

If you are in any doubt about the contents of this Supplement, you should consult your stockbroker, bank manager, solicitor, accountant or other independent financial adviser.

Ambienta X Sustainable Leaders Fund

(a sub-fund of AMBIENTA X ICAV)

This Supplement forms part of and should be read in conjunction with the general description of the ICAV contained in the current prospectus of the ICAV dated 23 May, 2023 (the “Prospectus”) together with the most recent annual report and audited financial statements and if published after such report, a copy of the latest half-yearly report and unaudited financial statements. To the extent that there is any inconsistency between the Prospectus and this Supplement, the Supplement shall prevail.

An investment in the Fund should not constitute a substantial proportion of an investment portfolio and may not be appropriate for all investors. Investors’ attention is directed to the section of this Supplement entitled “RISK FACTORS”.

An investment in the Fund should be viewed as medium to long term.

Shareholders of the Fund should note that all or a part of fees and expenses will be charged to the capital at Fund or Share Class level. This will have the effect of lowering the capital value of your investment.

This is a Fund where subscription, redemption and conversion requests may be dealt with on a daily basis in accordance with the definition of “Dealing Day” as outlined below.

The Directors of the ICAV, whose names appear in the Prospectus under the heading “MANAGEMENT AND ADMINISTRATION”, accept responsibility for the information contained in the Prospectus and in this Supplement. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this Supplement is in accordance with the facts and does not omit anything likely to affect the import of the information. The Directors accept responsibility accordingly.

The date of this Supplement is 23 May, 2023

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1. DEFINITIONS

“Annual Accounting Date”	means 31 December, with the first such date being 31 December, 2021.
“Base Currency”	means the base currency of the Fund, which is EUR.
“BMR”	means Regulation (EU) 2016/1011 as may be amended, supplemented or updated from time to time.
“Business Day”	means any day other than a Saturday or Sunday, during which banks are open in Dublin, Ireland or such other day or days as may be determined by the Directors in consultation with the Manager and notified to Shareholders. Additional Business Days may be created by the Directors, in consultation with the Manager, and notified to Shareholders in advance.
“Dealing Day”	means any Business Day or such other day or days as may be determined by the Directors in consultation with the Manager and notified to Shareholders in advance provided that there shall be at least two Dealing Days in every month occurring at regular intervals. See also the section entitled “Suspension of Valuation of Assets” in the Prospectus.
“Dealing Deadline”	means in respect of initial subscriptions and all redemptions 11:59 pm in the relevant market which last closes 4 (four) Business Days immediately preceding the relevant Dealing Day, for subsequent subscriptions means 11:59 pm in the relevant market which last closes 2 (two) Business Days immediately preceding the relevant Dealing Day. In the case of subscriptions and redemptions, or, in either case, in exceptional circumstances, such later time(s) as the Manager may from time to time permit provided that applications will not be accepted after the relevant Valuation Point and the exceptional circumstances under which the application is received are fully documented by the Manager. Any change to the Dealing Deadline, as defined in this Supplement, will be notified to Shareholders.
“Initial Offer Period”	means the initial offering period for all Classes described in this Supplement. The Initial Offer Period for a Class of Shares in the Fund which is available but not yet launched will close on 24 May 2023, or such other period as may be determined by the Directors, in consultation with the Manager, in accordance with the requirements of the Central Bank.

“Initial Issuance Date”	with respect to a Class, means the date of the first issuance of the Shares of such Class.
“Initial Offer Price”	means the initial fixed price applicable to each relevant Class on the relevant Initial Issuance Date and is shown for each Class in the section entitled “SUBSCRIPTIONS: Offer” .
“Investment”	means any investment made by the Fund.
“Manager”	means Ambienta Sgr S.p.A.
“Net Asset Value”	means the net asset value of the Fund or attributable to a Class (as appropriate) calculated as referred in the section “Net Asset Value and Valuation of Assets” of the Prospectus with the modification set out below.
“Redemption Settlement Cut-off”	means two (2) Business Days after the relevant Dealing Day.
“Semi-Annual Accounting Date”	means June 30 of each year, commencing in 2021.
“SFDR”	means Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector as may be amended, supplemented or updated from time to time.
“Subscription Settlement Cut-off”	means two (2) Business Days after the relevant Dealing Day.
“Taxonomy Regulation”	means Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment as may be amended, supplemented or updated from time to time.
“U.S.”	means the United States of America.
“USD”	means US Dollars.
“Valuation Day”	means the Business Day immediately before the Dealing Day, or such day or days as the Directors, in consultation with the Manager, may decide and notify to Shareholders in advance.
“Valuation Point”	means close of business in the relevant market which last closes on each Valuation Day. The Valuation Point could be

any other point in time as the Directors, in consultation with the Manager, may decide and notify to Shareholders in advance and reflect in an updated Supplement provided that such point will in no case precede the Dealing Deadline.

All other defined terms used in this Supplement shall have the same meaning as in the Prospectus.

2. INTRODUCTION

As at the date of this Supplement, the Directors of the ICAV intend to offer the Classes described under “SUBSCRIPTIONS” below. The ICAV may offer additional Classes in the future in accordance with the requirements of the Central Bank.

This Supplement contains information relating specifically to the Ambienta X Sustainable Leaders Fund (the “Fund”), a sub-fund of Ambienta X ICAV (the “ICAV”), an umbrella Irish collective asset-management vehicle with limited liability and segregated liability between sub-funds authorised by the Central Bank as a UCITS pursuant to the UCITS Regulations.

To the extent that there is any inconsistency between the Prospectus and this Supplement, the Supplement shall prevail.

The Fund may under certain circumstances be primarily invested in deposits and/or Money Market Instruments, however, the value of an investor’s investment is not guaranteed and the Net Asset Value of the Fund may fluctuate and shall not be considered as an investment in a deposit.

Investors’ attention is directed to the sections headed “INVESTMENT OBJECTIVE AND POLICY” and “RISK FACTORS” and “FEES AND EXPENSES”.

Profile of a Typical Investor

The Fund is suitable for investors who are seeking returns via both capital appreciation and income in the medium to long term from a medium risk portfolio.

Investors should read and consider the section entitled “**Risk Factors**” before investing in the Fund.

Management

The Manager acts as management company of the Fund and the ICAV and as discretionary investment manager of the Fund and the ICAV.

3. INVESTMENT OBJECTIVE AND POLICY

Investment Objective

The investment objective of the Fund is to generate attractive risk-adjusted returns by investing primarily in environmentally sustainable (“ES”) investments.

