's net assets. Counterparty credit risk may be further mitigated through the use of collateral agreements. However, collateral arrangements are still subject to the insolvency risk and credit risk of the issuers or depositary of the collateral. Further, collateral thresholds exist below which collateral is not called for and timing differences between calculating the need for collateral and its receipt by the fund from the counterparty both mean that not all the current exposure will be collateralised.

6. **Settlement**
Settlement risk exists when derivatives are not settled in a timely manner, thereby increasing counterparty credit risk prior to settlement and potentially incurring funding costs that would otherwise not be experienced. If settlement never occurs the loss incurred by the Target Fund will be the same as it is for any other such situation involving a security namely the difference between the price of the original contract and the price of the replacement contract, or, in the case where the contract is not replaced the absolute value of the contract at the time it is voided.

7. **Legal**
Derivative transactions are typically undertaken under separate legal arrangements. In the case of OTC derivatives, a standard ISDA agreement is used to govern the trade between the Target Fund and the counterparty. The agreement covers situations such as a default of either party and also the delivery and receipt of collateral. As a result, there is a risk of loss to the fund where liabilities in those agreements are challenged in a court of law.

(ii) Risks of Active Currency Positions

The Target Fund may implement active currency positions which may not be correlated with the underlying securities positions held by the Target Fund. This may result in the Target Fund suffering a significant or total loss even if there is no loss of the value of the underlying securities positions (e.g. equities, fixed income securities) being held by the Target Fund.

(iii) Specific Derivative Instruments

A non-exhaustive list of financial derivative instruments most commonly used by the Target Fund is set out in Part I. For the Target Fund using one or a combination of the following instruments the following risks should be considered, as applicable:

Instrument	Risks
Credit Default Swaps (CDS	The swap contract is an agreement between two parties and therefore each party bears the other's counterparty credit risk. Collateral is arranged to mitigate this risk. The documentation risk for CDS is reduced by adhering to standard ISDA documentation. The liquidity of a CDS may be worse than the liquidity of the underlying security or securities in the basket and this may adversely affect the ability to close out a CDS position or the price at which such a close out is transacted.
Foreign Exchange Forward Contracts	To the extent that such contracts are used to hedge foreign (non-base) currency exposures back to the base currency of the Target Fund, there is a risk that the hedge may not be perfect and movements in its value may not exactly offset the change in value of the currency exposure being hedged. Since the gross amounts of the contract are exchanged on the specified date, there is a risk that if the counterparty with whom the contract has been agreed goes into default between the time of payment by the Target Fund but before receipt by the Target Fund of the amount due from the counterparty, then the Target Fund will be exposed to the counterparty credit risk of the amount not received and the entire principal of a transaction could be lost.
Forward Contracts and Contracts for Difference	The main risk to the buyer or seller of such contracts is the change in value of the underlying security. When the value of the underlying security changes, the value of the contract becomes positive or negative. Further, the two parties must bear each other's credit risk, which is not the case with a futures contract and collateral is arranged to mitigate this risk. Also, since these contracts are not exchange traded, there is no

	marked-to-market margin requirement, which allows a buyer to avoid almost all capital outflow initially.
Futures	The main risk to the buyer or seller of an exchange-traded future is the change in value of the underlying reference index/security/contract/bond.
Inflation Swaps	The market risk of this type of instrument is driven by the change in the reference benchmarks used for the two legs of the transaction, one of which will be an inflation benchmark. This is an agreement between two parties and so can be tailored to the requirements of the parties involved. Consequently each party bears the other's credit risk and collateral is arranged to mitigate this risk.
Interest Rate Swaps	The market risk of this type of instrument is driven by the change in the reference benchmarks used for the fixed and floating legs. An interest rate swap is an OTC agreement between two parties and so can be tailored to the requirements of the parties involved. Consequently each party bears the other's credit risk and collateral is arranged to mitigate this risk.
Put/Call Options and Warrants	The most significant contributor to market risk resulting from options is the market risk associated with the underlying when the option has an intrinsic value (i.e. it is 'in-the-money'), or the strike price is near the price of the underlying ('near-the-money'). In these circumstances the change in value of the underlying will have a significant influence on the change in value of the option. The other variables will also have an influence, which will likely to be greater the further away the strike price is from the price of the underlying. For OTC options the two parties must bear each other's credit risk and collateral is arranged to mitigate this risk. The liquidity of an OTC option can be less than an exchange traded option and this may adversely affect the ability to close out the option position, or the price at which such a close out is transacted
Swaptions	A swaption comprises risks associated with interest rate swaps and option contracts. A swaption is an OTC agreement between two parties and so can be tailored to the requirements of the parties involved. Consequently each party bears the other's credit risk and collateral is exchanged to mitigate this risk.
Total Return Swaps (TRS)	These contracts may be less liquid than interest rate swaps as there is no standardisation of the underlying reference benchmark and this may adversely affect the ability to close out a TRS position or the price at which such a close out is transacted. The swap contract is an agreement between two parties and therefore each party bears the other's counterparty credit risk and collateral is arranged to mitigate this risk. The documentation risk for TRS is reduced by adhering to standard ISDA documentation.

h) Sustainable Investing

(i) Investment Manager considers that Sustainability Risks are relevant to the returns of the Target Fund.
The identification of Sustainability Risks and their likely impact is performed on the holdings of a given portfolio. For investments relating to individual companies (e.g. bonds, equities), this assessment is made on the basis of the company's sector categorisation and their business model (e.g. carbon emissions for construction companies; ethics and culture for finance companies) in combination with regular dialogue between analysts, portfolio managers and the ESG team. Where the Target Fund does not have exposure directly to the underlying fund holdings, the assessment is made at both the Target Fund level (where there is the potential for ESG input in the strategy (this would, for example, exclude passive funds tracking a broad market index) and, where possible, by performing analysis on the

underlying fund holdings which provides an understanding of the potential Sustainability Risk exposures.

This approach permits a full materiality assessment to understand the potential impact on financial returns following the materialisation of a Sustainability Risk. The identified Sustainability Risks and their likely impact are described in the relevant risk warnings under “Risk Factors”, Part I (1.2) of the Target Fund’s Prospectus.

Failure to effectively manage these risks can lead to a deterioration in financial outcomes. Specific risks will vary in materiality across different sectors and business models, and companies may also be exposed to risks throughout value chains, including suppliers and customers.

The materialisation of a Sustainability Risk is considered to be a sustainable risk event. In the case of such an event there may be an impact on the returns of the Target Fund due to i) direct losses of the impacted investments following such an event (where the effects may be immediate or gradual), or ii) losses incurred due to rebalancing the portfolio following such an event in order to maintain the sustainable characteristics of the Target Fund deemed relevant by the Investment Manager.

(ii) In addition to h(i) above, this section applies to the Target Fund as it is subject to the disclosure requirements of article 8 of SFDR that will use ESG (as defined under section 1.3 “General approach to sustainable investing” of the Target Fund’s Prospectus or in the investment objective of the Target Fund) criteria provided by internal research teams and complemented by external ESG rating providers to form an assessment of a security’s sustainable characteristics. The Investment Manager’s focus on securities of issuers which maintain sustainable characteristics may affect the fund’s investment performance and may result in a return that at times compares unfavourably to similar funds without such focus. Sustainable characteristics used in the Target Fund’s investment policy may result in such fund foregoing opportunities to buy certain securities when it might otherwise be advantageous to do so, and/or selling securities due to their sustainable characteristics when it might be disadvantaged to do so. Over the short term, focus on securities of issuers which maintain sustainable characteristics may affect the Target Fund’s investment performance favourably or unfavourably in comparison to similar funds without such focus. Over the long term, we expect such a focus to have a favourable effect, though this is not guaranteed. Nevertheless, the application of ESG criteria may restrict the ability of the Target Fund to acquire or dispose of its investments at the expected price and time, which may result in a loss for the Target Fund. In addition, the ESG characteristics of securities may change over time, which may in some cases require the Investment Manager disposing of such securities when it might be disadvantageous to do so from a financial perspective only. This may lead to a fall in the value of the Target Fund. The use of ESG criteria may also result in the Target Fund being concentrated in companies with ESG focus when compared to other funds having a more diversified portfolio of investments.

There is a lack of standardised taxonomy of ESG evaluation methodology and the way in which the Target Fund will apply ESG criteria may vary, as there are not yet commonly agreed principles and metrics for assessing the sustainable characteristics of investments made by the Target Fund. In evaluating a security based on sustainable characteristics, the Investment Manager is dependent upon information and data sources provided by internal research teams and complemented by external ESG rating providers, which may be incomplete, inaccurate or unavailable. Consequently, there is a risk that the Investment Manager may incorrectly assess a security or issuer. Evaluation of sustainable characteristics of the securities and selection of such securities may involve the Investment Manager’s subjective judgment. As a result, there is a risk that the relevant sustainable characteristics may not be applied correctly or that the Target Fund could have indirect exposure to issuers who do not meet the relevant sustainable characteristics applied by the Target Fund. In the event that the sustainable characteristics of a security held by the Target Fund change, resulting in the Investment Manager having to sell the security, neither the Target Fund, the Management Company nor the Investment Manager accept liability in relation to such change. No representation nor warranty is made with respect to the fairness, accuracy or completeness of such sustainable characteristics. The status of a security’s sustainable characteristics can change over time.

Further, due to the bespoke nature of the sustainable assessment process there is a risk that not all relevant Sustainability Risks will be taken into account, or that the materiality of a Sustainability Risk is different to what is experienced following a sustainable risk event.

i) Risks relating to Securities Lending

Securities lending involves risks in that (a) if the borrower of securities lent by the Target Fund fails to return them there is a risk that the collateral received may realise less than the value of the securities lent out, whether due to inaccurate pricing, adverse market movements, a deterioration in the credit rating of issuers of the collateral, or the illiquidity of the market in which the collateral is traded and that (b) in case of reinvestment of cash collateral such reinvestment may (i) create leverage with corresponding risks and risk of losses and volatility, (ii) introduce market exposures inconsistent with the investment objective of the Target Fund, or (iii) yield a sum less than the amount of collateral to be returned and that (c) delays in the return of securities on loans may restrict the ability of the Target Fund to meet delivery obligations under security sales.

j) Additional Market/Sector Specific Sustainability Risks

(i) Sustainability risks associated with investments in diversified developed markets
The Target Fund may invest, in part or in whole, in diversified developed markets securities. A wide range of Sustainability Risks apply to companies within developed markets. Environmental risks include, but are not limited to; the ability of companies to mitigate and adapt to climate change and the potential for higher carbon prices, exposure to increasing water scarcity and potential for higher water prices, waste management challenges, and impact on global and local ecosystems. Social risks include but are not limited to; product safety, supply chain management and labour standards, health and safety and human rights, employee welfare, data & privacy concerns and increasing technological regulation. Governance risks include board composition and effectiveness, management incentives, management quality and alignment of management with shareholders.

Failure to effectively manage these risks can lead to a deterioration in financial outcomes as well as a negative impact on society and the environment.

2.4 RISK MITIGATION

We do not employ risk management strategy on the portfolio of the Target Fund. The risk management strategies and techniques employed will be at the Target Fund level, where the Investment Manager combines financial techniques and instruments to manage the overall risk of the Target Fund's portfolio including diversification in terms of its exposure to various countries, industries and sectors.

In addition, we may take temporary defensive positions that may be inconsistent with the Fund's strategy in attempting to respond to adverse economic, political or any other market conditions. In such circumstances, the Fund may temporarily hold up to 100% of its assets in liquid assets which may be inconsistent with the Fund's investment objective and asset allocation strategy as a defensive strategy. The Fund will also be monitored daily to ensure compliance with the permitted investments and restrictions.

THE ABOVE SHOULD NOT BE CONSIDERED TO BE AN EXHAUSTIVE LIST OF THE RISKS WHICH POTENTIAL INVESTORS SHOULD CONSIDER BEFORE INVESTING INTO THE FUND. POTENTIAL SOPHISTICATED INVESTORS SHOULD BE AWARE THAT AN INVESTMENT IN THE FUND MAY BE EXPOSED TO OTHER RISKS FROM TIME TO TIME.

YOU SHOULD RELY ON YOUR OWN EVALUATION TO ASSESS THE MERITS AND RISKS OF AN INVESTMENT. YOU SHOULD READ AND UNDERSTAND THE CONTENTS OF THIS INFORMATION MEMORANDUM AND, IF NECESSARY, CONSULT YOUR ADVISER(S) BEFORE MAKING AN INVESTMENT DECISION.

