

Marketing Communication for Professional Investors in Austria, Switzerland, Germany, Spain, United Kingdom, Italy, Luxembourg, Singapore, the Netherlands and Portugal.

Performance¹

RETURNS AS OF MARCH 31, 2024 (% net of fees)

	QTD 2024	2023	2022	2021	2020	Since Inception
Fund ²	0.92	5.29	-1.08	3.78	6.11	3.78
Benchmark (SOFR + 2%) ³	1.80	6.98	3.63	2.04	2.36	3.94
Relative Performance	-0.88	-1.69	-4.71	1.74	3.75	-0.17

Past performance is not a reliable indicator of future performance and can be misleading.

Since Inception figures are annualized. Annual past performance related to ISIN LU1958553072. Performance is net of all fees except entry and exit fees (where applicable). Dividend reinvested for accumulative classes. Past performance is calculated in USD.

Quarter in Review

Risk markets' performance in Q1 2024 ended up surprising most investors and strategists.

After the relentless rally in US treasuries in the latter two months of 2023, the market reversed, and US 10-year yields rose approximately 40 bps during the quarter. The rise in yields was driven by stronger-than-expected macro data and this, combined with increased euphoria around AI, led to a blistering rally in DM equities with the S&P and Nikkei indices posting +10% and +20% returns, respectively. Credit, as ever, was caught in the middle. Total return on IG (as measured by LQD⁴) was down -86 bps, whilst HY (HYG⁵) managed a positive return of 1.5%. In Europe, HY performance (as measured by IHYG⁶) was less positive at +23 bps.

Against this backdrop the **Aperture Credit Opportunities Fund** generated +0.92%, which was -0.88% versus the benchmark.

The market backdrop for credit remained more complex than implied by Index/ETF-type returns. Demand remained strong: insurance companies were buying investment grade paper, there were

¹ Past performance does not predict future returns. Where the reference currency of the fund differs than yours, returns and costs may increase or decrease as a result of currency and exchange rate fluctuations. This is not an exhaustive list of the costs. Other costs apply and differ per share class.

² Fund = Aperture Credit Opportunities Fund (ticker AICOIUC LX). Sub-Fund inception date: August 5, 2019. Share Class Inception date: August 5, 2019. Share class only available to shareholders that are shareholders of the Sub-fund as of 31 March 2024 wishing to increase their investments. Please contact Aperture for information regarding share classes which are open for investment.

³ Benchmark = the Fund's Benchmark, SOFR+2%. Indices are unmanaged and do not include the effect of fees. One cannot invest directly in an index. The performance of the Benchmark does not predict future performances of that Benchmark and of the performance of the Fund. The fund is actively managed and references the Benchmark only for the purpose of performance fee calculation. The Investment Manager has full discretion over the composition of the Fund's portfolio and therefore its composition may deviate substantially from the Benchmark so as to take advantage of specific investment opportunities.

⁴ iShares iBoxx \$ Investment Grade Corporate Bond ETF

⁵ iShares iBoxx \$ High Yield Corporate Bond ETF

⁶ iShares High Yield Corporate Bond UCITS ETF EUR D

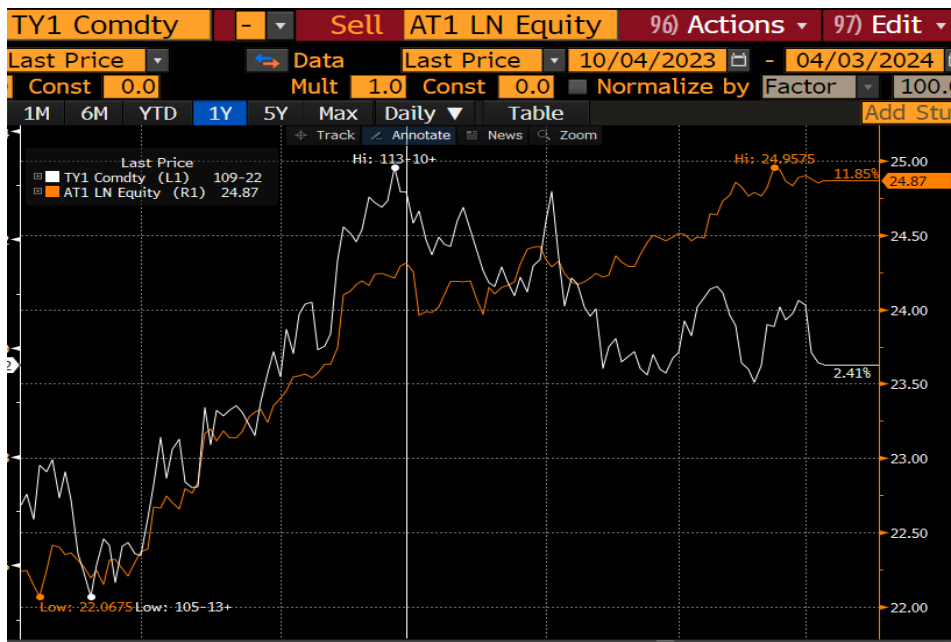
FOR INSTITUTIONAL USE ONLY. NOT FOR RETAIL DISTRIBUTION.