Investment Policy

It is intended that the Fund will seek to achieve its investment objective by investing primarily (but not exclusively (as outlined below)) in equities and equity-related or linked securities of companies worldwide which are exposed to environmental trends and are considered sustainable investments, in accordance with the Investment Strategy outlined below.

ES investments are those investments which contribute to an environmental sustainable objective, provided that such investments do not significantly harm any social and/or environmental objectives and that investee companies follow good governance practices. As a result, the Manager seeks to invest in the securities of companies or issuers exposed to ES trends which have a commercial purpose of solving environmental problems.

Given the Fund’s investment objective as outlined above, the Manager considers that the Fund is a financial product subject to Article 9 of the SFDR.

To implement the Investment Strategy and gain exposure to ES investments, the Fund will invest directly in securities listed or traded on a Recognised Market and indirectly through Financial Derivatives Instruments (“FDI”) as set out below. Use of FDI will include both investment and efficient portfolio management purposes. With the exception of permitted investments in OTC derivative instruments, FDI will be listed or traded on Recognised Markets. In addition, and in a secondary capacity, the Fund has the ability to invest in bonds and to hold deposits, cash or cash equivalents and money market instruments as described below. Such investments, which are made for hedging or liquidity management purposes, will not necessarily be ES investments.

The equities and equity-related or linked securities in which the Fund may invest in include common stock, preferred stock, depositary receipts, warrants, rights and convertible bonds. The Fund may also invest in contingent value rights (“CVRs”) as described below). Any acquisition by the Fund of CVRs will not exceed 10% of the Fund’s Net Asset Value.

The convertible bonds and CVRs which the Fund may invest in may embed an option or forward derivative component. However, any additional leverage generated by the derivative will not cause the Fund to exceed the leverage limit outlined below. The extent of investment in warrants shall be up to 10% of the Fund’s net assets. There are no restrictions on the issuers, markets or sectors in relation to which transactions may be undertaken, but the Fund focuses primarily on European countries with the possibility to additionally invest in North American countries. The Fund may invest in companies of all market capitalisations, but will generally invest in large and medium capitalisation companies. For these purposes, the Manager considers large and medium sized companies to be those with market capitalisations above \$10 billion and from \$1 billion to \$10 billion, respectively, at the time of purchase.

The Manager may employ the various techniques and instruments set out in the section of the Prospectus

titled "Efficient Portfolio Management".

The Manager will seek to apply a long investment strategy and intends to take full advantage of the ability to invest in derivatives for investment, efficient portfolio management or hedging purposes.

The Fund will generally invest in a portfolio of up to 125% of its Net Asset Value in long equity positions. The overall net market exposure of the Fund is intended to be within 0% and 125% of the Fund's Net Asset Value. These ranges are not limits and the actual exposures may from time to time fall outside these estimated ranges. The Fund is an equity focussed fund and long exposures do not apply to other asset classes that the Fund may invest in for cash management or ancillary purposes such as investment in fixed income or money market instruments.

The Fund may invest up to 10% of its net assets in aggregate in units of other collective investment schemes (UCITS and AIFs) as permitted by the UCITS Regulations and the Central Bank's guidance on UCITS acceptable investments in other funds, including funds, whose investment objectives and policies are consistent with the investment objective and policy of the Fund. The Fund's investment in other schemes may include money market funds and exchange traded funds ("ETFs"). ETFs will also be listed or traded on Recognised Markets.

The Fund may, where an appropriate investment opportunity is not available for example during periods of market uncertainty, where market conditions (such as market volatility or decline in the equity markets) may require a defensive investment strategy or in order to meet redemption and expenses payments, utilise cash in its portfolio, to invest in government and/or corporate debt securities (such as bonds that are fixed and/or floating rate, rated as investment grade or sub-investment grade by a recognised rating agency such as Standard & Poor's, Moody's, Fitch) or unrated. Unrated bonds, depending on the relevant security, may be determined by the Manager to be of comparable credit quality to other investment grade debt securities or to form part of the Fund's exposure to below investment grade debt. The Fund will invest in such securities where the Manager determines that suitable equity investments are not available and such securities represent a potential alternative to cash. The Fund may invest up to 30% of its Net Asset Value in unrated or below investment grade fixed income securities. The debt securities invested in by the Fund will primarily be listed or traded on Recognised Markets (other than to the extent that the Fund is permitted under the UCITS Regulations to invest in transferable securities that are not listed or traded on Recognised Markets). The debt securities invested in by the Fund will typically be for cash management or ancillary purposes as outlined above. The Fund may hold or maintain cash deposits (denominated in such currency or currencies as the Manager may determine) and/or money market instruments (such as short term commercial paper, certificates of deposit, treasury bills, floating rate notes (issued by corporates or government agencies and instrumentalities which will not be bespoke to the Fund), money market funds and fixed or variable rate commercial paper) subject to the conditions and within the limits laid down by the Central Bank.

The Fund's exposure to emerging markets will not exceed 20% of its Net Asset Value. As part of the Fund's 20% limit on exposure to emerging markets, the Fund may invest up to 10% of its net assets in Russian equity securities that are listed/traded on the Moscow exchange.

A CVR is a transferable security that can be issued by the buyer of a company to the sellers. It specifies an event, which, if triggered, lets the sellers acquire more shares in the target company. CVR's are normally issued in situations where the acquiring company and the target company disagree about the value of a particular asset owned by the target company. Each CVR relates to its own particular asset, and is subject to the particular terms negotiated by the parties to the merger and acquisition transaction to which it relates.

CVRs may embed an option component in that the payoff is contingent on a specific event triggering the payoff. Any acquisition by the Fund of CVRs will only be made subject to an eligibility assessment by the Manager in accordance with Regulation 4 of the Central Bank UCITS Regulations.

Investment Strategy

The Fund will seek to achieve its objective primarily through investing in long equity and equity-linked positions. Investment in long equity positions may be taken directly as well as through derivatives. Details of the derivatives used by the Fund are set out below under “Further information on the Fund’s use of financial derivative instruments”.

In seeking to identify ES investments, the Manager combines thematic research on sustainability trends with a disciplined and uncompromising fundamental bottom-up investment research process, leading to a high conviction, concentrated portfolio of long securities of companies exposed to ES trends. Long-term long positions (“Core Longs”) will be established in securities of companies considered by the Manager as ES investments, with a focus on European corporates with the possibility to additionally invest in North American corporates. The Core Longs portfolio will tend to be a concentrated composition of high conviction names, demonstrating strong competitive advantages at attractive valuations using fundamental valuation metrics. Such fundamental valuation metrics are accounting measures which are aimed at valuing companies and determining their “attractiveness” by reference to such valuation including, for example, consideration of a particular company’s free cash flow yield.