CHAPTER 3: THE INFORMATION ON FIDELITY FUNDS – SUSTAINABLE WATER & WASTE FUND ("TARGET FUND")

This section of the Information Memorandum provides you with information regarding the Target Fund as extracted from the Target Fund's Prospectus save for certain additional information included by the Investment Manager. All capitalized terms and expressions used in this section in reference to the Target Fund shall, unless the context otherwise requires, have the same meanings ascribed to them in the Target Fund's Prospectus.

The Manager intends to invest into Fidelity Funds – Sustainable Waste & Waste Fund.

3.1 STRUCTURE OF THE TARGET FUND

The Target Fund is a separate portfolio of Fidelity Funds, an open-ended umbrella fund with segregated liability between portfolios. The Target Fund was established on 07 November 2018.

3.2 REGULATORY AUTHORITY WHICH REGULATES THE TARGET FUND

Commission de Surveillance du Secteur Financier ("CSSF").

3.3 COUNTRY OF DOMICILE OF THE TARGET FUND

Luxembourg.

3.4 FUND LEGISLATION APPLICABLE TO THE TARGET FUND

Luxembourg laws.

3.5 THE STRUCTURE OF THE FIDELITY FUNDS

The Fidelity Funds is an open-ended investment company established in Luxembourg as SICAV (*société d'investissement à capital variable)*. The Fidelity Funds was incorporated in Luxembourg on 15 June 1990 and the articles of incorporation (as amended from time to time) were published in the *Mémorial* on 21 August 1990.

3.6 THE MANAGEMENT COMPANY OF THE TARGET FUND

The Fidelity Funds has appointed FIL Investment Management (Luxembourg) S.A as the management company of the Target Fund under a Management Company Services Agreement dated 1 June 2012.

The Management Company was incorporated as a Société Anonyme under the laws of the Grand Duchy of Luxembourg by notarial deed dated 14 August 2002, and published in the Mémorial on 23 August 2002.

The Management Company is authorised as a management company governed by the EC Directive 2009/65 and therefore complies with the conditions set out in Chapter 15 of Law of 2010. The corporate object of the Management Company is the management within the meaning of article 101(2) of Law of 2010 including but not limited to the creation, administration, management and marketing, of undertakings for collective investment.

The Management Company is responsible for the management, administration, including the overall management of the investments of the Target Fund, and for the marketing function.

3.7 THE INVESTMENT MANAGER OF THE TARGET FUND

The Management Company has appointed FIL Fund Management Limited (the "Investment Manager") to provide the Fund with day-to-day investment management of the Target Fund, under the supervision of, and subject to the control of, the Management Company and its conducting officers of the Fidelity Funds. The Investment Manager is authorised to act on behalf of the Target Fund and to select agents, brokers and dealers through whom to execute transactions and provides the Management Company and the board of the Fidelity Funds with reports they may require. The Investment Manager may sub-delegate investment management activities.

3.8 INVESTMENT OBJECTIVE OF THE TARGET FUND

The investment objective of the Target Fund is to achieve a long-term capital growth.

3.9 INVESTMENT POLICY & STRATEGY OF THE TARGET FUND

The Target Fund aims to achieve long-term capital growth from a portfolio primarily made up of equity securities issued by companies throughout the world and involved in the design, manufacture, or sale of products and services used for or in connection with water and waste management sectors. As the Target Fund may invest globally, it may be exposed to countries considered to be emerging markets.

The Target Fund is part of the Fidelity Sustainable Family and adopts a Sustainable Thematic strategy, under which a minimum of 90% of the Target Fund's net assets will be analysed as to whether they maintain sustainable characteristics and a minimum of 70% of the Target Fund's net assets will be invested in securities which are deemed to maintain sustainable characteristics (as described in the section 3.10 Fidelity Sustainable Family of Funds in this Information Memorandum). When selecting investments, the Target Fund's investment universe, as represented by the Index (for the purpose of this calculation), will be reduced by at least 20% due to the exclusion of issuers on the basis of their ESG characteristics.

The water management sector includes but is not limited to, those companies involved in water production, water conditioning, de-salination, supply, bottling, transport and dispatching of water. The waste management sector includes but is not limited to, those companies involved in the collection, recovery and disposal of waste; including recycling, incineration, anaerobic digestion of food waste (biological processes) and landfilling of residual waste. The sector also includes those companies specialising in the treatment of wastewater, sewage, solid, liquid and chemical waste and any consulting or engineering services in connection with these activities.

Environmental characteristics include, but are not limited to, water and waste management. Controversies involving environmental characteristics are regularly monitored. Environmental characteristics are analysed by Fidelity's fundamental analysts and rated through Fidelity Sustainability Ratings. The fund seeks to promote these characteristics by adhering to the Fidelity Sustainable Family Framework.

The Target Fund may invest its net assets directly in China A and B Shares.

The Target Fund is actively managed. The Investment Manager will, for the purposes of monitoring risk, reference MSCI ACWI Index (the "Index") as the Index constituents are representative of the type of companies the Target Fund invests in. The Target Fund's performance can be assessed against its Index.

The Investment Manager has a wide range of discretion relative to the Index. While the Target Fund will hold assets that are components of the Index, it may also invest in companies, countries or sectors that are not included in, and that have different weightings from, the Index in order to take advantage of investment opportunities. It is expected that over long time periods, the Target Fund's performance will differ from the Index. However, over short time periods, the Target Fund's performance may be close to the Index, depending on market conditions.

Shareholders' attention is drawn to the fact that the Index is not an index which integrates environmental considerations. Instead, the Target Fund promotes environmental characteristics by adhering to the Fidelity Sustainable Family Framework, as described above.

Notes:
As the Target Fund may invest globally, it may invest across different countries and regions. It is unconstrained in the amount it may invest in any single country or region.

The Target Fund can directly invest in China A Shares through the QFII status of FIL Investment Management (Hong Kong) Limited and/or through any permissible means available to the Target Fund under prevailing laws and regulations (including through the Stock Connect or any other eligible means). The Target Fund will invest less than 30% of its net assets directly and/or indirectly in onshore China A and B Shares on an aggregated basis.

The Target Fund is subject to the disclosure requirements of article 8 of the SFDR.

3.10 SUSTAINABLE INVESTING

General approach to sustainable investing

Sustainability Risks refers to an environmental (E), social (S) or governance (G) (collectively, "ESG") event, or condition that, if it occurs, could cause an actual or a potential material negative impact on the value of the investment.

The approach to Sustainability Risk integration seeks to identify and assess the ESG risks at an individual issuer level. Sustainability Risks which may be considered by Fidelity's investment teams include, but are not limited to:

- corporate governance malpractices (e.g. board structure, executive remuneration);
- shareholder rights (e.g. election of directors, capital amendments);
- changes to regulation (e.g. greenhouse gas emissions restrictions, governance codes);
- physical threats (e.g. extreme weather, climate change, water shortages);
- brand and reputational issues (e.g. poor health and safety records, cyber security breaches);
- supply chain management (e.g. increase in fatalities, lost time injury rates, labour relations); and
- work practices (e.g. observation of health, safety and human rights provisions).

Fidelity's portfolio managers and analysts supplement the study of financial results of potential investments with additional qualitative and quantitative non-financial (or non-fundamental) analysis including ESG risks and will factor them into investment decision making and risk monitoring to the extent they represent potential or actual material risks and/or opportunities to maximise long-term risk-adjusted returns.

This systematic integration of ESG risks in investment analysis and decision-making relies on:
- "qualitative assessments", which will be by reference, but not limited, to case studies, environmental, social and governance impacts associated with issuers, product safety documents, customer reviews, company visits or data from proprietary models and local intelligence; and
- "quantitative assessments", which will be by reference to ESG ratings which may be from external providers, including but not limited to MSCI, or an internal rating assigned by the Investment Manager primarily using Fidelity Sustainability Ratings (described below), relevant data in third-party certificates or labels, assessment reports on carbon footprints, or percentage of revenue or profits of issuers generated from ESG-relevant activities.

However, it should be noted that while ESG risks are considered systematically no one aspect (including ESG ratings) would prevent the portfolio manager from making any investment as investment decisions remain discretionary.

Fidelity Sustainability Ratings is a proprietary rating system developed by Fidelity's research analysts to assess individual issuers. Those ratings score issuers on an A-E scale on sector-specific factors and a trajectory forecast based on an assessment of expected change of an issuer's sustainability characteristics over time. Such ratings are based on fundamental bottom-up research and materiality assessment using criteria specific to the industry of each issuer relevant to material ESG issues (the 'Fidelity Sustainability Rating'). Any material differences between Fidelity Sustainability Ratings and relevant external third party ESG ratings are examined and contribute to analysis and discussion within Fidelity's investment teams as part of the assessment of the investment opportunity and its related ESG risks. ESG ratings and associated ESG data are maintained on a centralized research platform operated by the Investment Manager. The provision and sourcing of ESG data is reviewed on a regular basis to ensure its continuing suitability, adequacy and effectiveness for the ongoing assessment of Sustainability Risks.

Fidelity's Multi Asset Research team aim to understand an individual manager's approach to ESG by evaluating how far ESG considerations are integrated within the investment process and philosophy, the analyst's financial analysis and the composition of the portfolio. They consider how ESG factors are integrated into the investment policy of the strategy, and, where proprietary ratings are used, how ESG research and output is evidenced in individual security weights and any applicable engagement and exclusion policies. The team consults a range of data sources, including Fidelity Sustainability Ratings as well as third-party data, in order to assess the ESG metrics of the relevant strategies.

Fidelity's Sustainable Investing Policy found on https://fidelityinternational.com/sustainable-investing-policy/ sets out in more detail Fidelity's approach to sustainable investing, including Fidelity' expectations of investee issuers, ESG integration and implementation, approach to engagement and voting, exclusion and divestment policy, focus on collaboration and policy governance.

The Sustainable Investing Policy and activities are overseen by the Fidelity Sustainable Investing Operating Committee (the 'SIOC'). The SIOC is responsible for setting the policies and objectives of Fidelity as they relate to sustainable investing and oversee the implementation and delivery of these policies and objectives. This committee is comprised of Fidelity senior executives from across Fidelity's business units, including the Global Head of Stewardship and Sustainable Investing. In addition, the SIOC is responsible for the conduct, oversight and execution of Fidelity's ownership rights in investee issuers, including engagement and proxy voting activities.

As part of Fidelity's commitment to responsible investing and enacting Fidelity's fiduciary responsibility, as shareholders Fidelity engage with the companies in which it invests to encourage sustainable and responsible corporate behaviour, as further described in Fidelity's Sustainable Investing Policy.

The Target Fund is subject to the disclosure requirements of article 8 of the SFDR (as specified in the notes to the investment policy & strategy of the Target Fund in this Information Memorandum) and is therefore subject to stricter sustainable requirements described below.

Fidelity Sustainable Family of Funds

The Target Fund is part of the Fidelity Sustainable Family, a dedicated fund range exhibiting enhanced sustainable characteristics. This is noted in the investment strategy and objective of the Target Fund. The Target Fund therefore complies with the Fidelity Sustainable Family Framework, as detailed below. The Investment Manager for the Target Fund, being part of the Fidelity Sustainable Family also has discretion to implement additional sustainable requirements and exclusions having regard to their applicable investment process from time to time.

Fidelity Sustainable Family Framework

- A minimum of 70% of the Target Fund's net assets are invested in securities deemed to maintain sustainable characteristics.
    - Sustainable characteristics are defined by reference to a combination of different measurements such as ESG ratings provided by external agencies or Fidelity Sustainability Ratings. Further details on the methodology applied are set out at https://fidelityinternational.com/sustainable-investing-framework/ and may be updated from time to time.
- A maximum of 30% of a fund's net assets are allowed in issuers that are not deemed to maintain sustainable characteristics in accordance with the criteria above, but which demonstrate improving sustainable indicators. Improving sustainable indicators are issuers classified as such through the trajectory outlook of Fidelity Sustainability Ratings or issuers which in the view of the Investment Manager demonstrate the potential for improvement through the implementation and execution of a formal engagement plan. The criteria used to determine this reference rating may change over

time and will be updated at https://fidelityinternational.com/sustainable-investing-framework/ accordingly.