significant inflows into high yield ETFs, and there was increased warehouse creation for new CLOs. Supply, especially in the leveraged finance space, remained muted with most of the new issues focused on refinancing rather than raising debt for new names/situations.

The leverage loan space, which started the year attractively priced compared to high yield, performed noticeably well. This was helped by the floating-rate characteristic of the asset class. Strong names in primary and secondary markets were yielding 8%-10% in USD terms, which precipitated consistent buying throughout the quarter.

Below the surface, we saw European financials (Bank AT1s and Insurance RT1s) perform well despite the duration sell-off and positive performance observed across certain ‘cuspy’ weak B/CCC names that had not participated in the Q4 2023 rally. Some of the weaker GBP-denominated high yield bonds had an especially impressive start to the year.

Outperformance of Euro Bank AT1 ETF (Orange) Vs 10-yr UST. Vertical Line is 1/1/24:



Source: Bloomberg

Unsurprisingly, the energy sector also had positive performance as oil prices rose 18% from \$71 to \$83 during the quarter. Names in the E&P and oil services spaces rallied the most with KOS and RIG bonds being standout performers in the portfolio. Other performing sectors included Telcos and CRE (valued recovery from mid-2023 weakness) and autos (continued strong demand as supply chains eased). Fund performance was reduced late in the quarter as a result of sudden weakness in the Altice France (SFR) capital structure. Operating performance was weaker-than-expected but the sell-off was exacerbated by a much more aggressive stance from management regarding any future bond tenders post asset sales. Europe’s largest leveraged finance cap stack saw sub debt trade down 25-30 points and

seniors down 10-15 points. With this increased uncertainty, we have reduced long exposure significantly.

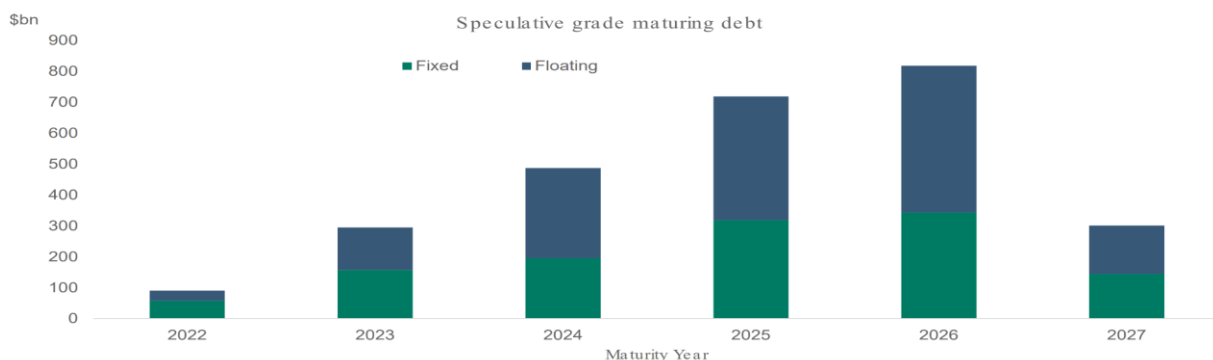
Shorts and hedges were a struggle against an otherwise solid tape. We did, however, see some weakness in the US retail space where our short in VSCO generated positive alpha post weaker-than-expected results.