Environmental Sustainability is a key driver of the Investment Strategy and is embedded in the Manager’s portfolio selection process by which it identifies ES investments. The Manager believes it acts as a powerful engine of ideas generation as a rigorous filter to highlight ES investment opportunities in attractive companies (potential Core Longs).

The Manager employs a disciplined fundamental investment research process driven by an extensive meetings program with company management and the use of the Manager’s proprietary analytical assessment process described in this “Investment Strategy” section. In conducting this assessment process, the Manager will rely on its experience, relationships with market and industry participants, corporate managers, research analysts and consultants. In reviewing companies, the Manager uses its own screening, research, forensic and valuation techniques to locate opportunities where the assessment of a company and its stock value differs from the market perception of the company and its stock price. Alongside this fundamental analysis, the Manager employs a dedicated research team focussed on identifying sustainability themes and determining how these apply to individual companies. There is continual interaction between the thematic and fundamentally focussed teams to ensure that both sustainability and valuation criteria are attractive, both on a pre-investment and on an ongoing basis. The Manager applies a proprietary scoring model which combines the analysis of sustainability trends with company specific fundamental analysis. Sustainability metrics are tracked at an individual security and at a portfolio level.

During the due diligence phase for selecting investments and afterwards as part of the ongoing monitoring of a holding, as per the Manager’s *ESG in Action* program, the Manager aims to ensure that investee companies operate in compliance with the best practices of business conduct and integrity, with particular reference to sound management structures, relations with employees, staff remuneration and compliance with tax obligations. The Manager ensures that investee companies have good governance practices by examining governance ratings provided by third party data providers, or by analysis conducted on the relevant company by the Manager’s investment management team, and through regular engagement with the management of

the company. Through the support of a third party, the Manager also engages in proxy voting which allows the Manager to assess the governance practices of the investee companies.

The Manager implements its strategy on a continuous basis through monitoring the sustainable exposure of each long position, using a proprietary methodology to quantify the exposure of an investment in a company which can be attributed to activities related to sustainability. This methodology is based on a detailed fundamental analysis of a company, combined with an assessment of the underlying sustainability trends to which the revenues and other cash flow streams of the company are exposed.

Following this due diligence process, the likely timeframe and returns associated with the potential investment outcomes are evaluated and factored into the investment decision.

The Fund will seek to generate returns by holding long positions (either directly or through derivatives) which, in the Manager's opinion, are undervalued relative to their fundamental value.

Risk is sought to be controlled by means of diversification in terms of issuer concentration as well as geographic and industry focus.

The Manager regularly monitors risk parameters of individual positions, strategies and the Fund's aggregate portfolio in an effort to maximize risk-adjusted appreciation. The emphasis in the Manager's portfolio management and trade construction is on seeking to identify opportunities that the Manager believes, based on the research and analysis that it carries out pursuant to this strategy, have superior risk/reward parameters while maintaining overall portfolio diversification and liquidity.

The Manager considers the principal adverse impacts of its investment decisions on sustainability factors through a combination of proprietary tools and external market research analysis. Further information on this in respect of the Fund is outlined in the annex to this Supplement.

Given the Fund's investment objective as outlined above, the Manager considers that the Fund is a financial product subject to Article 9 of the SFDR. In implementing the investment strategy of the Fund the Manager selects investments which it believes contribute to environmental objectives, including in some cases those environmental objectives outlined in the Taxonomy Regulation. As further outlined in the annex to the Supplement, at least 5% of the Fund's investments will be in environmental objectives that are aligned with the Taxonomy Regulation. In addition, please note, as outlined further within the annex to this Supplement, that at least 80% of the Fund's investments will be in sustainable investments with an environmental objective.

Please refer to the annex to this Supplement for further information on the Manager's sustainability approach in respect of the Fund.

Additional information can also be found on the Manager's website at <https://ambientasgr.com/sustainability/>.

Eligible Assets and Investment Restrictions

Investment of the assets of the Fund must comply with the UCITS Regulations. The Directors may impose further restrictions in respect the Fund. The investment and borrowing restrictions applying to the Fund are set out in Appendix I of the Prospectus.

Further information on the Fund's use of financial derivative instruments

As set out above in the Investment Policy, the Fund may use the investment techniques and FDI (which may be exchange traded or OTC) listed below for investment purposes (i.e. capital appreciation) and for efficient portfolio management (i.e. hedging) purposes, subject always to the conditions and within the limit laid down by the Central Bank. The Manager will look to ensure that the techniques and instruments used are economically appropriate in that they will be realised in a cost-effective way.

FDI	Specific Use	Where used for hedging purposes: risk being hedged	Examples of how FDI will help achieve investment objectives
Foreign exchange 'spot' transactions	Efficient Portfolio Management	Currency Risk	To hedge the Fund's exposure to currency risk.
Foreign exchange forwards (including NDF)	Efficient Portfolio Management	Currency Risk	To hedge the Fund's exposure to currency risk.
Corporate credit default swaps (single names and indices)	Efficient Portfolio Management	Market Risk	To obtain exposure to corporate credit risk outright or as a hedge.
Equity Options (including Equity Index Options)	Investment purposes Efficient Portfolio Management	Market Risk	Single equity options are used to manage the Fund's exposure to equity fluctuations. In addition, equity index options provide tail risk hedging benefits and are used to manage the correlation between the equity positions and equity markets as well as to protect portfolio value.
Equity Index Futures	Efficient Portfolio Management	Market Risk	These are contracts to receive or pay cash

	Investment Purposes		based on the performance of an underlying index at a predetermined future date and at a price agreed through a transaction undertaken on an exchange. These are used to gain exposure to underlying equities in an efficient manner or to hedge against market risk.
Futures on Single Stock	Efficient Portfolio Management Investment Purposes	Market Risk	Futures on single stock may be used to gain exposure to positions in a more efficient manner or to hedge against market risk. For example a single stock future could be used to provide the Fund with exposure to a single security.
Options on FX	Efficient Portfolio Management	Currency Risk	Foreign exchange options may be used for hedging purposes.
Dividend Swaps	Efficient Portfolio Management	Dividend Risk	Dividends Swaps may be used to achieve a profit as well as to hedge existing long positions.
Interest Rate Swaps	Efficient Portfolio Management	Interest Rate Risk	Interest rate swaps may be used to reduce or increase exposure to fluctuations in interest rates or to obtain a marginally lower interest rate than would have been possible without the swap.
Interest Rate Swap Options (Swaptions)	Efficient Portfolio Management	Interest Rate Risk	Swaptions may be used to hedge or take a long exposure to interest rates, for example in order to protect against falling interest rates the

			Manager may choose to buy a receiver swaption, which means the buyer has the right to enter into a swap where he would receive the fixed swap rate and pay the specified floating rate such as e.g. SONIA or EONIA over the life of the swap.
Total Return Swaps	Efficient Portfolio Management Investment Purposes	Market Risk	The Fund may enter into total return swaps (including total return equity swaps) for investment purposes in order to generate income or profits in accordance with the investment objective and policies of the Fund, in order to reduce expenses or in order to hedge against risks faced by the Fund.