- The Target Fund adheres to an enhanced principle-based exclusion policy incorporating both norms-based screening and negative screening of certain sectors, companies or practices based on specific ESG criteria to be determined by the Investment Manager from time to time.
    - The norms-based screening includes issuers which the Investment Manager considers have failed to conduct their business in accordance with accepted international norms, including as set out in the United Nations Global Compact.
    - The negative screening includes issuers which have exposure, or ties, to:
        - controversial weapons (biological, chemical, incendiary weapons, depleted uranium, non-detectable fragment, blinding lasers, cluster munitions, landmines and nuclear weapons);
        - production of conventional weapons (a weapon of warfare which is not nuclear, chemical or biological in nature);
        - production of semi-automatic firearms intended for sale to civilians or sale of semi-automatic firearms to civilians;
        - tobacco production, retailing, distribution and licensing; or
        - thermal coal extraction and power generation provided that such will be permitted issuers where the revenue share from renewable energy activities exceeds the revenue share from thermal coal activities or where the issuer has made an effective commitment to a Paris Agreement aligned objective based on approved Science Based Targets or alignment with a Transition Pathway Initiative scenario or a reasonably equivalent public commitment.

    The Investment Manager may apply revenue thresholds for more refined screens.

- Through the investment management process, the Investment Manager aims to ensure that investee companies follow good governance practices.

The Target Fund ('Sustainable Thematic') will invest across sectors relating to a common theme with a long-term investment horizon by aiming to address sustainability challenges.

Taxonomy Disclaimer
The Target Fund is identified as subject to the disclosure requirements of article 8 of the SFDR, hence the Target Fund is required by the EU Taxonomy Regulation (EU) 2020/852 (the "Taxonomy Regulation") to state that the "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of the Target Fund do not take into account the EU criteria for environmentally sustainable economic activities.

There is currently a lack of market data available to calculate the portfolio alignment of the Target Fund with the Taxonomy Regulation. Therefore, notwithstanding the above disclosure relating to do no significant harm, none of the funds subject to article 8 of the SFDR currently take into account the EU criteria for environmentally sustainable economic activities. In due course, as such data becomes available to enable accurate assessment of the Target Fund's investments, the calculation of portfolio alignment with the EU criteria for environmentally sustainable economic activities will be made available to investors.

3.11 INVESTMENT RESTRICTIONS OF THE TARGET FUND

Under the articles of incorporation of the Fidelity Funds broad power is conferred on the directors of the Fidelity Funds, based on the principle of spreading of risks and subject to the articles of incorporation of the Fidelity Funds and Luxembourg law, to determine the corporate and investment policy for the Target Fund and for the investment of the Target Fund and the investment restrictions which shall apply from time to time.

A.	INVESTMENT RESTRICTIONS
I.	1. The Target Fund may invest in: a) Transferable Securities and Money Market Instruments admitted to or dealt in on an Eligible Market or admitted to official listing on a stock exchange; b) recently issued Transferable Securities and Money Market Instruments, provided that the terms of issue include an undertaking that application will be made for admission to official listing on an Eligible Market and such admission is secured within one year of the issue; c) Units/shares of UCITS and/or other UCIs, whether situated in a Member State of the European Economic Area (a "Member State") or not, provided that: - such other UCIs have been authorised under such laws which provide that they are subject to supervision considered by the CSSF to be equivalent to that laid down in EU Law, and that cooperation between authorities is sufficiently ensured, - the level of protection for unitholders/shareholders in such other UCIs is equivalent to that provided for unitholders/shareholders in a UCITS, and in particular that the rules on assets segregation, borrowing, lending, and uncovered sales of Transferable Securities and Money Market Instruments are equivalent to the requirements of directive 2009/65/EC, - the business of such other UCIs is reported in half-yearly and annual reports to enable an assessment of the assets and liabilities, income and operations over the reporting period, - no more than 10% of the assets of the UCITS or of the other UCIs, whose acquisition is contemplated, can, according to their constitutional documents, in aggregate be invested in unit/shares of other UCITS or other UCIs; d) deposits with credit institutions which are repayable on demand or have the right to be withdrawn, and maturing in no more than 12 months, provided that the credit institution has its registered office in a Member State or, if the registered office of the credit institution is situated in a third country, provided that it is subject to prudential rules considered by the CSSF as equivalent to those laid down in EU law; e) financial derivative instruments, including equivalent cash-settled instruments, dealt in on an Eligible Market and/or financial derivative instruments dealt in over-the-counter ('OTC derivatives'), provided that: - the underlying consists of instruments covered by this section I 1., financial indices, interest rates, foreign exchange rates or currencies, in which the Target Fund may invest according to their investment objective; - the counterparties to OTC derivative transactions are institutions subject to prudential supervision, and belonging to the categories approved by the Luxembourg supervisory authority; - the OTC derivatives are subject to reliable and verifiable valuation on a daily basis and can be sold, liquidated or closed by an offsetting transaction at any time at their fair value at the Target Fund's initiative; and/or f) Money Market Instruments other than those dealt in on an Eligible Market and referred to under 'Definitions' of the Target Fund's Prospectus, if the issue or the issuer of such instruments are themselves regulated for the purpose of protecting investors and savings, and provided that such instruments are: - issued or guaranteed by a central, regional or local authority or by a central bank of a Member State, the European Central Bank, the EU or the European Investment Bank, a non Member State or, in case of a Federal State, by one of the members making up the federation, or by a public international body to which one or more Member States belong, or - issued by an undertaking any securities of which are dealt in on Eligible Markets, or

	- issued or guaranteed by an establishment subject to prudential supervision, in accordance with criteria defined by EU law or by an establishment which is subject to and complies with prudential rules considered by the CSSF to be at least as stringent as those laid down by EU law, or issued by other bodies belonging to the categories approved by the CSSF provided that investments in such instruments are subject to investor protection equivalent to that laid down in the first, the second or the third indent and provided that the issuer is a company whose capital and reserves amount to at least ten million Euro (Euro 10,000,000) and which presents and publishes its annual accounts in accordance with the fourth Directive 78/660/EEC, is an entity which, within a group of companies which includes one or several listed companies, is dedicated to the financing of the group or is an entity which is dedicated to the financing of securitisation vehicles which benefit from a banking liquidity line. 2. In addition, the Target Fund may invest a maximum of 10% of the net asset value of the Target Fund in Transferable Securities and Money Market Instruments other than those referred to under 1. above. 3. Under the conditions and within the limits laid down by the Law of 2010, the Fidelity Funds may, to the widest extent permitted by the Luxembourg laws and regulations (i) create the Target Fund qualifying either as a feeder UCITS (a "Feeder UCITS") or as a master UCITS (a "Master UCITS"), (ii) convert the Target Fund into a Feeder UCITS, or (iii) change the Master UCITS of any of its Feeder UCITS. A Feeder UCITS shall invest at least 85% of its assets in the units of another Master UCITS. A Feeder UCITS may hold up to 15% of its assets in one or more of the following: - ancillary liquid assets in accordance with paragraph II; - financial derivative instruments, which may be used only for hedging purposes; - - movable and immovable property which is essential for the direct pursuit of its business. For the purposes of compliance with article 42 (3) of the Law of 2010, the Feeder UCITS shall calculate its global exposure related to financial derivative instruments by combining its own direct exposure under the second indent of the first sub-paragraph with either: - the Master UCITS actual exposure to financial derivative instruments in proportion to the Feeder UCITS investment into the Master UCITS; or - the Master UCITS potential maximum global exposure to financial derivative instruments provided for in the Master UCITS management regulations or instruments of incorporation in proportion to the Feeder UCITS investment into the Master UCITS.
II.	The Target Fund may hold ancillary liquid assets up to 49% of the net assets of the Target Fund; this percentage may exceptionally be exceeded if the directors of the Fidelity Funds consider this to be in the best interests of the shareholders of the Target Fund.
III.	1. a) The Target Fund will invest no more than 10% of its net asset of the Target Fund in Transferable Securities or Money Market Instruments issued by the same issuing body. b) The Target Fund may not invest more than 20% of its net assets of the Target Fund in deposits made with the same body. c) The risk exposure of the Target Fund to a counterparty in an OTC derivative transaction may not exceed 10% of its net assets when the counterparty is a credit institution referred to in I 1. d) above or 5% of its net assets in other cases. 2. Moreover, where the Target Fund holds investments in Transferable Securities and Money Market Instruments of issuing bodies which individually exceed 5% of the net assets of the Target Fund, the total of all such investments must not account for more than 40% of the total net asset of the Target Fund. This limitation does not apply to deposits and OTC derivative transactions made with financial institutions subject to prudential supervision.

	Notwithstanding the individual limits laid down in paragraph III 1., the Target Fund may not combine for other sub-funds, where this would lead to investment of more than 20% of its assets in a single body, any of the following: - investments in Transferable Securities or Money Market Instruments issued by a single body, - deposits made with a single body, and/or - exposures arising from OTC derivative transactions undertaken with a single body. 3. The limit of 10% laid down in sub-paragraph 1.a) above is increased to a maximum of 35% in respect of Transferable Securities or Money Market Instrument which are issued or guaranteed by a Member State, its local authorities, or by another Eligible State or by public international bodies of which one or more Member States are members. 4. The limit of 10% laid down in sub-paragraph 1. a) is increased to 25% for certain bonds when they are issued by a credit institution which 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 these bonds must be invested in conformity with the law in assets which, during the whole period of validity of the bonds, are capable of covering claims attaching to the bonds and which, in case of bankruptcy of the issuer, would be used on a priority basis for the repayment of principal and payment of the accrued interest. If the Target Fund invests more than 5% of its net assets in the bonds referred to in the sub-paragraph and issued by one issuer, the total value of such investments may not exceed 80% of the net assets of the Target Fund. Notwithstanding the above provisions, the Target Fund is authorised to invest up to 100% of the net assets of the Target Fund, in accordance with the principle of risk spreading, in Transferable Securities and Money Market Instruments issued or guaranteed by a Member State, its local authorities, a non-Member State of the EU accepted by the CSSF (being at the date of the Target Fund’s Prospectus OECD member State, Singapore or any member state of the G20) or by public international bodies of which one or more Member States of the EU are members, provided that the Target Fund must hold securities from at least six different issues and securities from one issue do not account for more than 30% of the net assets of the Target Fund. 5. The Transferable Securities and Money Market Instruments referred to in paragraphs 3. and 4. shall not be included in the calculation of the limit of 40% in paragraph 2. The limits set out in sub-paragraphs 1., 2., 3. and 4. may not be aggregated and, accordingly, investments in Transferable Securities or Money Market Instruments issued by the same issuing body, in deposits or in derivative instruments effected with the same issuing body may not, in any event, exceed a total of 35% of the Target Fund’s net assets; Companies which are part of the same group for the purposes of the establishment of consolidated accounts, as defined in accordance with directive 83/349/EEC or in accordance with recognised international accounting rules, are regarded as a single body for the purpose of calculating the limits contained in this paragraph III. The Target Fund may cumulatively invest up to 20% of its net assets of the Target Fund in Transferable Securities and Money Market Instruments within the same group.
IV.	1. Without prejudice to the limits laid down in paragraph V, the limits provided in paragraph III are raised to a maximum of 20% for investments in shares and debt securities issued by the same issuing body if the aim of the investment policy of the Target Fund is to replicate the composition of a certain stock or bond index which is sufficiently diversified, represents an adequate benchmark for the market to which it refers, is published in an appropriate manner and disclosed in the Target Fund’s investment policy.. 2. The limit laid down in the paragraph 1. is raised to 35% where this proves to be justified by exceptional market conditions, in particular on Regulated Markets where certain Transferable Securities or Money Market Instruments are highly dominant. The investment up to this limit is only permitted for a single issuer.
V.	1. The Target Fund may not acquire shares carrying voting rights which should enable it to exercise significant influence over the management of an issuing body.