Looking ahead, prospects for the market continue to depend on the macro-outlook and especially the future trend in inflation and interest rates. The delay in cuts has proven to be market and risk friendly as the hard-landing scenario is deemed much less likely. Assuming rate cuts in the US start in the second half of the year, and the anticipated trajectory proves to be accurate, we believe that credit could then generative modestly positive returns as market technicals would remain supportive and the operating environment benign.

From our perspective, the two main risks are 1) the reignition of inflation meaning that the next move in rates might have to be higher and 2) the onset of recession. In the former, credit would perform badly as yields rose and fixed income inflows turned to outflows, and we would expect to see compression as investment grade underperforms high yield. In the latter scenario, we would expect spreads to widen aggressively as the market prices in sharply rising default risk, and as a result, we would expect decompression.

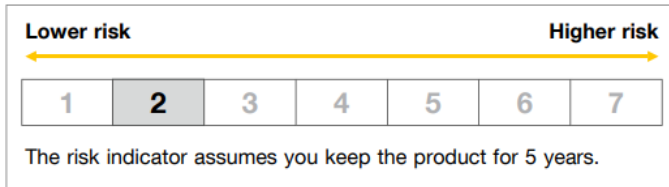
Absent these extreme outcomes, credit markets on both sides of the Atlantic are likely to range trade in the near to medium-term. We think that performance will be driven by portfolio carry and idiosyncratic stock picking as investors attempt to identify the winners and losers in the current environment, and the market begins to climb the increasingly steep maturity wall of 2025 and 2026 where borrowers will be refinancing at levels with ~40% higher Cost of Capital than in 2021.

High yield maturity wall



Best,
Simon Thorp
CIO, Aperture Credit Opportunities

Risk profile of Aperture Credit Opportunities Fund



The summary risk indicator (“SRI”) level, as calculated under the PRIIPS methodology, is 2 (which is a low-risk class). Investments involve risks. Past performance does not predict future return.

The inherent main risks of the sub-fund (non-exhaustive list): Interest rate risk, The Sub-fund may invest in securities rated below Investment Grade, which present greater risk of loss to principal and interest than higher-quality securities, Credit risk, Credit default swaps, Emerging markets, Derivatives, Foreign exchange, Liquidity risk, Short exposure risk, Equity, Rule 144A and/or Regulation S securities, Investment in CoCos.

IMPORTANT INFORMATION

Investments involve risks. Past performance does not predict future return. There can be no assurance that an investment objective will be achieved or that there will be a return on capital. You may not get back the amount initially invested. Before making any investment decision, investors must read the Prospectus, and particularly the specific risks contained in section 6, as well as the Key Investor Information Document (KIID) / Key Information Document (KID) (as applicable to their jurisdiction).

As of March 31, 2024, Costs: (illustrative share class: ISIN LU1958553072 registered in AT, CH, DE, ES, IT, LU, PT, UK): Entry charge: up to 3% max, Exit charge: none, Ongoing charge: 0.71% per year. Performance fee: For its services to the Sub-fund, the Investment Manager is entitled to a variable management fee ("VMF"), which is calculated and accrued daily, at a rate of 2.34% (the "VMF Midpoint"). The VMF Minimum portion of the VMF will be calculated and accrued daily based on the Sub-fund's NAV. The rest of the VMF amount, if any, will be calculated and accrued daily based on the Sub-fund's daily Modified Net Assets, adjusted upward or downward by a performance adjustment (the "Performance Adjustment") that depends on whether, and to what extent, the performance of the Sub-fund exceeds, or is exceeded by, the performance of the Benchmark plus 6.5% (650 basis points) (the "VMF Midpoint Hurdle") over the Performance Period. For a full description of the VMF please see the applicable section in Appendix A contained in the Prospectus.

This marketing communication is related to **Aperture Investors SICAV**, an open-ended investment company with variable capital (SICAV) under Luxembourg law of 17 December 2010, qualifying as an undertaking for collective investment in transferable securities (UCITS) and its Sub-Fund, Credit Opportunities Fund, altogether referred to as "the Fund". This marketing communication is intended **only for professional investors in Austria, Switzerland, Germany, Spain, United Kingdom, Italy, Luxembourg, the Netherlands, Singapore and Portugal** where the Fund is registered for distribution, within the meaning of the Markets in Financial Instruments Directive 2014/65/EU (MiFID) **and is not intended for retail investors, nor for U.S. Persons** as defined under Regulation S of the United States Securities Act of 1933, as amended.