Permitted Financial Indices

The Fund may use financial derivative instruments to obtain indirect exposure to financial indices as described above. The indices selected by the Manager will meet the requirements for financial indices as laid out in the Central Bank UCITS Regulations. In particular they shall be sufficiently diversified, represent an adequate benchmark for the markets to which they refer, are published in an appropriate manner, and are independently managed from the management of the Fund. The equity indices selected will offer exposure to companies listed or traded on Recognised Markets listed from time to time under “Recognised Markets” in the Prospectus. The financial indices selected by the Manager will offer exposure to the global equity market or regional/country specific markets.

Details of any indices used by the Fund including their composition and methodology will be provided to Shareholders by the Manager on request or will be set out in the ICAV’s semi-annual and annual accounts. The types of equity indices that the Fund will have exposure to are indices that are published by exchanges, rating and new agencies or other professional vendors and that are the underlying of exchange traded FDI, such as the DAX, VSTOXX, the S&P 500 and S&P Dow Jones Indices or the FTSE indices and MSCI Indices. All such indices to which exposure is gained for efficient portfolio management or investment purposes comply with the Central Bank’s UCITS Regulations and the Central Bank’s guidance on UCITS Financial Indices and the ESMA Guidelines on exchange traded fund and other UCITS issues.

The financial indices to which the Fund may gain exposure will be rebalanced on a quarterly or monthly basis (but not more frequently than monthly). As the Fund will invest in the financial indices using financial derivative

instruments, there will be no material impact on its costs arising as a result of the re-balancing of a financial index. Where the weighting of a particular constituent in a financial index subsequently exceeds the UCITS investment restrictions, the Manager will as a priority objective look to remedy the situation taking into account the interests of Shareholders and the Fund.

The Fund is considered to be actively managed in reference to the STOXX Europe 600 Index (Bloomberg: "SXXP Index") (the "Benchmark") by virtue of the fact that it uses the Benchmark for (a) performance comparison purposes and (b) calculation of the performance fees payable to the Manager, as the performance fees are calculated based on the performance of the Fund against the Benchmark. Certain of the Fund's securities may be components of and may have similar weightings to the Benchmark. However the Benchmark is not used to define the portfolio composition of the Fund or as a performance target and the Fund may be wholly invested in securities which are not constituents of the Benchmark.

The Benchmark is derived from the STOXX Europe Total Market Index. With a fixed number of 600 components, the Benchmark represents large, mid and small capitalisation companies across European countries.

As at the date of this Supplement, the administrator of the Benchmark appears on the register of administrators and benchmarks maintained by ESMA pursuant to Article 36 of the BMR. As required under the BMR, the Manager has put in place appropriate contingency arrangements setting out the actions which will be taken in the event that the Benchmark, which is used by the Fund is subject to the BMR, materially changes or ceases to be provided. A copy of the Manager's policy on cessation or material change to the Benchmark is available upon request from the Manager.

Share Class Hedging

The Fund may utilise FDI to actively manage currency exposure and for Share Class currency hedging. The Manager may decide to hedge part or all of these exposures through the use of forwards as described below. Where undertaken, there can be no guarantee that such hedging will be successful in eliminating part or all of the interest rate or currency risk.

It is intended that the foreign currency exposure of the assets attributable to the Hedged Share Classes in the Fund will be hedged back into the Base Currency of the Fund through the use of FDI. As currency positions held by the Fund in respect to Unhedged Share Classes may not correspond with the asset positions held, performance of the Unhedged Share Classes may be strongly influenced by movements in foreign exchange rates. For all Share Classes, there is no guarantee that any currency hedging, even if implemented, will be successful.

The Fund may utilise the following OTC and exchange-traded derivative instruments (which will be based only on the underlying assets which are permitted under the investment policy of the Fund):

Spot Foreign Exchange Transactions

The Fund may enter into spot foreign exchange transactions for currency hedging purposes which involve the purchase of one currency with another, a fixed amount of the first currency being paid to receive a fixed amount of the second currency. "Spot" settlement means that delivery of the currency amounts normally takes place two Business Days in both relevant centres after the trade is executed.

Forward Contracts

In a forward the contract holders are obliged to buy or sell a particular underlying asset at a specified price in a specified quantity and on a specified future date. Forward contracts can be cash settled between the parties. These contracts cannot be transferred. Forward contracts may be used by the Fund in the context of managing the interest rate and currency risks of individual positions or for the purpose of Share Class currency hedging. The Fund will use the following forwards:

- **FX/currency forwards:** FX/currency contracts can be used to hedge against currency risk that has resulted from assets held by the Fund that are not in the Base Currency. The Fund, may, for example, use FX/ currency contracts by selling forward a foreign currency against the Base Currency to protect the Fund from foreign exchange rate risk that has risen from holding assets in that currency. Any such FX/currency contracts will be rebalanced on a weekly basis depending on the dealing frequency and the performance of the Fund.
- **Non-Deliverable forwards ("NDF"):** an NDF is a cash-settled, short-term forward contract in a thinly traded or nonconvertible foreign currency (such as the Taiwan dollar) against a freely traded currency, where the profit or loss at the settlement date is calculated by taking the difference between the agreed upon exchange rate and the spot rate at the time of settlement, for an agreed upon notional amount of funds. The gain or loss is then settled in the free traded currency.