	2. The Target Fund may acquire no more than: - 10% of the non-voting shares of the same issuer; - 10% of the debt securities of the same issuer; - 25% of the units of the same UCITS or other UCI; - 10% of the Money Market Instruments of the same issuer. 3. These limits under second and fourth indents may be disregarded at the time of acquisition, if at that time the gross amount of debt securities or of the Money Market Instruments cannot be calculated. The provisions of paragraph V shall not be applicable to Transferable Securities and Money Market Instruments issued or guaranteed by a Member State or its local authorities or by any non – Member State of the EU, or issued by public international bodies of which one or more Member States of the EU are members. These provisions are also waived as regards shares held by the Target Fund in the capital of a company incorporated in a non-Member State of the EU which invests its assets mainly in the securities of issuing bodies having their registered office in that State, where under the legislation of that State, such a holding represents the only way in which the Target Fund can invest in the securities of issuing bodies of that State provided that the investment policy of the company from the non-Member State of the EU complies with the limits laid down in paragraph III, V 1. and 2. and VI. The limits set forth here above also do not apply when investments of the Target Fund are made in the capital of subsidiary companies which, exclusively on behalf of the Target Fund or such fund carry on only the business of management, advice or marketing in the country where the subsidiary is located, with regard to the redemption of shares of the Target Fund at the request of shareholders of the Target Fund.
VI.	1. Unless otherwise specifically permitted for the Target Fund in its investment objective, the Target Fund may not acquire units/shares of UCITS and/or other UCIs referred to in paragraph I. c) in aggregate for more than 10% of its net assets. When the Target Fund is specifically permitted to invest more than 10% of its net assets in units/shares of UCITS and/or other UCIs, the Target Fund will not be allowed to invest more than 20% of its assets in the units/shares of a single UCITS or other UCI. For the purpose of the application of this investment limit, each compartment of a UCITS or UCI is to be considered as a separate issuer provided that the principle of segregation of the obligations of the various compartments vis-àvis third parties is ensured. Investment made in units/shares of UCIs other than UCITS may not in aggregate exceed 30% of the assets of the Target Fund. 2. The underlying investments held by the UCITS or other UCIs in which the Target Fund invests do not have to be considered for the purpose of the investment restrictions set forth under III above. 3. When the Target Fund invests in the units of UCITS and/or other UCIs that are managed, directly or by delegation, by the Investment Manager or by any other company with which the Investment Manager is linked by common management or control, or by a substantial direct or indirect holding, no subscription or redemption fees may be charged to the Target Fund on account of its investment in the units of such other UCITS and/or UCIs. In the event the Target Fund invests a substantial portion of its assets in UCITS and other UCIs, the total management fee (excluding any performance fee, if any) charged to the Target Fund and each of the UCITS or other UCIs concerned shall not exceed 3% of the relevant net assets under management. The Target Fund will indicate in its annual report the total management fees charged both to the Target Fund and to the UCITS and other UCIs in which the Target Fund has invested during the relevant period. 4. The Target Fund may acquire no more than 25% of the units of the same UCITS or other UCI. This limit may be disregarded at the time of acquisition if at that time the net amount of the units in issue cannot be calculated. In case of a UCITS or other UCI with multiple compartments, this restriction is applicable by reference to all units issued by the UCITS or other UCI concerned, all compartments combined. 5. A fund (the “feeding fund”) may subscribe, acquire and/or hold securities to be issued or issued by the Target Fund (a “recipient fund”) provided that; a) The feeding fund may not invest more than 10% of its net asset value in a single recipient fund, this limit being increased to 20% if the feeding fund is permitted,

	pursuant to its investment objective, to invest more than 10% of its net assets in the units of UCITS or other UCIs or in one single such UCITS or other UCIs; and b) The recipient fund does not, in turn, invest in the feeding fund; and c) The investment policy of the recipient funds whose acquisition is contemplated does not allow such recipient funds to invest more than 10% of its net asset value in UCITS and other UCIs; and d) Voting rights, if any, attaching to the shares of the recipient funds held by the feeding fund are suspended for as long as they are held by the feeding fund concerned and without prejudice to the appropriate processing in the accounts and the periodic reports; and in any event, for as long as these securities are held by the feeding fund, their value will not be taken into consideration for the calculation of the net assets of the Target Fund for the purposes of verifying the minimum threshold of the net assets imposed by the Law of 2010; and e) To the extent required by Luxembourg law, there is no duplication of management/subscription or redemption fees between those at the level of the feeding fund.
VII.	The Target Fund's global exposure relating to derivative instruments does not exceed the net assets of the Target Fund. The Target Fund's global exposure shall consequently not exceed 200% of its total net assets. In addition, this global exposure may not be increased by more than 10% by means of temporary borrowings (as referred to in section B. 2. below) so that it may not exceed 210% of the Target Fund's total net assets under any circumstances. The exposure is calculated taking into account the current value of the underlying assets, the counterparty risk, foreseeable market movements and the time available to liquidate the positions. This shall also apply to the following subparagraphs. If the Target Fund invests in financial derivative instruments, the exposure to the underlying assets may not exceed in aggregate the investment limits laid down in paragraph III above. When the Target Fund invests in index-based financial derivative instruments, these investments do not have to be combined to the limits laid down in paragraph III. When a transferable security or Money Market Instrument embeds a derivative, the latter must be taken into account when complying with the requirements of this paragraph VII.
VIII.	1. The Target Fund may not borrow for the amounts in excess of 10% of the net assets of the Target Fund. Any such borrowings must be from banks and effected only on a temporary basis, provided that the Target Fund may acquire foreign currencies by means of back to back loans. 2. The Target Fund may not grant loans to or act as guarantor on behalf of third parties. This restriction shall not prevent the Target Fund from acquiring Transferable Securities, Money Market Instruments or other financial instruments referred to in I 1. c), e) and f) which are not fully paid. 3. The Target Fund may not carry out uncovered sales of Transferable Securities, Money Market Instruments or other financial instruments. 4. The Target Fund may not acquire movable or immovable property. 5. The Target Fund may not acquire either precious metals or certificates representing them.
IX.	1. The Target Fund needs not comply with the limits laid down in this chapter when exercising subscription rights attaching to Transferable Securities or Money Market Instruments which form part of its assets. 2. If the limits referred to in paragraph 1. are exceeded for reasons beyond the control of the Target Fund or as a result of the exercise of subscription rights, it must adopt as a priority objective for its sales transactions the remedying of that situation, taking due account of the interest of its shareholders of the Target Fund. 3. To the extent that an issuer is a legal entity with multiple compartments where the assets of the compartment are exclusively reserved to the investors in such compartment and to those creditors whose claim has arisen in connection with the creation, operation or liquidation of that compartment, each compartment is to be considered as a separate issuer for the purpose of the application of the risk spreading rules set out in paragraphs III, IV and VI.

B.	**OTHER SAFEGUARDS**
	In addition, the Target Fund shall not: 1. borrow money except on a short-term basis, and then only to the extent of 10% of the total value of the net assets of the Target Fund; 2. mortgage, pledge, charge or in any manner transfer as security for indebtedness any assets of the Target Fund other than as may be necessary in connection with permitted borrowings (within the above limit of 10%) except that the foregoing shall not prevent the Target Fund from segregating or pledging assets as may be required in constituting margins for the purposes of using financial derivative instruments and transactions as more fully described under D. below; 3. underwrite or participate (except as an investor) in the marketing of securities of any other company; 4. make loans or guarantee the obligations of third parties, save that the Target Fund may make deposits with the depositary of the Target Fund or any bank or deposit-taking institution approved by the depositary of the Target Fund or hold debt instruments. Securities lending does not rank as a loan for the purpose of this restriction; 5. issue warrants or other rights to subscribe for shares in the Target Fund to its shareholders of the Target Fund or to any third parties; 6. except with the consent of the directors of the Fidelity Funds, purchase, sell, borrow or lend portfolio investments from or to or otherwise execute transactions with any appointed Investment Manager or investment adviser of the Target Fund, or any Connected Person (as defined in Part V, 5.1, H. "Miscellaneous" of the Target Fund's Prospectus) of either of them; 7. invest in documents of title to merchandise.
C.	**RISK MANAGEMENT PROCEDURES**
	The Management Company will employ a risk management process which enables it to monitor and measure at any time the risk of the positions and their contribution to the overall risk profile of each fund. The Management Company will employ, if applicable, a process for accurate and independent assessment of the value of any OTC derivative instruments. Further information about theTarget Fund's risk management process is available upon request from the Management Company.
D.	**GLOBAL EXPOSURE RELATING TO DERIVATIVE INSTRUMENTS AND LEVERAGE**
	As part of the risk management process global exposure relating to derivative instruments – which essentially measures the additional exposure to market risk resulting from the use of derivatives – for Target Fund is monitored. The Management Company use commitment approach for the Target Fund. The methodology follows the guidelines stated in the CSSF circular 11/512 relating to the presentation of the main regulatory changes in risk management following the publication of CSSF regulations 10-4 and ESMA clarifications, further clarification from the CSSF on risk management rules and the definition of the content and format of the risk management process to be communicated to the CSSF. Under the commitment approach each derivative position (including embedded derivatives) is in principle converted into the market value of the equivalent position in the underlying asset or by the notional value or the price of the futures contract where this is more conservative (the derivative position's commitment). If derivative positions are eligible for netting they may be excluded from the calculation. For hedge positions, only the net position is taken into account. Also excluded may be derivative positions which swap risk positions from securities held to other financial exposures under certain circumstances, as are derivative positions which are covered by cash positions and which are not considered to generate any incremental exposure and leverage or market risk.
E.	**SECURITIES LENDING AND BORROWING AND REPURCHASE AND REVERSE REPURCHASE TRANSACTIONS**

	In accordance with the applicable Luxembourg law and in particular the provisions of article 11 of the Grand-Ducal Regulation of 8 February 2008 as well as the CSSF's circulars and guidance, the Investment Manager of the Target Fund may for the purpose of Efficient Portfolio Management (a) enter, either as purchaser or seller, into repurchase transactions (opérations à réméré) and reverse repurchase and repurchase agreements transactions (operations de prise/mise en pension) and (b) engage in securities lending transactions. Further details with respect to the use of any of the abovementioned transactions are set out below. **1. Repurchase and Reverse Repurchase Transactions** Repurchase transactions are governed by an agreement whereby the owner of the asset agrees to sell a security to another party in exchange for cash collateral and agrees to repurchase it on a specified date for a specified (higher) price. A Reverse Repurchase transaction is the opposite transaction whereby the cash holder agrees to sell the cash to another party in exchange for security collateral and agrees to repurchase the cash on a specified date for a specified (higher) value. The Target Fund intends to engage in repurchase and reverse repurchase transactions for the purpose of Efficient Portfolio Management and in accordance with the expected and maximum levels disclosed under Appendix III of the Target Fund's Prospectus. The Target Fund may only enter into reverse repurchase agreement and/or repurchase agreement transactions provided that it is able at any time (a) to recall the full amount of cash in a reverse repurchase agreement or any securities subject to a repurchase agreement, or (b) to terminate the agreement in accordance with applicable regulations and subject to prevailing repurchase agreement market rates. In this context, fixed-term transactions that do not exceed seven days should be considered as arrangements on terms that allow the assets to be recalled at any time by the Target Fund. Repurchase agreement transactions and reverse repurchase agreement transactions will be entered into opportunistically and on a temporary basis, in circumstances where the Investment Manager considers that the market rates will allow the relevant fund to benefit from more efficient cash management or improved portfolio returns when entering into any of these transactions. • Counterparties The counterparties to such transactions must be subject to prudential supervision rules considered by the CSSF as equivalent to those prescribed by EU law and specialised in this type of transaction. The counterparties to such transactions will generally be financial institutions based in an OECD member state and having an investment grade credit rating. The selected counterparties comply with Article 3 of the SFTR Regulation. • Revenues paid to the Target Fund With regards to repurchase transactions or reverse repurchase transactions, 100% of the revenues (or losses) generated by their execution are allocated to the Target Fund. The Investment Manager do not charge any additional costs or fees or receive any additional revenues in connection with these transactions. Further details on the actual return are published in the Target Fund's annual reports and accounts. **Securities Lending** Securities lending transaction consists in a transaction whereby the Target Fund transfers security subject to a commitment that a borrower will return equivalent securities on a future date or when requested to do so by the Target Fund. • Use of securities lending The Target Fund intends to engage in securities lending transactions on stocks, other equity securities instruments, and bonds for the purpose of Efficient Portfolio Management and in accordance with the expected and maximum levels disclosed under Appendix III of the Target Fund's Prospectus. None of the Fidelity Funds enter into margin lending transactions as at the date of this Target Fund's Prospectus.