This document is co-issued by Generali Asset Management S.p.A. Società di gestione del risparmio, Generali Investments Luxembourg S.A. and Aperture.

Aperture Investors UK Ltd is authorized as Investment Manager in the United Kingdom, regulated by the Financial Conduct Authority (FCA) - 135-137 New Bond Street, London W1S 2TQ, United Kingdom - UK FCA reference n.: 846073 - LEI: 549300SYTE7FKXY57D44. **Aperture Investors, LLC** is authorized as investment adviser registered with the U.S. Securities and Exchange Commission ("SEC") which wholly owns Aperture Investors UK, Ltd, altogether referred as "Aperture". Aperture Investors, LLC draws upon the portfolio management, trading, research, operational and administrative resources of certain of its affiliates (at the present, Aperture UK), including using affiliates to execute transactions for certain Funds. Subject to the written consent of the applicable Fund and the regulatory status of the affiliate, Aperture Investors, LLC treats these affiliates as "participating affiliates," in accordance with applicable SEC no-action letters and guidance. For a more complete understanding of Aperture's ownership and control, please see our ADV available here: <https://adviserinfo.sec.gov/>

The Management Company of the Fund is Generali Investments Luxembourg S.A., a public limited liability company (société anonyme) under Luxembourg law, authorised as UCITS Management Company and Alternative Investment Fund Manager (AIFM) in Luxembourg, regulated by the Commission de Surveillance du Secteur Financier (CSSF) - CSSF code: S00000988 LEI: 222100FSOH054LBKJL62. **Generali Asset Management S.p.A. Società di gestione del risparmio** is an Italian asset management company regulated by Bank of Italy and appointed to act as marketing promoter of the Fund in the EU/EEA countries where the Fund is registered for distribution (Via Niccolò Machiavelli 4, Trieste, 34132, Italia - C.M. n. 15376 - LEI: 549300DDG9IDTO0X8E20).

Please also consider all the ESG characteristics, approach, binding elements of the selection process and methodological limits contained in the SFDR Pre-contractual annex of the prospectus, as well as the Summary of the Website Product Disclosure, available in the "Sustainability-related Disclosure" section of the website fund page at: www.generali-investments.lu. Before making any investment decision, please read the **PRIIPs Key Information Document (PRIIPs KID) / UCITS Key Investor Information Document (KIID)** (as applicable to your jurisdiction) and the **Prospectus**. The PRIIPs KIDs are available in one of the official languages of the EU/EEA country, where the Fund is registered for distribution, and the Prospectus is available in English (not in French), as well as the annual and semi-annual reports **at www.generali-investments.lu** or upon request free of charge to Generali Investments Luxembourg SA, 4 Rue Jean Monnet, L-2180 Luxembourg, Grand Duchy of Luxembourg, e-mail address: GILfundInfo@generali-invest.com. The Management Company may decide to terminate the agreements made for the marketing of the Fund. For a summary of **your investor rights** in respect of an individual complaint or collective action for a dispute relating to a financial product at the European level and at the level of your EU country of residence, please consult the information document contained in the "About Us" section at the following link: www.generali-investments.com and www.generali-investments.lu. The summary is available in English or in a language authorized in your country of residence.

In the United Kingdom: the Fund is a recognized scheme. This document is a financial promotion, approved for the purposes of Section 21 of the Financial Services and Markets Act 2000, by Aperture Investors UK Ltd. This document is only intended for Professional clients/investors as defined in the UK Conduct of Business Sourcebook (COBS 3.5). The regulation for the protection of retail clients in the United Kingdom and the compensation available under the UK Financial Services Compensation scheme does not apply in respect of any investment or services provided by an overseas person.

FOR INSTITUTIONAL USE ONLY. NOT FOR RETAIL DISTRIBUTION.