Options

An option is an agreement that gives the buyer, who pays a fee known as a premium, the right, but not the obligation to buy or sell a specified amount of an underlying asset at an agreed price (strike or exercise price) on or before the expiry of the contract. A call option is an option to buy, and a put option is an option to sell. Options may also be cash settled. The Fund may be a seller (or writer) or buyer of put and call options. The Fund may purchase or sell options either individually or in combinations. The Fund may purchase or sell options to hedge against an increase in the price of a security, index, currency or other asset which the Fund intends to purchase or generate exposure to or hedge against a decrease in the price of any such asset or in the market generally. Where permitted by the investment policy of the Fund, options can be used to express a positive view on the underlying. The Fund may trade options on an exchange or on OTC markets.

Options contracts which may be entered into by the Fund include foreign exchange options, index options (being a call or put option on a financial index) and equity options, which in each case may be used to hedge against certain risks arising within the portfolio or in order to take a long position on the underlying of the option. Equity options are contracts pursuant to which the buyer has the right but not the obligation to buy the referenced equity or bond at an agreed-upon price during a certain period of time or on a specific date.

Swaptions may be used to give the Fund the option to enter into a swap agreement (typically an interest rate swap agreement) on a specified future date in exchange for an option premium. Swaptions are typically used in order to protect against exposure to specific interest rates as the buyer has the right to enter into a swap where they would receive the fixed swap rate and pay the specified floating rate for example, the Sterling Overnight Index Average ("SONIA") or the Euro Overnight Index Average ("EONIA") or vice versa over the life of the swap. Credit default swaptions may also be used and provide the buyer with the right to enter into a credit default swap on a specific reference entity with a specific maturity.

The prices of options can be highly volatile and the use of options can lower total returns. Options transactions will be effected on securities exchanges or in the OTC market. When options are purchased OTC, the Fund's

portfolio bears the risk that the counterparty that wrote the option will be unable or unwilling to perform its obligations under the option contract. Options may also be illiquid and, in such cases, the Fund may have difficulty closing out its position.

The Manager will elect to use options when they produce a better risk/return than futures or when a standardised futures contract either does not exist or has too much basis risk between the asset and the hedging instrument.

Futures

Futures are contracts to buy or sell a standard quantity of a specific asset (or, in some cases, receive or pay cash based on the performance of an underlying asset, instrument or index) at a pre-determined future date and at a price agreed through a transaction undertaken on an exchange. Futures contracts allow the Fund to hedge against market risk but will primarily be used to hedge foreign exchange risk. Since these contracts are marked-to-market daily, investors can, by closing out their position, exit from their obligation to buy or sell the underlying assets prior to the contract's delivery date.

The value of a futures contract tends to increase and decrease in tandem with the value of the underlying instrument. Depending on the terms of the particular contract, futures contracts are settled through either physical delivery of the underlying instrument on the settlement date or by payment of a cash settlement amount on the settlement date. A decision as to whether, when and how to use futures involves the exercise of skill and judgment and even a well-conceived futures transaction may be unsuccessful because of market behaviour or unexpected events. In addition to the derivatives risks set out below, the prices of futures can be highly volatile, using futures can lower total return, and the potential loss from futures can exceed the Fund's initial investment in such contracts.

Along with forward contracts, futures will be the primary FDI used for the purpose of Share Class currency hedging.

Warrants

Warrants which may be acquired by the Fund entitle the Fund to buy a specific amount of securities, usually above the current market price at the time of issuance for a specified or unspecified period. If the price of the security rises to above the warrant's exercise price, then the investor can buy the security at the warrant's exercise price and resell it for a profit. Otherwise, the warrant will simply expire or remain unused.

Swaps

A swap is an agreement negotiated between two parties, whereby the parties agree to exchange the cash flows or proceeds (including or excluding capital gains/losses) of a reference asset such as one or more securities, a currency, an index or an interest rate against the proceeds of another reference asset. Typically, the cash flow streams are computed with reference to a specific underlying and on specified notionals. They can be used to express a positive view on the underlying assets. Generally swaps are traded in the OTC market.

Swap contracts which may be entered into by the Fund include interest rate swaps, dividend swaps, currency swaps, credit default swaps, index swaps and total return swaps.

An interest rate swap is an agreement negotiated between two parties to exchange interest rate cash flow calculated on notional principal amounts at specified intervals (payment dates) during the life of the swap. Each party's payment obligation is computed using a different interest rate based on the notional exposures. The use of interest rate swaps may allow the interest rate sensitivity of the Fund to be changed faster or more cheaply than through the use of physical cash markets or more precisely than through exchange traded derivative markets. Interest rate swaps include "basis swaps" which are interest rate swaps negotiated between two parties to exchange floating interest rate cash flows against other floating interest cash flow streams, at specified dates during the life of the swap. There may be a final, interim or initial exchange of the notional amounts.

A currency swap is an agreement negotiated between two parties to exchange different currencies, at specified dates during the life of the swap. There may be a final, interim or initial exchange of the notional amounts. Currency swaps are generally used to manage the Fund's currency exposure and may also be used as a means of gaining desired currency exposure.

A dividend swap consists of a series of payments made between two parties at defined intervals over a fixed term (e.g., annually over 5 years). One party – the holder of the fixed leg – will pay its counterparty a pre-designated fixed payment at each interval. The other party – the holder of the floating leg – will pay its counterparty the total dividends that were paid out by a selected underlying, which can be a single company, a basket of companies, or all the members of an index. The payments are multiplied by a notional number of shares.

In an index swap one or both of the cash flow streams are related to the return of an index or indices, calculated on a notional amount, at specified dates during the life of the swap. Index swaps can serve as a substitute for purchasing multiple underlying securities at once.

Credit Default Swaps

The Fund may use corporate credit default swaps in exceptional circumstances, such as when there is no liquid market available to invest in bonds issued by a corporate issuer. In such instances, the Fund may seek to enter into single name credit default swap transactions ("CDS") to support an investment that may be held by the Fund.

The Fund may be either the buyer or seller in a credit default swap transaction. The "buyer" in a credit default contract is obligated to pay the "seller" a periodic stream of payments over the term of the contract provided that no event of default on an underlying reference obligation has occurred. As a seller, the Fund receives a fixed rate of income throughout the term of the contract. However, as a seller the Fund may also be required to pay out in respect of the contract where there is a default on the underlying reference obligation. The underlying reference asset may be a single name, a basket of securities or a tranche. The Fund may enter into single name, index and portfolio tranche CDS for hedging or credit risk management purposes.

Total Return Swaps

The Fund may enter into total return swaps for investment purposes in order to generate income or profits in accordance with the investment objective and policies of the Fund, in order to reduce expenses or in order to hedge against risks faced by the Fund.