	Securities lending transactions will be entered into depending on the market opportunities and in particular depending on the market demand for the securities held in the Target Fund's portfolio at any time and the expected revenues of the transaction compared to the market conditions on the investment side. Securities lending transactions to be entered into exclusively aim to generate additional capital or income. As such, there is no restriction on the frequency under which the Target Fund may engage into such type of transactions. Under no circumstances shall the above mentioned operations cause a fund to diverge from its investment objective as laid down in the Target Fund's Prospectus or result in additional risk higher than its profile as described in the Target Fund's Prospectus. The Management Company will ensure to maintain the volume of these transactions at a level such that is able, at all times, to meet redemption requests. • Counterparties The counterparties to such securities lending must be subject to prudential supervision rules considered by the CSSF as equivalent to those prescribed by EU law and specialised in this type of transaction. The counterparties to such transactions will generally be financial institutions based in an OECD member state and having an investment grade credit rating. The selected counterparties comply with Article 3 of the SFTR Regulation. • Revenues paid to the Target Fund With regards to the securities lending transactions, 87.5% of the gross revenue arising from such transactions are returned to the Target Fund, while a 12.5% fee is paid to the lending agent of the Target Fund (which is not an affiliate of the Investment Manager). Any operational costs (whether direct or indirect) borne by the lending agent of the Target Fund from such securities lending activities are covered out of its fee. Further details on the actual return are published in the Target Fund's annual reports and accounts. • Lending agent, collateral agent and collateral manager The Fidelity Funds has appointed Brown Brothers Harriman & Co., a New York limited partnership with an office in Boston, Massachusetts and Citibank N.A., London Branch (both a "Lending Agent") to carry out the securities lending transactions and the management of the collateral. Neither Lending Agent is an affiliate of the Investment Manager.
F.	**MANAGEMENT OF COLLATERAL FOR SECURITIES LENDING, REPURCHASE AND OTC FINANCIAL DERIVATIVE TRANSACTIONS**
	With respect to securities lending transactions, the Target Fund will generally require the borrower to post collateral representing, at any time during the lifetime of the agreement, at least 105% of the total value of the securities lent in the case of equity securities and at least 102% of the total value of the securities lent in the case of bonds. Repurchase agreement and reverse repurchase agreements will generally be collateralised, at any time during the lifetime of the agreement, at a minimum of 100% of their notional amount. Collateral with regard to securities lending transactions and OTC Financial Derivative Transactions must be in the form of: (i) liquid assets (i.e., cash and short term bank certificates, money market instruments as defined in Council Directive 2007/16/EC of 19 March 2007) and their equivalent (including letters of credit and a guarantee at first-demand given by a first class credit institution not affiliated to the counterparty); (ii) bonds issued or guaranteed by a Member State of the OECD or their local authorities or by supranational institutions and undertakings with EU, regional or world-wide scope; (iii) shares or units issued by Money Market Funds calculating a net asset value on a daily basis and assigned a rating of AAA or its equivalent; (iv) shares or units issued by UCITS investing mainly in bonds/shares satisfying the conditions under (v) and (vi) hereafter; (v) bonds issued or guaranteed by first class issuers offering an adequate liquidity; or (vi) shares admitted to or dealt in on a Regulated Market or on a stock exchange of a Member State of the OECD, provided that these shares are included in a main index. Securities that are the subject of

	purchase with a repurchase option or that may be purchased in reverse purchase agreements are limited to the type of securities mentioned under items (i), (ii), (iii), (v) and (vi). Cash collateral received by the Target Fund in relation to these transactions will not be reinvested unless otherwise specifically permitted for the Target Fund in the Target Fund's Prospectus. In that event, cash collateral received by the Target Fund in relation to any of these transactions may be reinvested in a manner consistent with the investment objectives of the Target Fund in (a) shares or units issued by money market undertakings for collective investment calculating a daily net asset value and being assigned a rating of AAA or its equivalent, (b) short-term bank deposits, (c) money market instruments as defined in the above referred Regulation of 2008, (d) short-term bonds issued or guaranteed by an EU member state, Switzerland, Canada, Japan or the United States or by their local authorities or by supranational institutions and undertakings with EU, regional or world-wide scope, (e) bonds issued or guaranteed by first class issuers offering an adequate liquidity, and (f) reverse repurchase agreement transactions according to the provisions described under section I.C.a) of the above referred CSSF Circular. Such reinvestment will be taken into account for the calculation of each concerned fund's global exposure relating to derivative instruments, in particular if it creates a leverage effect. Non-cash collateral received with regards to such transactions will not be sold, re-invested or pledged. Collateral received must fall within eligibility criteria, as defined in the Law of 2010 and the above referred Regulation of 2008 and be designed to provide high liquidity with easy pricing, a robust sale price that is close to pre-sale valuation together with, a low correlation with the counterparties to provide collateral pricing independence and high-grade credit rating. The collateral is valued daily and a hair-cut is applied to non-cash collateral. Haircuts will not be applied to cash collateral. Collateral is diversified and monitored to be in line with the Target Fund's counterparty limits.

	Eligible assets Haircut	**Eligible assets Haircut**
OTC Financial Derivative transactions	Cash (USD, EUR, GBP, AUD or JPY)	0%
Securities Lending transactions - Equity	Government bonds issued by G10 sovereigns (subject to change from time to time)	5%
Reverse repurchase transactions	Specified Sovereign Debt OR exposure to certain non-government public-sector entities (in certain currency denominations) as agreed on a fund/counterparty basis	Up to 2.818% (as applicable by regulation and residual maturity)

	The risks linked to the management of collateral, such as operational and legal risks, are identified, managed and mitigated by the risk management process.
G.	**TOTAL RETURN SWAPS AND OTHER FINANCIAL DERIVATIVE INSTRUMENTS WITH SIMILAR CHARACTERISTICS**
	Total Return Swaps are derivative contracts in which one counterparty transfers the total economic performance, including income from dividends, coupons, interest and fees, gains and losses from price movements, and credit losses, of a reference obligation to another counterparty. The Target Fund intends to use TRS or other financial derivative instruments with similar characteristics (at the time of the Target Fund's Prospectus, "contracts for difference") (the "TRS/CFD Transactions") in accordance with the provisions on the use of financial derivative instruments set forth in their investment policy and within the maximum and

expected levels disclosed under Appendix III of the Target Fund's Prospectus. Whenever the Target Fund will be using TRS/CFD Transactions the following will apply:

a) the TRS/CFD Transactions will be undertaken on single name equity and fixed income instruments or financial indices all of which are eligible assets for UCITS under EU law and regulation;
b) each trading counterparty to the TRS/CFD Transactions will be subject to prudential supervision rules considered by the CSSF as equivalent to those prescribed by EU law and specialised in such TRS/CFD Transactions;
c) risks borne by the Target Fund and shareholders of the Target Fund are described in Part I, 1.2., X. "Derivatives Related Risks" of the Target Fund's Prospectus;
d) the TRS/CFD Transactions will be undertaken in accordance with the requirements detailed in Part V 5. "Investment Restrictions", 5.1. "Investment Powers and Safeguards" of the Target Fund's Prospectus;
e) no trading counterparty will assume discretion over the composition or management of the Target Fund's investment portfolio or over the underlying of the financial derivative instruments; and
f) f) none of the Target Fund's investment portfolio transactions will require approval by third party.

The following type of assets can be subject to TRS/CFD: single name equity and fixed income instruments or financial indices.

Similar to repurchase and reverse repurchase transactions, 100% of the revenues (or losses) generated by the execution of TRS/CFDs transactions are allocated to the Target Fund. The Investment Manager do not charge any additional costs or fees or receive any additional revenues in connection with these transactions. Whilst additional costs may be inherent in certain products (e.g. the financing leg on a CFD), these are imposed by the counterparty based on market pricing, form part of the revenues or losses generated by the relevant product, and are allocated 100% to the Target Fund. Details on the actual return and cost for each type of SFT and TRS/CFD (in absolute terms and as a percentage of overall returns generated by that type of STF or TRS/CFD) are published in the Target Fund's annual reports and accounts

CFDs		**TRS**		**Securities Lending**		**Repurchase and reverse repurchase agreements**	
Maximum level (In % of TNA)	**Expected level (In % of TNA)**	**Maximum level (In % of TNA)**	**Expected level (In % of TNA)**	**Maximum level (In % of TNA)**	**Expected level (In % of TNA)**	**Maximum level (In % of TNA)**	**Expected level (In % of TNA)**
50	10	0	0	30	15	30	0

H. MISCELLANEOUS

1. The Target Fund need not comply with the investment limit percentages set out above when exercising subscription rights attaching to securities which form part of its assets.
2. Such restrictions shall apply to the Target Fund.
3. If the investment limit percentages set out above are exceeded as a result of events or actions after investment that are beyond the control of the Target Fund or by reason of the exercise of subscription rights attaching to securities held by it, the Target Fund shall give priority, consistent with the best interests of shareholders of the Target Fund, upon sale of securities to disposing of these securities to the extent that they exceed such percentages; provided, however, that in any case where the foregoing percentages are lower than relevant percentages imposed by Luxembourg Law, the Target Fund need not give priority to disposing of such securities until the law's higher limits have been exceeded, and then only to the extent of such excess.
4. The Target Fund follows a risk-spreading policy regarding the investment of cash and other liquid assets.

	5. The Target Fund will not purchase or sell real estate or any option right or interest therein, provided that the Target Fund may invest in securities secured by real estate or interests therein or issued by companies which invest in real estate or interests therein. 6. The Investment Manager, any of its delegates and/or any of their Connected Persons may effect transactions by or through the agency of another person with whom the Investment Manager, any of its delegates and/or any of their Connected Persons have an arrangement under which that party will from time to time provide to or procure for the Investment Manager, any of its delegates and/or any of their Connected Persons goods, services or other benefits (such as research and advisory services, where permitted by regulation only) ("soft dollar arrangements"), the nature of which is such that their provision can reasonably be expected to benefit the Target Fund as a whole and may contribute to an improvement in the Target Fund's performance and that of the Investment Manager or any of its delegates in providing services to the Target Fund and for which no direct payment is made but instead the Investment Manager, any of its delegates and/or any of their Connected Persons undertake to place business with that party. For the avoidance of doubt, such goods and services do not include travel, accommodation, entertainment, general administrative goods or services, general office equipment or premises, membership fees, employee salaries or direct money payments. Periodic disclosure is made in the annual report of the Target Fund in the form of a statement describing the soft dollar policies and practices of the Investment Manager or its delegates, including a description of goods and services received by them and/or any of their Connected Persons. 7. The Investment Manager, any of its delegates and/or any of their Connected Persons shall not retain the benefit of any cash commission rebate (being cash commission repayment made by a broker or dealer to the Investment Manager, any of its delegates and/or any of their Connected Persons) paid or payable from any such broker or dealer in respect of any business placed with such broker or dealer by the Investment Manager, any of its delegates and/or any of their Connected Persons for or on behalf of the Target Fund. Any such cash commission rebate received from any such broker or dealer shall be held by the Investment Manager, any of its delegates and/or any of their Connected Persons for the account of the Target Fund. Brokerage rates will not be excessive of customary institutional full-service brokerage rates. All transactions will be done with best execution. The availability of soft dollar arrangements may not be the sole or primary purpose to perform or arrange transaction with such broker or dealer. 8. If the Target Fund has exposure to a financial index, it will rebalance its portfolio in accordance with the rebalancing of the securities representing the index, when it is an index tracking fund or, when not specifically replicating the index, in line with the Target Fund's strategy. The effects on the costs will depend on the rebalancing frequency.

3.12 PRICING POLICY OF THE TARGET FUND

Calculation of the Net Asset Value of the Target Fund

The net asset value of the Target Fund is determined in the reference currency of the Target Fund in accordance with the articles of incorporation of the Fidelity Funds. The net asset value of each class of the Target Fund is determined in the principal dealing currency of the respective class of the target Fund.

The net asset value per share of the Target Funds calculated by determining first, if appropriate, the proportion of the net assets of the Target Fund attributable to each class of shares of the Target Fund, thereby taking account of the ongoing distribution charge payable by Class E shares. Each such amount will be divided by the number of shares of the Target Fund of the relevant class then outstanding as at close of business to the extent feasible.

The articles of incorporation of the Fidelity Funds contain valuation regulations which provide that for the purpose of determining net asset value of the Target Fund:

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

(B) the value of transferable securities, money market instruments and financial derivative instruments are valued on the basis of the last available price of the relevant stock exchange or Regulated Market on which these securities or assets are traded or admitted for trading. Where such securities or other assets quoted or dealt in on one or more than one stock exchange or Regulated Market, the board of the Fidelity Funds or its delegate shall adopt policies as to the order of priority in which such stock exchanges or other Regulated Markets shall be used for the provisions of prices of securities or assets;

(C) if a transferable security or money market instrument is not traded or admitted on any official stock exchange or an Regulated Market, or in the case of transferable securities or money market instruments so traded or admitted where the last available price is not representative of their fair market value, the board of the Fidelity Funds or its delegate shall proceed on the basis of their reasonably foreseeable sales price, which shall be valued with prudence and in good faith;

(D) the financial derivative instruments which are not listed on any official stock exchange or traded on any other Regulated Market will be valued in accordance with market practice;

(E) units or shares of undertakings for collective investment, including funds, shall be valued on the basis of their last available net asset value of the Target Fund, as reported by such undertakings; and

(F) liquid assets and money market instruments may be valued at nominal value plus any accrued interest at markto-market or mark-to-model, or on an amortised cost basis under certain limited conditions (including for instruments with low residual maturities when deemed allowed to gain an appropriate approximation of the price of the instrument) provided that escalation procedures are in place to ensure corrective actions are promptly taken when the amortised cost no longer provides a reliable approximation of the price of the instrument. All other assets, where practice allows, may be valued in the same manner.