In Switzerland The Fund is registered with the Swiss Financial Market Supervisory Authority (FINMA). Advertising intended for Swiss qualified investors as Article 10 (3) and (3ter) of the Collective Investment Schemes Act (CISA), meaning: (1) Swiss professional and Swiss institutional investors as per Article 4 paragraphs 3–5 of Federal Act on Financial Services (FinSA) and Article 5 paragraphs 1-4 (including High-Net-Worth individuals) (2) Retail investors for whom a financial intermediary provides portfolio management or investment advice under the conditions defined in Article 10 (3ter) of CISA. **Generali Investments Schweiz AG**, authorized as management company in Switzerland, is appointed as distributor of the Fund in Switzerland. The Swiss version of the prospectus and KIIDs are available at www.generali-investments.lu. Swiss Representative: ACOLIN Fund Services AG, Leutschenbachstrasse 50 CH 8050 Zurich - Swiss Paying agent: InCore Bank AG, Wiesenstrasse 17 P O Box, CH 8952 Schlieren.

This marketing communication is not intended to provide an investment, tax, accounting, professional or legal advice and does not constitute an offer to buy or sell the Fund or any other securities that may be presented. Any opinions or forecasts provided are as of the date specified, may change without notice, may not occur and do not constitute a recommendation or offer of any investment. **Past or target performance do not predict future returns. There is no guarantee that positive forecasts will be achieved in the future.** The value of an investment and any income from it may go down as well as up and you may not get back the full amount originally invested. The future performance is subject to taxation, which depends on the personal situation of each investor and which may change in the future. Please liaise with your Tax adviser in your country to understand how your returns will be impacted by taxes. The existence of a registration or approval does not imply that a regulator has determined that these products are suitable for investors. It is recommended that you carefully consider the terms of investment and obtain professional, legal, financial and tax advice where necessary before making a decision to invest in a Fund.

Generali Investments is a trademark of Generali Asset Management S.p.A. Società di gestione del risparmio, Generali Insurance Asset Management S.p.A. Società di gestione del risparmio, Generali Investments Luxembourg S.A. and Generali Investments Holding S.p.A. - Sources (unless otherwise specified): **Aperture and Generali Asset Management S.p.A. Società di gestione del risparmio** - This document may not be reproduced (in whole or in part), circulated, modified or used without prior written permission.

Secured Overnight Financing Rate (SOFR) is a broad measure of the cost of borrowing cash overnight collateralized by US Treasury securities. It was selected as a preferred alternative to LIBOR by the US Federal Reserve in June 2017.

Investors should note the specific risk warnings:

Interest Rate Risk - The performance of the strategy may be influenced by changes in the general level of interest rates. Generally, the value of fixed income instrument will change inversely with changes in interest rates: when interest rates rise, the value of fixed income instruments generally can be expected to fall and vice versa. Fixed income securities with longer-term maturities tend to be more sensitive to interest rate changes than shorter-term securities. In accordance with its investment objective and policy, the strategy may attempt to hedge or reduce interest rate risk, generally through the use of interest rate futures or other derivatives. However, it may not be possible or practical to hedge or reduce such risk at all times.

Credit Risk - Investing in fixed income instruments will be exposed to the creditworthiness of the issuers of the instruments and their ability to make principal and interest payments when due in accordance with the terms and conditions of the instruments. The creditworthiness or perceived creditworthiness of an issuer may affect the market value of fixed income instruments. Issuers with higher credit risk typically offer higher yields for this added risk, whereas issuers with lower credit risk typically offer lower yields. Generally, government debt is considered to be the safest in terms of credit risk, while corporate debt involves a higher credit risk. Related to that is the risk of downgrade by a rating agency. Rating agencies are private undertakings providing ratings for a variety of fixed income instruments based on the creditworthiness of their issuers. The agencies may change the rating of issuers or instruments from time to time due to financial, economic, political, or other factors, which, if the change represents a downgrade, can adversely impact the market value of the affected instruments.