A total return swap is an OTC derivative contract in which one counterparty transfers the total economic

performance, including income from interest and fees, gains and losses from price movements, and credit losses, of a reference obligation to another counterparty generally in return for a fixed or floating cash payment. The underlying reference obligation of a total return swap will be any equity securities in which the Fund is permitted to invest or gain exposure to in accordance with its investment objective and policies. The terms of a total return swap may provide for acceleration of its termination date upon the occurrence of one or more referenced events with respect to a reference obligation. Where the Fund enters into a total return swap on a net basis, the two payment streams are netted out, with the Fund receiving or paying, as the case may be, only the net amount of the two payments.

The counterparty to any total return swap entered into by the Fund shall be selected in accordance with the criteria set down below at the section entitled "Counterparties".

The counterparty to any total return swap entered into by the Fund shall not assume any discretion over the composition or management of the investment portfolio of the Fund or of the underlying of the total return swap and the approval of the counterparty is not required in relation to any investment portfolio transaction of the Fund.

Efficient Portfolio Management Techniques

Repurchase/Reverse Repurchase Arrangements

Subject to the conditions and limits set out in the Central Bank Regulations, the Fund may use repurchase agreements and reverse repurchase agreements for efficient portfolio management purposes only. Repurchase agreements are transactions in which one party sells a security to the other party with a simultaneous agreement to repurchase the security at a fixed future date at a stipulated price reflecting a market rate of interest unrelated to the coupon rate of the securities. A reverse repurchase agreement is a transaction whereby the Fund purchases securities from a counterparty and simultaneously commits to resell the securities to the counterparty at an agreed upon date and price. The use of repurchase agreements and/or reverse repurchase agreements will be consistent with the types of assets the Fund may invest in and will include equity securities.

Derivative Instruments

The Fund may engage in transactions in financial derivative instruments for the purposes of efficient portfolio management and/or to protect against exchange risks within the conditions and limits laid down by the Central Bank from time to time. Efficient portfolio management transactions relating to the assets of the Fund may be entered into by the Fund with one of the following aims (a) a reduction of risk (including currency exposure risk); (b) a reduction of cost (with no increase or minimal increase in risk); and (c) generation of additional capital or income for the Fund with a level of risk consistent with the risk profile of the Fund and the diversification requirements in accordance with the Central Bank Regulations and as disclosed in Appendix I to the Prospectus. In relation to efficient portfolio management operations the Fund will look to ensure that the techniques and instruments used are economically appropriate in that they will be realised in a cost-effective way.

The Fund may use derivative instruments traded on organised exchanges and over-the-counter markets to attempt to hedge or reduce the overall risk of its investments and to manage interest rate risk.

The Fund may employ techniques and instruments intended to provide protection against exchange rate risks,

in the context of the management of its assets and liabilities. In this regard, the Fund may:

- (i) utilise OTC contracts;
- (ii) utilise currency options;
- (iii) hedge exposure to one currency by entering into forward currency transactions in a related currency because of the intrinsic and expected future correlation between the two currencies.

Forward currency contracts could be used to hedge against currency risk that has resulted from assets held by the Fund that are not in the base currency of the Fund. The Fund, may, for example, use forward currency contracts by selling forward a foreign currency against the base currency to protect the Fund from foreign exchange risk that has risen from holding assets in that currency.

Exchange rate swaps may be used in order to protect the Fund against foreign exchange risks. Exchange rate swaps could be used by the Fund to protect assets held in foreign currencies from foreign exchange risk.

Interest rate swaps can be used to create or liquidate interest rate exposures for fixed periods.

Borrowing

The Fund may only borrow on a temporary basis and the aggregate amount of such borrowings may not exceed 10% of the Net Asset Value of the Fund. Subject to this limit the Directors may exercise all borrowing powers on behalf of the Fund. In accordance with the provisions of the UCITS Regulations, the Fund may charge its assets as security for such borrowings. Please also refer to the section of the Prospectus entitled "Borrowing Powers" under the heading "THE ICAV".

The Fund may acquire foreign currency by means of back to back loan agreements. Where the Fund has foreign currency borrowings which exceed the value of a back-to-back deposit it must treat that excess as borrowings for the purpose of Regulation 103 of the UCITS Regulations.

For the purpose of providing margin or collateral in respect of transactions in financial derivative instruments, the Fund may transfer, mortgage, charge or encumber any assets or cash in accordance with normal market practice.

Leverage

Where the Fund purchases derivatives, this will mean using only a fraction of the assets that would be needed to purchase the relevant securities directly. In purchasing such derivatives, the Manager will generally be seeking to achieve greater returns and may invest the remaining assets of the Fund in other types of securities to add excess return. The use of derivatives by the Fund may therefore increase its risk profile. The Fund may also be leveraged as a result of its use of derivatives. However, the leverage effect and additional market risk arising from such derivatives will be managed in accordance with the value-at-risk provisions as set out in the Risk Management Process. For the avoidance of doubt, any reference in these investment objectives and policies to investment in securities by the Fund may be deemed also to refer to indirect investment in such securities through the use of financial derivative instruments.

Risk Management Process

The Fund will employ a risk management process based on the commitment approach methodology to accurately measure, monitor and manage the global exposure generated through the use of derivatives by the Fund. The commitment approach is calculated by converting the derivative position into the equivalent position in the underlying asset, based on the market value of the underlying asset or the market value of the contract, as described in the risk management process of the ICAV. The global exposure of the Fund shall not exceed 100% of the Net Asset Value of the Fund. The Fund will not utilise financial derivatives which have not been included in the risk management process until such time as a revised risk management process has been submitted to the Central Bank in accordance with the Central Bank's requirements. The Fund will provide on request to Shareholders supplementary information relating to the risk management methods employed by the Fund including the quantitative limits that are applied and any recent developments in the risk and yield characteristics of the main categories of investments.

In the Manager's view, sizing of positions is critical to the risk/return balance and will factor in portfolio construction.

EC Regulation 2015/2365 and the use of "Securities Financing Transactions"

The Fund may engage in securities financing transactions (securities lending, repurchase and/or reverse repurchase agreements) ("SFTs") and total return swaps within the meaning of EC Regulation 2015/2365 of the European Parliament and of the Council of 25 November 2015 on transparency of securities financing transactions and of reuse, as described under "Investment Policy" above.