Price Adjustment Policy (Swing Pricing)

Large transactions in or out of the Target Fund can create “dilution” of the Target Fund’s assets because the price at which an investor buys or sells shares in the Target Fund may not entirely reflect the dealing and other costs that arise when the portfolio manager has to trade in securities to accommodate large cash inflows or outflows. In order to counter this and enhance the protection of existing shareholders of the Target Fund, the board of the Fidelity Funds and/or the Management Company has adopted a swing pricing policy to counter the impact of dealing and other costs on occasions when these are deemed to be significant, and allow price adjustments as part of the regular daily valuation process. The policy is reviewed on an annual basis.

If on any dealing day the aggregate net transactions in shares of the Target Fund exceed a threshold set by the board of the Fidelity Funds from time to time, the asset value may be adjusted upwards or downwards as applicable to reflect the costs (the “Costs”) that may be deemed to be incurred in liquidating or purchasing investments to satisfy net daily transactions at Target Fund level. These Costs may include but are not limited to spreads, brokerage fees, transaction tax, commission and transaction costs. The threshold is set by the board of the Fidelity Funds and or the Management Company taking into account factors such as the prevailing market conditions, the estimated dilution Costs and the size of the Target Fund, the application of which will be triggered mechanically and on a consistent basis. The adjustment will be upwards when the net aggregate transactions result in net subscriptions flows. The adjustment will be downwards when the net aggregate transactions result in net redemption flows. The adjusted asset value will be applicable to all transactions on that day.

The Fidelity Fund is currently co-managed, the aggregated groups of assets are referred to as a ‘pool’. The Target Fund may have their assets invested via one or more pools. For the purposes of operating a price adjustment policy, the board of the Fidelity Funds may decide that a threshold for adjusting prices be established at pool level.

The price adjustment, based on both normal net dealings and market volatility, will not exceed 2% of the original net asset value of the Target Fund. The actual level of adjustment will be set periodically by a dedicated committee, to which the board of the Fidelity Funds has delegated specific powers. However, whilst the price adjustment is normally not expected to exceed 2%, the board of the Fidelity Funds and/or the Management Company may decide to increase this adjustment limit in exceptional circumstances (such as high net dealings or high market volatility) to protect shareholders' interests of the Target Fund. As any such price adjustment will be dependent on aggregate net transactions in shares of the Target Fund, it is not possible to accurately predict whether it will occur at any future point in time and consequently how frequently it will need to be made. Shareholders of the Target Fund will be notified of such a decision to increase this adjustment limit via notice on www.fidelityinternational.com.

3.13 TEMPORARY SUSPENSION OF DETERMINATION OF NET ASSET VALUE AND OF THE ISSUE, SWITCHING AND REDEMPTION OF SHARES

The board of the Fidelity Funds or the Management Company may, in consultation with the depositary of the Target Fund and having regard to the best interest of the shareholders of the Target Fund, suspend the determination of the net asset value of shares of the Target Fund, the issue of such shares of the Target Fund, the switching of such shares of the Target Fund and the redemption of such shares of the Target Fund in the cases described below. In this context, and for the avoidance of any doubt, the board of the Fidelity Funds or the Management Company, as applicable, will retain full discretion as to the temporary suspension of the determination of net asset value and of the issue, switching and redemption of shares of the Target Fund:

a) during any period (other than ordinary holidays or customary weekend closings) when any market or stock exchange is closed on which a significant portion of the Target Fund's investments relating to the Target Fund is quoted and which is the main market or stock exchange for such investments, provided that the closing of such exchange or market affects the valuation of the investments quoted thereon; or during any period when dealings on such market or stock exchange are substantially restricted or suspended, provided such restriction or suspension affects the valuation of the investments of the Target Fund relating to the Target Fund quoted thereon;
b) during any period when an emergency exists as a result of which disposal by the Target Fund of investments relating to the Target Fund which constitute a substantial portion of the assets of the Target Fund is not practically feasible or would be seriously prejudicial to the shareholders of the Target Fund;
c) during any breakdown in the means of communication normally employed in determining the price of the Target Fund's investments relating to the Target Fund or of current prices on any market or stock exchange;
d) when for any other reason the prices of any investments owned by the Target Fund relating to the Target Fund fund cannot promptly or accurately be ascertained;
e) during any period when remittance of monies which will or may be involved in the realisation of or in the payment for the Target Fund's investments relating to the Target Fund cannot, in the opinion of the board of the Fidelity Funds, be carried out at normal rates of exchange;
f) while the value of the investments held through any subsidiary of the Target Fund may not be determined accurately;
g) during any period when in the opinion of the board of the Fidelity Funds or the Management Company unusual circumstances exist where it would be impractical or unfair towards the shareholders of the Target Fund to continue dealing in the shares of the Target Fund, or circumstances where a failure to do so might result in the shareholders of the Target Fund incurring any liability to taxation or suffering other pecuniary disadvantage or other detriment which the shareholders of the Target Fund might not otherwise have suffered, or any other circumstances;
h) if the Target Fund is being or may be wound-up, on or following the date on which such decision is taken by the board of the Fidelity Funds or notice is given to shareholders of the Target Fund of a general meeting of shareholders of the Target Fund at which a resolution to wind-up the Target Fund is to be proposed;
i) in the case of a merger, if the board of the Fidelity Funds and/or the Management Company deems this to be justified for the protection of shareholders of the Target Fund; or

j) in the case of a suspension of the calculation of the net asset value of the Target Fund of one or several underlying investment funds in which the Target Fund has invested a substantial portion of assets.

Furthermore, if on any valuation date of the Target Fund redemption requests and switching requests relate to more than 10% of the shares in issue in respect of the Target Fund, the directors of the Fidelity Funds may declare that part or all of such shares of the Target Fund for redemption or switching will be deferred on a pro rata basis for a period that the directors of the Fidelity Funds consider to be in the best interests of the Target Fund and/or the directors of the Fidelity Funds may defer any switching or redemption request which exceeds 10% of the shares in issue in respect of the Target Fund. Such period would not normally exceed 20 valuation dates of the Target Fund. On such dates, these redemption and switching requests will be met in priority to later requests.

Suspension of determination of the net asset value of shares of the Target Fund will not imply suspension in respect of other funds unaffected by the relevant events.

Shareholders of the Target Fund who have requested switching or redemption of their shares of the Target Fund or who have made an application to subscribe for shares of the Target Fund will be notified in writing of any such suspension of the right to subscribe, to convert or to require redemption of shares of the Target Fund and will be promptly notified upon termination of such suspension. Any such suspension will be published in such manner as decided by the board of the Fidelity Funds if in its opinion the suspension is likely to exceed one week.

In the event of any contemplated liquidation of the Target Fund, no further issues, switchings, or redemptions of Shares will be permitted after publication of the first notice convening the general meeting of shareholders of the Target Fund for the purpose of winding up the Target Fund. All shares of the Target Fund outstanding at the time of such publication will participate in the Target Fund's liquidation distribution.

Each distributor of the Fidelity Funds reserves the right to suspend or terminate sales of shares of the Target Fund and to refuse to accept any applications. Sales will normally be suspended when the Target Fund suspends the determination of net asset value of the Target Fund.

3.14 FEE CHARGABLE BY THE TARGET FUND

The following fees and charges are currently payable out of the assets of the Target Fund:

Initial Charge[1]	Up to 5.25%
Redemption/Sales Exit Fee	Nil
Management Fee[2]	Up to 1.50%
Performance Fee	Nil

Note:
[1]Currently, the initial charge is waived by the Investment Manager.
[2]There will be no double charging of annual management fees. The management fee imposed on the Target Fund level will be taken from the annual management fee of up to 1.80% per annum of the NAV of the Fund charged by the Manager.

CHAPTER 4: TRANSACTION INFORMATION

4.1 COMPUTING OF NAV AND NAV PER UNIT

Sophisticated Investors should note that the NAV of the Fund is determined by deducting the value of all the Fund's liabilities from the value of all the Fund's assets, at a particular valuation point.

The NAV per Unit is the NAV of the Fund attributable to a Class divided by the number of Units in circulation for that particular Class, at the same valuation point.

The valuation of the Fund will be carried out in the Base Currency. Accordingly, all assets that are not denominated in USD will be translated to USD for valuation purposes. The foreign exchange rate used for this purpose shall be the bid foreign exchange rate quoted by Bloomberg or Reuters at 4.00 p.m. United Kingdom time (which is equivalent to 11.00 p.m. or 12.00 midnight (Malaysia time) on the same day) as the valuation point of the Fund or such time as may be prescribed by the relevant laws from time to time.

Due to multiple Classes in the Fund, the gain, income, expenses, and/or other expenses related to the Fund are apportioned based on the value of the Class (quoted in the Base Currency) relative to the value of the Fund (also quoted in the Base Currency), which is shown as multi-class ratio ("MCR").

Please refer to the illustration below for the computation

An illustration of computation of NAV and the NAV per Unit for a particular day:-

Items	Fund (USD)	USD Class (USD)	SGD Hedged Class (USD)	MYR Hedged Class (USD)	AUD Hedged Class (USD)	MYR Class (USD)	RMB Hedged Class (USD)	GBP Hedged Class (USD)
Net Asset Value BF	44,232,573.92	8,302,515.85	2,978,175.31	12,986,252.69	5,860,079.47	3,500,045.10	1,515,004.50	9,090,501.00
Multi Class Ratio (MCR) %		18.77013955	6.73299120	29.35902558	13.24833477	7.91282259	3.42508782	20.55159850
Class gains	1,652.18	-	1,550.80	6,998.13	(3,500.50)	-	(1,355.20)	(2,041.05)
Gains, Income and Expenses	195,922.51	36,774.93	13,191.45	57,520.94	25,956.46	15,503.00	6,710.52	40,265.21
Gross Asset Value Before Fee	44,430,148.61	8,339,290.78	2,992,917.56	13,050,771.76	5,882,535.43	3,515,548.10	1,520,359.82	9,128,725.16
Management Fee	(1,825.90)	(342.71)	(123.00)	(536.33)	(241.75)	(144.47)	(62.48)	(375.15)
Trustee Fee	(48.69)	(9.14)	(3.28)	(14.30)	(6.45)	(3.85)	(1.67)	(10.00)
Net Asset Value	44,428,274.02	8,338,938.93	2,992,791.28	13,050,221.12	5,882,287.24	3,515,399.77	1,520,295.67	9,128,340.00
Units in Circulation		15,600,000.00	7,700,000.00	101,000,000.00	16,300,000.00	27,000,000.00	19,800,000	22,000,000
Exchange Rate		1.0000	1.3700	4.1500	1.4800	4.1900	6.9500	1.2930
NAV Per Unit in Fund Currency		0.53454737	0.38867419	0.12921011	0.36087652	0.13019999	0.07678261	0.41492455
NAV Per Unit in Class Currency		0.53454737	0.53248364	0.53622196	0.53409725	0.54553796	0.53363914	0.53649744
NAV Per Unit in Class Currency (Rounded to four decimals)		0.5345	0.5325	0.5362	0.5341	0.5455	0.5336	0.5365

Please note that the calculation set out above is for illustration purposes only.

4.2 PRICING OF UNITS

We adopt the single pricing policy for any transaction. Under this regime, both the selling price and redemption price of Units are fixed at the Initial Offer Price during the Initial Offer Period. After the Initial Offer Period, the selling price and redemption price will be the NAV per Unit.

The daily NAV per Unit is valued at the next valuation point after a subscription application or a redemption request is received by us, i.e., on forward price basis.

Policy on rounding adjustment

In calculating your investments with us, the NAV per Unit will be rounded to four (4) decimal places.

Units allocated to a Unit Holder will be rounded to two (2) decimal places.

4.3 SALE OF UNITS

	USD Class	MYR Class	AUD Hedged Class	SGD Hedged Class	GBP Hedged Class	MYR Hedged Class	RMB Hedged Class
Minimum Initial Investment	USD5,000	RM5,000	AUD5,000	SGD5,000	GBP5,000	RM5,000	RMB5,000
	or such other lower amount as we may decide from time to time.						
Minimum Additional Investment	USD1,000	RM1,000	AUD1,000	SGD1,000	GBP1,000	RM1,000	RMB1,000
	or such other lower amount as we may decide from time to time.						