Distressed Securities Risk - The strategy may directly or indirectly purchase securities and other obligations of securities and other obligations of companies that are experiencing significant financial or business distress, including companies involved in bankruptcy, insolvency or other reorganization and liquidation proceedings ("Distressed Companies"). Although such purchases may result in significant returns, they involve a substantial degree of risk and may not show any return for a considerable period of time or any return at all. Evaluating investments in Distressed Companies is highly complex and there is no assurance that Aperture will correctly evaluate the nature and magnitude of the various factors that could affect the prospects for a successful reorganization or similar action. In any reorganization or liquidation proceeding relating to a Distressed Company in which the strategy invests, such strategy may lose its entire investment or may be required to accept cash or securities with a value less than its original investment. In addition, distressed investments may require active participation of the strategy and/or its representatives and this may expose the strategy to litigation risks or restrict its ability to dispose of its investments. Under such circumstances, the returns generated from the strategy's investments may not compensate investors adequately for the risks assumed. There are a number of significant risks when investing in Distressed Companies that are or may be involved in bankruptcy or insolvency proceedings, including adverse and permanent effects on an issuer, such as the loss of its market position and key personnel, otherwise becoming incapable of restoring itself as a viable entity and, if converted to a liquidation, a possible liquidation value of the company that is less than the value that was believed

to exist at the time of the investment. Many events in a bankruptcy or insolvency are the product of contested matters and adversary proceedings that are beyond the control of the creditors. Bankruptcy or insolvency proceedings are often lengthy and difficult to predict and could adversely impact a creditor's return on investment. The bankruptcy and insolvency courts have extensive power and, under some circumstances, may alter contractual obligations of a bankrupt company. Shareholders, creditors, and other interested parties are all entitled to participate in bankruptcy or insolvency proceedings and will attempt to influence the outcome for their own benefit. Administrative costs relating to bankruptcy or insolvency proceedings will be paid out of the debtor's estate prior to any returns to creditors. Also, certain claims, such as for taxes, may have priority by law over the claims of certain creditors.

High-Yield Risk - Investments in fixed-income securities with sub-investment grade ratings may involve greater risks of loss of income and principal than rated or higher-rated securities and are more speculative in nature. Although they may offer higher yields than do higher-rated securities, they generally involve greater price volatility and greater risk of default in payment of principal and income due to factors including corporate developments, negative perceptions of high-yield instruments generally and decreased secondary market liquidity.

Securitized Debt Risk - The strategy may have exposure to a wide range of ABS (including asset pools in credit card loans, auto loans, residential and commercial mortgage loans, collateralized mortgage obligations and collateralized debt obligations), agency mortgage pass-through securities and covered bonds. The obligations associated with these securities may be subject to greater credit, liquidity and interest rate risk compared to other fixed income securities such as government issued bonds. ABS and MBS are often exposed to extension and prepayment risks that may have a substantial impact on the timing and size of the cash flows paid by the securities and may negatively impact the returns of the securities. The average life of each individual security may be affected by a large number of factors such as the existence and frequency of exercise of any optional redemption and mandatory prepayment, the prevailing level of interest rates, the actual default rate of the underlying assets, the timing of recoveries and the level of rotation in the underlying assets. In certain circumstances investments in ABS and MBS may become less liquid making it difficult to dispose of them. As a result, the strategy's ability to respond to market events may be impaired and the strategy may experience adverse price movements upon disposal of such investments. In addition, the market price for MBS has, in the past, been volatile and difficult to ascertain, and it is possible that similar market conditions may occur in the future. MBS that are issued by government-sponsored enterprises are known as Agency MBS. Such government-sponsored enterprises guarantee payments on Agency MBS. Non-agency MBS are typically supported solely by the underlying mortgage loans and do not carry the guarantee of any institution, and therefore carry a greater degree of credit/default risk in addition to extension and prepayment risk. The list above refers to the most frequently encountered risks and is not an exhaustive list of all the potential risks.