Entering into SFTs create several risks for the Fund and its investors. The Fund is exposed to the risk that a counterparty to a SFT may default on its obligation to return assets equivalent to the ones provided to it by the Fund. It is also subject to liquidity risk if it is unable to liquidate collateral provided to it to cover a counterparty default. Such transactions may also carry legal risk in that the use of standard contracts to effect SFT may expose a Fund to legal risks such as the contract may not accurately reflect the intention of the parties or the contract may not be enforceable against the counterparty in its jurisdiction of incorporation. Such transactions may involve operational risks in that the use of SFT and management of collateral are subject to the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events.

SFT and Total Return Swaps Exposures – Maximum and Expected

The Fund's exposure to repurchase agreements/reverse repurchase agreements will not exceed 100% of the Net Asset Value of the Fund with exposure expected to be between 0% and 20% of the Net Asset Value of the Fund under normal market conditions. The Fund's gross notional exposure to total return swaps will not exceed 125% of the Net Asset Value of the Fund with exposure expected to be between 0% and 100% of the Net Asset Value of the Fund under normal market conditions. On the basis of a mark to market value of such instruments, the proportion of the Fund's assets which will be subject to total return swaps is not expected to exceed 20% of the Net Asset Value of the Fund. The type of underlying assets that may be subject to SFTs and total return swaps will be any securities in which the Fund is permitted to invest or gain exposure to in accordance with its investment objective and policies.

Costs and Revenues

Investors should be aware that when the Fund employs securities financing transactions and efficient portfolio management techniques, any associated direct and indirect operational costs and/or fees shall be deducted

from the revenue delivered to the Fund. Such fees and costs may include financing fees or brokerage fees. Such direct or indirect costs and fees will be paid to the relevant broker or counterparty to the efficient portfolio management transaction. It is expected that the Depositary or a group company of the Depositary shall act as counterparty to the Fund on certain foreign exchange derivative transactions.

All revenues arising from efficient portfolio management techniques net of direct and indirect operational costs are returned to the Fund.

Counterparties

Counterparties to an SFT or total return swap shall be subject to an appropriate internal credit assessment carried out by the Manager, which shall include amongst other considerations, external credit ratings of the counterparty, the regulatory supervision applied to the relevant counterparty, industry sector risk and concentration risk. Where such counterparty (a) was subject to a credit rating by an agency registered and supervised by ESMA that rating shall be taken into account by the Manager in the credit assessment process; and (b) where a counterparty is downgraded to A-2 or below (or comparable rating) by the credit rating agency referred to in subparagraph (a) this shall result in a new credit assessment being conducted of the counterparty by the Manager without delay. A counterparty selected will be either an investment firm, authorised in accordance with the EU Markets in Financial Instruments Directive (2014/65/EU) or a group company of an entity issued with a bank holding company licence from the Federal Reserve of the United States of America where that group company is subject to bank holding company consolidated supervision by that Federal Reserve or an "Approved Credit Institution". An Approved Credit Institution is:

- (i) a credit institution authorised in the EEA; or
- (ii) a credit institution authorised within a signatory state, other than a Member State of the EEA, to the Basle Capital Convergence Agreement of July 1988 (Switzerland, Canada, Japan, United States); or
- (iii) a credit institution authorised in Jersey, Guernsey, the Isle of Man, Australia or New Zealand.

The counterparty to any total return swap entered into by the Fund will not assume any discretion over the composition or management of the investment portfolio of the Fund or of the underlying of the total return swap. The failure of a counterparty to a swap transaction may have a negative impact on the return for Shareholders. The Manager will seek to minimise counterparty performance risk by only selecting counterparties with a good credit rating and by monitoring any changes in those counterparties' ratings. Additionally, these transactions would only be concluded on the basis of standardised framework agreements (ISDAs).

Subject to compliance with these conditions, the Manager has full discretion as to the appointment of counterparties when entering into derivatives in furtherance of the Fund's investment objective and policies. It is not possible to list comprehensively all of the counterparties that the Fund may have, as they will change from time to time. However, details of the relevant counterparties will be advised in the annual accounts of the Fund.

Custody

SFTs and total return swaps will be registered in the name of the Fund. The Depositary is not obliged to hold these assets. The Depositary is only required to verify the Fund's ownership of such assets and to maintain a record of those assets of which the Depositary is satisfied that the Fund holds ownership. Collateral received by the Fund in respect of SFTs and total return swaps on a title transfer basis will be held by the Depositary or

its agent for safekeeping. For other types of collateral arrangements, the collateral can be held by a third party depositary provided that the third party depositary is subject to prudential supervision and is unrelated and unconnected to the provider of the collateral.

Collateral

The Fund will accept collateral from its counterparties in order to reduce counterparty risk exposure generated through the use of over the counter derivative instruments. The level of collateral required to be posted may vary by counterparty with which the Fund trades. For further information on the Fund's policy regarding collateral arrangements, including its policies on permitted collateral types and level, liquidity, valuation, haircut, issuer credit quality, correlation and diversification, please refer to Appendix III of the Prospectus.

Changes to Investment Objective, Investment Policies or Investment and Borrowing Restrictions

The investment objective of the Fund may not be altered and material changes in the investment policy of the Fund may not be made without the prior written approval of all Shareholders or without approval on the basis of a simple majority of votes cast at a meeting of the Shareholders of a particular Class duly convened and held. In the event of a change of the investment objective and/or a material change to the investment policy of the Fund, Shareholders in the relevant Class will be given reasonable notice of such change to enable them redeem their Shares prior to implementation of such a change.

It is intended that the Fund shall have the power (subject to the prior approval of the Central Bank) to avail itself of any change in the investment and borrowing restrictions specified in the UCITS Regulations which would permit investment by the Fund in securities, derivative instruments or in any other forms of investment in which investment is at the date of this Prospectus restricted or prohibited under the UCITS Regulations. Any changes to the investment and borrowing restrictions will be disclosed in an updated Prospectus and Supplement.

Publication of Net Asset Value per Share

The Net Asset Value per Share will be published on the following internet web-site www.ambientasgr.com and/or such other publications as the Directors may determine in the jurisdictions in which the Shares are offered for sale and shall be updated following each calculation of Net Asset Value. In addition, the Net Asset Value per Share may be obtained from the Administrator during normal business hours.

Currency hedging at portfolio level

The Fund may, at the Manager's discretion, enter into transactions for the purposes of hedging the currency exposure of the underlying securities into the Base Currency. The aim of this hedging will be to reduce the Fund's level of risk and to hedge the currency exposure of the Fund's underlying securities to the Base Currency. Forward foreign exchange contracts and/or currency swaps as outlined above may be utilised. Even in circumstances where the Manager seeks to hedge such exposures, the Fund can nonetheless be expected to have a low exposure to one or more non-Base Currency currencies.