The Fund is open for subscription on each Business Day.

Application of Units must be submitted by completing the account opening form, which is available at our head office and business centres. Please refer to Chapter 9, List of TA Investment Management Berhad's office, institutional unit trust advisers and authorised distributors for details.

Individual or joint application must be accompanied by a copy of the NRIC / passport or other documents of identification.

Corporate application must be accompanied by, where applicable, a certified true copy of the certificate of incorporation, memorandum and article of association or constitution, form 24 or return for allotment of shares under section 78 of the Companies Act 2016, form 44 or notice under section 46 of the Companies Act 2016 and form 49 or notice under section 58 of the Companies Act 2016, board resolution with list of authorised signatories and company seal (if applicable), latest audited financial statement, certified true copy of NRIC or passport or other form of identification of directors.

The completed documents, together with the proof of payment must be attached. Bank charges, where relevant, will be borne by investors. The validity of the transaction is subject to clearance of the payment made to us.

Any application form received through fax will only be deemed complete after we receive the original copy of the form together with the proof of payment. Receipt of fax copy will not be an indication of acceptance of application by us or completion of transaction. We shall not be responsible for applications not processed as a result of incomplete transmission of fax. Valid application received by our office before 4.00 p.m. on any Business Day be it via fax, send in by post or walk-in, will be processed based on the NAV per Unit calculated at the end of the Business Day. Any application received after 4.00 p.m. will be deemed to have been received on the next Business Day. If an application is received on Saturday, the request will be processed based on the NAV per Unit calculated after the close of the next Business Day, which in this case will normally be on Monday. We reserve the right to reject any application that is unclear, incomplete and/or not accompanied by the required documents. Incomplete applications will not be processed until all the necessary information has been received.

Note: We reserve the right to accept or reject any application in whole or part thereof without assigning any reason.

All applicants intending to invest in a Class other than MYR Class or MYR Hedged Class are required to have a foreign currency account with any financial institution as all transactions relating to the particular foreign currency will ONLY be made via telegraphic transfers.

SOPHISTICATED INVESTORS ARE ADVISED NOT TO MAKE ANY PAYMENT IN CASH TO ANY INDIVIDUAL AGENT WHEN PURCHASING UNITS OF THE FUND.

PLEASE BE ADVISED THAT IF A SOPHISTICATED INVESTOR INVESTS IN UNITS THROUGH AN IUTA WHICH ADOPTS THE NOMINEE SYSTEM OF OWNERSHIP, THE SOPHISTICATED INVESTOR WOULD NOT BE CONSIDERED TO BE A UNIT HOLDER UNDER THE DEED AND THE SOPHISTICATED INVESTOR MAY CONSEQUENTLY NOT HAVE ALL THE RIGHTS ORDINARILY EXERCISABLE BY A UNIT HOLDER (FOR EXAMPLE, THE RIGHT TO CALL FOR A UNIT HOLDERS' MEETING AND TO VOTE THEREAT AND THE RIGHT TO HAVE THE UNIT HOLDER'S PARTICULARS APPEARING IN THE REGISTER OF UNIT HOLDERS OF THE FUND).

4.4 REDEMPTION OF UNITS

Redemption of Units can be made by completing a transaction form available from any of our offices or by sending written instructions to any of our offices on any Business Day.

If you give us written instructions, your letter should include:

(a) your account number;

(b) the name of the fund and its class of units (if any) that you wish to redeem your units from;

(c) the number of units that you intend to redeem; and

(d) instructions on what we should do with the moneys (e.g. credit into your bank account).

Redemption requests sent via fax are accepted by us. Receipt of fax copy should not be an indication of acceptance of a redemption request by us or completion of transaction. We shall not be responsible for redemption requests that are not processed as a result of incomplete transmission of fax. We reserve the right to reject any redemption request that is unclear, incomplete and/or not accompanied by the required documents. Investors are strongly advised to contact our customer service to confirm receipt of instruction given by fax.

The Fund will be valued on a daily basis and the daily prices of the Fund will be published on the next Business Day. The Fund's Unit prices are available on our website www.tainvest.com.my or from our head office or any of our business centres listed in Chapter 9, List of TA Investment Management Berhad's office, institutional unit trust advisers and authorised distributors.

Any valid redemption request received by our head office or any of our business centres before 4.00 p.m. on a Business Day will be processed based on the NAV per Unit calculated at the next valuation point. A redemption request received after 4.00 p.m. will be deemed to have been received on the next Business Day. If a redemption request is received on Saturday, the request will be processed based on the NAV per Unit calculated at the close of the next Business Day, which in this case will normally be Monday.

Redemption proceeds will be paid to you within ten (10) Business Days from the day the redemption request is received by us based on the selected payment method stated in the transaction form received by our head office. However, for a withdrawal amount exceeding 10% of the total NAV of the Fund, the Manager may extend to fifteen (15) Business Days to pay the redemption proceeds to the Unit Holders. In case of joint holders, we will process the redemption request based on the operating instruction stated in the account opening form when you first invested in the Fund. For avoidance of doubt, all redemption proceeds will be made payable to the principal applicant by default, unless there is a request by the principal applicant that the redemption proceeds be made payable to the joint applicant.

Redemption proceeds will be paid according to the payment mode stated in the transaction form. We reserve the right to vary the terms and conditions of redemption payment from time to time.

The NAV per Unit of the Fund is sent to the Federation of Investment Managers Malaysia (FiMM) in order for it to be published in major newspapers. The Manager will ensure the accuracy of the NAV per Unit forwarded to FiMM. The Manager, however, will not held liable for any error or omission in NAV per Unit published as this is beyond the Manager's control. In the event of any NAV per Unit discrepancy in the NAV per Unit between the newspaper and the Manager's computation, the Manager's computed NAV per Unit shall prevail.

4.5 BASES OF VALUATION OF THE ASSETS OF THE FUND AND VALUATION FOR THE FUND

4.5.1 Bases of Valuation of the Assets of the Fund

The bases of valuation of the respective asset classes of the Fund are as follows:

Investment Instruments	Valuation Basis
Collective investment schemes	Collective investment schemes which are quoted on an exchange shall be valued based on the last done prices as at the close of the Business Day of the respective markets on the same calendar day. Investments in unlisted collective investment schemes will be valued based on the last published redemption price.
Money market instruments	Investments in money market instruments are valued at book cost, meaning cost of acquisition plus accretion of discount on yield to maturity method. For investments in commercial papers, such instruments are valued each day based on the price quoted by a bond pricing agency registered by the SC.
Derivatives	Derivatives are marked-to-market on a daily basis, where possible. Otherwise, the valuation will be based on fair value as determined in good faith by us on methods and bases that will have to be verified by the auditor of the Fund and approved by the Trustee.
Deposits	Deposits placed with financial institutions will be valued each day by reference to the principal value of such investments and interest accrued thereon, if any, for the relevant period.
Foreign exchange conversion	Foreign exchange conversion of foreign investments for a particular Business Day is determined based on the bid exchange rate quoted by Bloomberg or Reuters at United Kingdom time 4.00 p.m. which is equivalent to 11.00 p.m. or 12.00 midnight (Malaysia time) on the same day, or such other time as prescribed from time to time by the Federation of Investment Managers Malaysia or any relevant laws.
Any other instruments	Fair value as determined in good faith by us, on methods or bases which will have to be verified by the auditor of the Fund and approved by the Trustee.

4.6 VALUATION FOR THE FUND

The Fund will be valued on a daily basis, which is on the Valuation Day.

4.7 DISTRIBUTION PAYMENT

Subject to availability of income, distribution is incidental.

Unit Holders may choose to receive any distribution declared in either of the following methods:

1) <u>Reinvestment of Units</u>
We will create the Units based on the NAV per Unit on the Reinvestment Date. There will not be any cost for reinvestment of those additional Units, i.e. no sales charge will be imposed on such transaction.

2) <u>Cash Payment</u>
   Unit Holders should note that distribution payments, if any, will be made in the respective currency of the Class(es). As such, the distribution amount may be different for each Class as a result of exchange rate movement between the Base Currency and the currency denomination of the Class(es). The distribution will be paid into your bank account (which shall be in the respective currency of the Class(es)) in our records. All the cost and expenses incurred in facilitating such distribution payments shall be borne by Unit Holders.

Any distribution payable which is less than or equal to the amount of USD/AUD/SGD/GBP/RMB/RM 250.00 would be automatically reinvested.

In the absence of instructions to the contrary, distribution of income from the Fund will be automatically reinvested, at no charge, into additional Units of the Class based on the NAV per Unit of that Class on the Reinvestment Date.

Note:
Any change in distribution instruction must be in writing. If this is done in the last fourteen (14) days before the distribution declaration date of the Fund, the change will only take effect from the next distribution point, if any.

CHAPTER 5: THE MANAGER

5.1 BACKGROUND INFORMATION

The Manager of the Fund is TA Investment Management Berhad ("TAIM"). TAIM was incorporated on 17 April 1995 under the Companies Act, 1965 and commenced operations on 1 July 1996. TA Securities Holdings Berhad, a wholly owned subsidiary of TA Enterprise Berhad, is the holding company of TAIM. TA Enterprise Berhad, an investment holding company has years of exposure and experience in investing in the Malaysian securities markets.

The principal activities of TAIM are the establishment and management of unit trust funds and portfolio clients. TAIM has more than twenty (20) years of experience in managing unit trust funds.

5.2 ROLE, DUTIES AND RESPONSIBILITIES OF THE MANAGER

TAIM is responsible for the day to day management of the Fund and for the development and implementation of appropriate investment strategies. The main tasks performed by TAIM include:

- managing investments portfolio;
- processing the sale and redemption of Units;
- keeping proper records for the Fund;
- valuing investments of the Fund; and
- distributing income and additional Units to the Unit Holders.

5.3 INVESTMENT COMMITTEE

Main Functions of the Investment Committee
The investment committee's main responsibility is to formulate, implement and monitor the investment management policies of the investment managers to achieve the investment objective of the Fund. The investment committee meets at least once a month or as and when the need arises.

5.4 INVESTMENT TEAM

Mr. Choo Swee Kee, CFA – Chief Investment Officer and the designated fund manager for the Fund

Mr. Choo is the Chief Investment Officer and Executive Director of TAIM. He joined TAIM in July, 2005 and has more than twenty-five (25) years' experience in the investment and stock markets. He leads the investment team and is responsible for implementing the investment strategy of funds and managing TAIM's portfolio. After graduation, he joined an accounting group, Coopers & Lybrand in 1987 as a senior officer. Between 1990 and 1999, Mr. Choo gained valuable knowledge and experience in the investment line working as analyst and fund manager in Singapore and Malaysia. Prior to joining TA Group, he was the Chief Investment Officer of KLCS Asset Management Sdn. Bhd. Mr. Choo holds a Bachelor of Business Administration from the National University of Singapore and the Chartered Financial Analyst (CFA) designation.

5.5 MATERIAL LITIGATION

As at Last Practicable Date, TAIM is not engaged in any material litigation and arbitration, including those pending or threatened, and is not aware of any facts likely to give rise to any proceedings which might materially affect its business/financial position.

Further information on the Manager, key personnel of the Manager, the board of directors' profile, investment committee, investment team and etc. can be obtained from the Manager's website at www.tainvest.com.my.

CHAPTER 6: TRUSTEE

6.1 ABOUT CIMB COMMERCE TRUSTEE BERHAD

CIMB Commerce Trustee Berhad was incorporated on 25 August 1994 and registered as a trust company under the Trust Companies Act, 1949 and having its registered office at Level 13, Menara CIMB, Jalan Stesen Sentral 2, Kuala Lumpur Sentral 50470, Kuala Lumpur, Malaysia. The Trustee is qualified to act as a trustee for collective investment schemes approved under the Capital Markets and Services Act 2007.

6.2 EXPERIENCE AS TRUSTEE TO UNIT TRUST FUNDS

CIMB Commerce Trustee Berhad has been involved in unit trust industry as trustee since 1996. It acts as trustee to various unit trust funds, real estate investment trusts, wholesale funds, private retirement schemes and exchange traded funds.