Credit Default Swaps ("CDS") Risk - A CDS is a bilateral financial contract in which one counterpart (the protection buyer) pays a periodic fee in return for a contingent payment by the protection seller following a credit event of a reference issuer. The protection buyer must either sell particular obligations, issued by the reference issuer at their par value (or some other designated reference or strike price) when a credit event occurs or receive a cash settlement based on the difference between the market price and such reference or strike price. A credit event is commonly defined as bankruptcy, insolvency, receivership, material adverse restructuring of debt, or failure to meet payment obligations when due. The ISDA has produced standardized documentation for these transactions under the umbrella of its ISDA Master Agreement. As protection seller, the strategy will seek a specific credit exposure to the reference issuer – selling protection (by mitigating the counterparty risk) is economically equivalent to buying a maturity matching floating rate note on the same reference entity. As protection buyer, the strategy may seek either to hedge a specific credit risk of some issuers in the portfolio or to exploit a negative view on a given reference entity. When these transactions are used in order to eliminate a credit risk in respect of the issuer of a security, they imply that the strategy bears a counterparty risk in respect of the protection seller. This risk is, however, mitigated by the fact that the strategy will only enter into CDS transactions with highly rated financial institutions. CDS used for a purpose other than hedging, such as for efficient portfolio management purposes or if disclosed in relation to the strategy, as part of the principal investment policy, may present a risk of liquidity if the position must be liquidated before its maturity for any reason. The strategy will mitigate this risk by limiting in an appropriate manner the use of this type of transaction. Furthermore, the valuation of CDS may give rise to difficulties which traditionally occur in connection with the valuation of OTC contracts. Insofar as the strategy uses CDS for efficient portfolio management or hedging purposes, investors should note that such instruments are designed to transfer credit exposure of fixed income products between the buyer and seller. The strategy would typically buy a CDS to protect against the risk of default of an underlying investment, known as the reference entity and would typically sell a CDS for which it receives payment for effectively guaranteeing the creditworthiness of the reference entity to the buyer. In the latter case, the strategy would incur exposure to the creditworthiness of the reference entity but without any legal recourse to such reference entity. In addition, as with all OTC derivatives, CDS expose the buyer and seller to counterparty risk and the strategy may suffer losses in the event of a default by the counterparty of its obligations under the transaction and/or disputes as to whether a credit event has occurred, which could mean the strategy cannot realize the full value of the CDS.

Contingent Capital Securities (CoCos) Risk - In the framework of new banking regulations, banking institutions are required to increase their capital buffers and have therefore issued certain types of financial instrument known as subordinated contingent capital securities (often referred to as "CoCo" or "CoCos"). The main feature of a CoCo is its ability to absorb losses as required by banking regulations, but other corporate entities may also choose to issue them. Under the terms of a CoCo, the instruments become loss absorbing upon certain triggering events, including events under the control of the management of the CoCo issuer which could cause the permanent write-down to zero of principal investment and/or accrued interest, or a conversion to equity. These triggering events may include (i) a deduction in the issuing bank's capital ratio below a pre-set limit, (ii) a regulatory authority making a subjective determination that an institution is "non-viable" or (iii) a national authority deciding

to inject capital. Furthermore, the trigger event calculations may also be affected by changes in applicable accounting rules, the accounting policies of the issuer or its group and the application of these policies. Any such changes, including changes over which the issuer or its group has a discretion, may have a material adverse impact on its reported financial position and accordingly may give rise to the occurrence of a trigger event in circumstances where such a trigger event may not otherwise have occurred, notwithstanding the adverse impact this will have on the position of holders of the CoCos. Upon such occurrence, there is a risk of a partial or total loss in nominal value or conversion into the common stock of the issuer which may cause the strategy as a CoCo bondholder to suffer losses (i) before both equity investors and other debt holders which may rank pari passu or junior to CoCo investors and (ii) in circumstances where the bank remains a going concern. The value of such instrument may be impacted by the mechanism through which the instruments are converted into equity or written down which may vary across different securities which may have varying structures and terms. CoCo structures may be complex, and terms may vary from issuer to issuer and bond to bond. CoCos are valued relative to other debt securities in the issuer's capital structure, as well as equity, with an additional premium for the risk of conversion or write-down. The relative riskiness of different CoCos will depend on the distance between the current capital ratio and the effective trigger level, which once reached would result in the CoCo being automatically written down or converted into equity. CoCos may trade differently to other subordinated debt of an issuer which does not include a write-down or equity conversion feature which may result in a decline in value or liquidity in certain scenarios. It is possible in certain circumstances for interest payments on certain CoCos to be cancelled in full or in part by the issuer, without prior notice to bondholders. Therefore, there can be no assurance that investors will receive payments of interest in respect of CoCos. Unpaid interest may not be cumulative or payable at any time thereafter, and bondholders shall accordingly have no right to claim the payment of any foregone interest which may impact the value of the strategy. Notwithstanding that interest not being paid or being paid only in part in respect of CoCos or the principal value of such instruments may be written down to zero, there may be no restriction on the issuer paying dividends on its ordinary shares or making pecuniary or other distributions to the holders of its ordinary shares or making payments on securities ranking pari passu with the CoCos resulting in other securities by the same issuer potentially performing better than CoCos. Coupon cancellation may be at the option of the issuer or its regulator but may also be mandatory under certain European directives and related applicable laws and regulations. This mandatory deferral may be at the same time that equity dividends and bonuses may also be restricted, but some CoCo structures allow the bank at least in theory to keep on paying dividends whilst not paying CoCo holders. Mandatory deferral is dependent on the amount of required capital buffers a bank is asked to hold by regulators. CoCos generally rank senior to common stock in an issuer's capital structure and are consequently higher quality and entail less risk than the issuer's common stock; however, the risk involved in such securities is correlated to the solvency and/or the access of the issuer to liquidity of the issuing financial institution. The structure of CoCos is yet to be tested and there is some uncertainty as to how they may perform in a stressed environment. Depending on how the market views certain triggering events, as outlined above, there is the potential for price contagion and volatility across the entire asset class. Furthermore, this risk may be increased depending on the level of underlying instrument arbitrage and in an illiquid market, price formation may be increasingly difficult.

Rule 144A and Regulation S Risk - SEC Rule 144A provides a safe harbor exemption from the registration requirements of the US Securities Act of 1933 for resale of restricted securities to qualified institutional buyers, as defined in the rule. Regulation S provides an exclusion from registration requirements of the US Securities Act of 1933 for offerings made outside the United States by both US and foreign issuers. A securities offering, whether private or public, made by an issuer outside of the United States in reliance on Regulation S need not be registered. The advantage for investors may be higher returns due to lower administration charges. However, dissemination of secondary market transactions is limited and might increase the volatility of the security prices and, in extreme conditions, decrease the liquidity of a particular security.

For further information on risks related to the Fund please see the Prospectus.

Middle East Disclosures

Kuwait This fact sheet is not for general circulation to the public in Kuwait. The Fund has not been licensed for offering in Kuwait by the Kuwait Capital Markets Authority or any other relevant Kuwaiti government agency. The offering of the Fund in Kuwait on the basis a private placement or public offering is, therefore, restricted in accordance with Law No. 7 of 2010 (the Kuwait Capital Markets Law) (as amended) and the bylaws thereto (as amended). No private or public offering of the Fund is being made in Kuwait, and no agreement relating to the sale of the Fund will be concluded in Kuwait. No marketing or solicitation or inducement activities are being used to offer or market the Fund in Kuwait.

Qatar The materials contained herein are not intended to constitute an offer, sale or delivery of shares of the Fund or other financial products under the laws of Qatar. The Fund has not been and will not be authorised by the Qatar Financial Markets Authority, the Qatar Financial Centre Regulatory Authority or the Qatar Central Bank in accordance with their regulations or any other regulations in Qatar. The shares of the Fund are not and will not be traded on the Qatar Stock Exchange.

Saudi Arabia The Capital Market Authority does not make any representation as to the accuracy or completeness of this document, and expressly disclaims any liability whatsoever for any loss arising from, or incurred in reliance upon, any part of this document. Prospective purchasers of the securities offered hereby should conduct their own due diligence on the accuracy of the information relating to the securities. If you do not understand the contents of this document you should consult an authorised financial adviser.

UAE

In accordance with the provisions of the United Arab Emirates (UAE) Securities and Commodities Authority's (SCA) Board Decision No. (9/R.M) of 2016 Concerning the Regulations as to Mutual Funds, the units in the Fund to which this document relates may only be promoted in the UAE as follows: (1) without the prior approval of SCA, only in so far as the promotion is directed to financial portfolios owned by federal or local governmental agencies; (2) investors following a reverse enquiry; or (3) with the prior approval of the SCA. The approval of the SCA to the promotion of the Fund units in the UAE does not represent a recommendation to purchase or invest in the Fund. The SCA has not verified this document or other documents in connection with this Fund and the SCA may not be held liable for any default by any party involved in the operation, management or promotion of the Fund in the performance of their responsibilities and duties, or the accuracy or completeness of the information in this document. The Fund units to which this document relates may be illiquid and/or subject to restrictions on their resale. Prospective investors should conduct their own due diligence on the Fund. If you do not understand the contents of this document you should consult an authorised financial advisor.