6.3 ROLES, DUTIES AND RESPONSIBILITIES OF THE TRUSTEE

The Trustee’s functions, duties and responsibilities are set out in the Deed. The general functions, duties and responsibilities of the Trustee include, but are not limited to, the following:

(a) Take into custody the investments of the Fund and hold the investments in trust for the Unit Holders;

(b) Ensure that the Manager, operates and administers the Fund in accordance with the provisions of the Deed, Securities Commission’s guidelines and acceptable business practice within the unit trust industry;

(c) As soon as practicable, notify the Securities Commission of any irregularity or breach of the provisions of the Deed, Securities Commission’s guidelines and any other matters which in the Trustee's opinion, may indicate that the interests of Unit Holders are not served;

(d) Exercise reasonable diligence in carrying out its functions and duties, actively monitoring the operations and management of the Fund by the Manager to safeguard the interests of Unit Holders;

(e) Maintain, or cause the Manager to maintain, proper accounting records and other records as are necessary to enable a complete and accurate view of the Fund to be formed and to ensure that the Fund is operated and managed in accordance with the Deed, Information Memorandum, the Securities Commission’s guidelines and securities law; and

(f) Require that the accounts be audited at least annually.

The Trustee has covenanted in the Deed that it will exercise all due diligence and vigilance in carrying out its functions and duties, and in safeguarding the rights and interests of Unit Holders.

6.4 TRUSTEE’S DELEGATE (CUSTODIAN)

CIMB Commerce Trustee Berhad has delegated its custodian function to CIMB Bank Berhad (“CIMB Bank”). CIMB Bank's ultimate holding company is CIMB Group Holdings Berhad, a listed company on Bursa Malaysia. CIMB Bank provides full fledged custodial services, typically clearing, settlement and safekeeping of all types of investment assets and classes, to a cross section of investors and intermediaries client base, both locally and overseas.

For the local Ringgit Malaysia assets, they are held through its wholly owned nominee subsidiary "CIMB Group Nominees (Tempatan) Sdn Bhd". For foreign non-Ringgit Malaysia assets, CIMB Bank appoints global custodian as its agent bank to clear, settle and safekeep on its behalf and to its order.

All investments are automatically registered in the name of the custodian to the order of the Trustee. CIMB Bank acts only in accordance with instructions from the Trustee.

6.5 TRUSTEE'S DISCLOSURE OF MATERIAL LITIGATION AND ARBITRATION

As at Last Practicable Date, CIMB Commerce Trustee Berhad is not engaged in any material litigation and arbitration, including those pending or threatened, and is not aware of any facts likely to give rise to any proceedings which might materially affect the business/financial position of the Trustee.

CHAPTER 7: SALIENT TERMS OF THE DEED

7.1 RIGHTS AND LIABILITIES OF THE UNIT HOLDERS

Rights of the Unit Holders

As a Unit Holder of the Fund, and subject to the provisions of the Deed, you have the right to:
(a) receive distributions, if any, from the Fund;
(b) participate in any increase in the NAV per Unit of the Fund/ class;
(c) call for Unit Holders' meetings and to vote for the removal of the Trustee or the Manager through a Special Resolution;
(d) receive quarterly and annual reports on the Fund; and
(e) exercise such other rights and privileges as provided for in the Deed.

However, Unit Holders would not have the right to require the transfer to them any of the investments of the Fund. Neither would Unit Holders have the right to interfere with or to question the exercise by the Trustee (or by the Manager on the Trustee's behalf) of the rights of the Trustee as trustee of the investments of the Fund.

Note: Please be advised that if you invest in units through an IUTA which adopts the nominee system of ownership, you will not be considered as a unit holder under the deed and you may consequently not have all the rights ordinarily exercisable by a unit holder (for example, the right to call for a unit holders' meeting and to vote thereat and the right to have your particulars appearing in the register of unit holders of the fund).

Liabilities of Unit Holders

As a Unit Holder of the Fund, and subject to the provisions of the Deed, your liabilities would be limited to the following:
(a) A Unit Holder would not be liable for nor would a Unit Holder be required to pay any amount in addition to the payment for Units of the Fund as set out in the Information Memorandum and the Deed.
(b) A Unit Holder would not be liable to indemnify the Trustee and/or the Manager in the event that the liabilities incurred by the Trustee and/or the Manager on behalf of the Fund exceed the NAV of the Fund.

7.2 TERMINATION OF THE FUND

7.2.1 Termination of the Fund

Pursuant to the Deed, the Fund may be terminated by the Manager with the consent of the Trustee (whose consent shall not be unreasonably withheld) by giving not less than three (3) months' notice in writing to the Unit Holders as hereinafter provided:

- If any law shall be passed which renders it illegal or in the opinion of the Manager impracticable or inadvisable to continue this Fund; or
- If in the reasonable opinion of the Manager, it is impracticable or inadvisable to continue this Fund.

The Fund shall also be terminated by the Manager if a Special Resolution is passed at a meeting of Unit Holders to terminate or wind up the Fund.

7.2.2 Introduction and/or Termination of a Class of Units

The Manager may introduce and/or terminate a particular class of Units in accordance with the relevant laws. The Manager may only introduce and/or terminate a particular class of Units if the introduction and/or termination of that class of Units do not prejudice the interests of Unit Holders of any other class of Units. For the avoidance of doubt, the introduction and/or termination of a class of Units shall not affect the continuity of any other class of Units of the Fund.

7.3 POWER TO CALL FOR A MEETING BY UNIT HOLDERS

7.3.1 Unit Holders’ Meeting convened by the Unit Holders

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

- sending by post at least seven (7) days before the date of the proposed meeting a notice of the proposed meeting to all the Unit Holders;
- publishing at least fourteen (14) days before the date of the proposed meeting an advertisement giving notice of the proposed meeting in a national daily newspaper; and
- specifying in the notice, the place, time and terms of the resolutions to be proposed.

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

- requiring the retirement or removal of the Manager;
- requiring the retirement or removal of the Trustee;
- considering the most recent financial statements of the Fund; or
- giving to the Trustee such directions as the meeting thinks proper;

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

7.3.2 Unit Holders’ Meeting convened by the Manager or Trustee

Where the Manager or the Trustee convenes a meeting, the notice of the time and place of the meeting and terms of resolution to be proposed shall be given to the Unit Holders by sending by post, digitally or electronically a notice of the proposed meeting at least fourteen (14) days before the date of the proposed meeting, to each Unit Holder at the Unit Holder's of the Fund or that class, as the case may be, last known address or, in the case of joint holders, to the joint holder of the Fund or that class, as the case may be, whose name stands first in our records at the joint holder's last known address.

CHAPTER 8: ADDITIONAL INFORMATION

8.1 REPORTS AND UP-TO-DATE INFORMATION RELATING TO THE FUND

The quarterly and annual reports of the Fund will be forwarded to Unit Holders no later than two (2) months after the period that such reports covered.

A copy of this Information Memorandum and the monthly fund fact sheets relating to the Fund are available upon request from the Manager.

As for the Fund's daily NAV per Unit, it will be published through our website at www.tainvest.com.my. Unit Holders may also contact us during our business hours from 9.00 a.m. to 6.00 p.m. from Monday to Friday to obtain the latest NAV per Unit.

Note: The Fund's annual report is available upon request.

8.2 CUSTOMER SERVICE

When you invest in the Fund, we will send you the following:

- Written confirmation on all transactions and income distributions (if any);
- Monthly statement of account which shows the balance of Unit Holder's investments and all transactions made during the month, distribution details and investment value;
- Unaudited quarterly report for each of the Fund's financial quarter; and
- Annual audited report for the Fund's financial year-end.

If you have any questions about the information in this Information Memorandum or would like to know more about investing in any investment funds managed by us, please contact our authorised distributors or our customer service officers on toll free number at 1-800-38-7147 between 9.00 a.m. and 6.00 p.m., from Monday to Friday (except public holidays).

Where Units Can Be Purchased or Redeemed
In relation to the information on where Units can be purchased or redeemed, please refer to the addresses and contact numbers of our head office or any of our business centres as disclosed in Chapter 9 of this Information Memorandum.

AIMS@TA Investment
An online service that assists you in administering and tracking your unit trust investments more effectively and efficiently at our website ,www.tainvest.com.my . There is no registration fee.

For security and compliance purposes, corporate investors who wish to register with the facilities are required to complete a hardcopy of a user application form that is available online.

8.3 ANTI-MONEY LAUNDERING POLICY

A customer acceptance procedure, which includes the identification and verification of identity of new customers, is conducted prior to entering into the relationship by Customer Due Diligence ("CDD"). Information, documents and evidence will be obtained depending on the types of applicant i.e. individual or corporate clients, etc. The classification of customer is based on risk-based approach whereby customers are classified into different risk level according to their background and investment threshold. Any suspicious transactions for Anti Money Laundering and Anti-Terrorist Financing and Targeted Financial Sanctions-Proliferation Financing will be reported to our compliance officer as well as to the local regulators, where applicable. All employees are required to adhere to these policies and procedures.

8.4 UNCLAIMED MONEYS POLICY

Any moneys (other than unclaimed income distribution) payable to Unit Holders which remain unclaimed after twelve (12) months from the date of payment will be paid to the Registrar of Unclaimed Moneys by us in accordance with the requirements of the Unclaimed Moneys Act 1965. Unit Holders will have to liaise directly with the Registrar of Unclaimed Moneys to reclaim their moneys.

8.5 UNCLAIMED INCOME DISTRIBUTION

Any income distribution which payment cannot be effected for any reason whatsoever or in the form of cheques that are not presented for payment by the expiry of six (6) months from the date of issuance of such cheques will be automatically reinvested into additional Units of the Fund at the NAV per Unit on the next Business Day after such payment cannot be effected or at the end of the expiry date of such cheques if the Unit Holder still has an account with the Manager. For the avoidance of doubt, there will not be any sales charge imposed for the reinvestment.

If the Unit Holder no longer has an account with the Manager, such payment of income distribution will be dealt with in accordance with the requirements of the Unclaimed Moneys Act 1965.

CHAPTER 9: LIST OF TA INVESTMENT MANAGEMENT BERHAD'S OFFICE, INSTITUTIONAL UNIT TRUST ADVISERS AND AUTHORISED DISTRIBUTORS

Head Office

TA Investment Management Berhad
23rd Floor, Menara TA One
22 Jalan P. Ramlee
50250 Kuala Lumpur

Telephone number: +603 2031 6603
Facsimile number: +603 2031 4479
Toll Free: 1-800-38-7147
Email address: investor.taim@ta.com.my
Website: www.tainvest.com.my

Miri Business Centre	Lot 1251, 1st Floor, Centrepoint Commercial Centre (Phase 1) Jalan Melayu, 98000 Miri Sarawak Tel: 085-430 415
Kota Kinabalu Business Centre	Unit 4-1-02, 1st Floor Block 4, Api-Api Centre Jalan Centre Point 88000 Kota Kinabalu, Sabah Tel: 088-268 023 Fax: 088-248 463
Kuching Business Centre	L204, 1st Floor Jalan Tunku Abdul Rahman 93100 Kuching Sarawak Tel: 082-233 203 Fax: 082-232 203
Penang Business Centre	15-1-8, Bayan Point Medan Kampung Relau 11900 Pulau Pinang Tel: 04-645 9801 Fax: 04-611 9805
Melaka Business Centre	57A, Jalan Merdeka Taman Melaka Raya 75000 Melaka Tel: 06-288 2687
Ipoh Business Centre	29A, Jalan Niaga Simee, Arena Niaga Simee, 31400 Ipoh Perak Tel: 05-350 0399

Institutional Unit Trust Advisers or Authorised Distributors
For more details on the list of appointed IUTAs or authorised distributors, please contact the Manager.

HEAD OFFICE	TA Investment Management Berhad 23rd Floor, Menara TA One 22 Jalan P. Ramlee 50250 Kuala Lumpur Tel: 03-2031 6603 I Fax: 03-2031 4479
MELAKA Business Centre	57A, Jalan Merdeka Taman Melaka Raya 75000 Melaka Tel: 06-288 2687
PENANG Business Centre	15-1-8, Bayan Point Medan Kampung Relau 11900 Pulau Pinang Tel: 04-645 9801 I Fax: 04-611 9805
KOTA KINABALU Business Centre	Unit 4-1-02, 1st Floor Block 4, Api-Api Centre Jalan Centre Point 88000 Kota Kinabalu, Sabah Tel: 088-268 023 I Fax: 088-248 463
KUCHING Business Centre	L204, 1st Floor Jalan Tunku Abdul Rahman 93100 Kuching, Sarawak Tel: 082-233 203 I Fax: 082-232 203
MIRI Business Centre	Lot 1251, 1st Floor Centrepoint Commercial Centre (Phase 1) Jalan Melayu 98000 Miri, Sarawak Tel: 085-430 415
IPOH Business Centre	29A, Jalan Niaga Simee Arena Niaga Simee 31400 Ipoh, Perak Tel: 05-350 0399

1-800-38-7147
www.tainvest.com.my