Currency hedging at Class level

The ICAV, through the Manager, intends to enter into certain currency related transactions in order to hedge foreign exchange currency risk. Such foreign exchange currency risk may arise between the Base Currency

of the Fund and another Class currency or between the Base Currency and currencies in which assets of the Fund are denominated. The Manager intends to use monthly currency forward contracts to seek to hedge the currency exposure of the Hedged Classes against such currencies, using a passive strategy that will involve hedges being placed and reset on a regular basis. There may be overhedging or underhedging depending on factors outside of the control of the Manager. Hedged positions will be kept under review to ensure that over-hedged positions will not exceed 105% of the Net Asset Value attributable to the relevant hedged Class' exposure to currencies other than the Base Currency and that under-hedged positions do not fall short of 95% of the portion of the Net Asset Value of the Class which is to be hedged and to ensure that underhedged positions are not carried forward from month to month. Hedged positions materially in excess of 100% of the Net Asset Value of the relevant hedged Class' exposure to currencies other than the Base Currency will not be carried forward from month to month. There may be circumstances where the Fund has non-EUR denominated assets in its portfolio and the Manager determines not to hedge such exposure on the basis that the exposure is non-material (generally, less than 5% of the Net Asset Value of the relevant hedged Class or on the basis that the exposure will be eliminated in a short period of time (generally, in less than one month). Such unhedged exposures will not be taken into account in determining the limits set out above.

The successful execution of a hedging strategy which mitigates exactly this risk cannot be assured.

Integration of Sustainability Risk

The integration and management of sustainability risk forms an important part of the due diligence, investment decision making and risk management processes implemented by the Manager. It is also an important element to the generation of long-term returns. The Manager's approach considers material environmental sustainability factors, which strengthens the ability to assess risks and opportunities that drive long-term value. These measures are believed to enhance investment decision making leading to better client outcomes by selecting companies that have greater alignment to securityholder and stakeholder interests.

When assessing the sustainability risk associated with underlying investments, the Manager is assessing the risk that the value of such underlying investments could be materially negatively impacted by an ES event or condition.

During the life of the investment, sustainability risk is monitored through review of environmental sustainability data published by the issuer (where relevant) or selected data providers to determine whether the level of sustainability risk has changed since the initial assessment has been conducted. The Manager retains the discretion to divest from or engage with a company when considering adverse sustainability risks or events and the sustainability risk appetite of the Fund.

In the Manager's view, the integration of sustainability risks in the investment process informs investment decisions and contributes to the generation of attractive risk-adjusted returns over the medium to long-term.

4. RISK FACTORS

Shareholders and potential investors (the “Investors”) are specifically referred to the section headed “RISK FACTORS” in the Prospectus.

The risks described below are not exhaustive; it remains incumbent upon the individual investors to assess the risk inherent in each one of their investments and then to forge their own opinions.

General

An investment in the Fund involves certain risk factors and considerations relating to the Fund's structure and investment objective which a prospective Investor should evaluate before making a decision to invest in the Fund. No assurance can be given that the Fund will succeed in meeting its investment objective or that there will be any return on capital. Moreover, past performance is not a guarantee of future results.

In particular, the Fund is empowered to charge a Subscription Fee of up to five (5) per cent. of the Net Asset Value per Share and a Redemption Charge of up to three (3) per cent of the Net Asset Value per Share. In calculating the Subscription Price and Redemption Price for any Class, the Fund may on any Dealing Day when there are net subscriptions or net redemptions adjust the asset value of the Fund by adding/deducting an anti-dilution levy in relation to each issue and redemption of Shares, and/or, in the case of net redemptions above a certain threshold, by applying swing pricing, in each case to cover dealing costs and to preserve the value of the Fund. For further information on swing pricing and anti-dilution levies please refer to the paragraphs headed “Swing Pricing” and “Anti-Dilution Levy” in the section of the Prospectus entitled “THE SHARES: Net Asset Value and Valuation of Assets”.

Before making any investment decision with respect to the Shares, any prospective Investors should consult their professional advisors and carefully review and consider such an investment decision in light of the risk factors included below. The following is a brief description of certain factors, which should be considered along with other matters discussed elsewhere in the Supplement. The following does not, however, purport to be a comprehensive summary of all the risks associated with an investment in the Fund generally. Rather, the following are only certain particular risks to which the Fund is subject and that the Fund wishes to encourage prospective Investors to discuss in detail with their professional advisors.

An investment in the Fund requires a medium to long term commitment and there can be no assurance that the Fund will achieve its investment objective or that the Investors will receive any return or the return of their invested capital.

While the prospective Investor should make its own evaluation of the risks of investing in the Fund, it must consider, among other things, the following matters before making a decision to invest in the Fund.

Shares require a medium to long-term commitment and are only redeemable subject to the terms disclosed. Prospective Investors should therefore be aware that they may be required to bear the financial risks associated with any investment in the Fund as long as they maintain their investment.

Financing strategies by the Fund may exacerbate the effect on the value of falls and rises in the value of the Fund's assets and falls in value may consequently affect the Fund's liquidity.

Charges and expenses in connection with the Fund are not incurred uniformly throughout the life of the Fund (for example, establishment expenses are paid at the start of the life of the Fund subject to any amortization of such expenses, there may be higher operational costs at different times such as where there is a lot of investment activity (which may be more concentrated at the start of the life of the Fund) and there may be ad

hoc expenses, such as legal fees, paid by the Fund at different times) and it is possible that an Investor may not receive back the full amount of its investment.

The Fund may be required to give security for its obligations in respect of any financing arrangement. Any enforcement of such security interest is likely to have an adverse effect on all the Shares.

Shareholders are exposed to the following main risks:

1. General Economic and Market Conditions

The success of the Fund's activities will be affected by general economic and market conditions, such as interest rates, availability of credit, credit defaults, inflation rates, economic uncertainty, and changes in laws and national and international political circumstances (including wars, terrorist acts or security operations). These factors may affect the level and volatility of prices of financial instruments and the liquidity of the investments of the Fund. Volatility or illiquidity could impair the Fund's profitability or result in losses. The Fund may maintain substantial trading positions that can be adversely affected by the level of volatility in the financial markets—the larger the positions, the greater the potential for loss. The financial crisis of 2008 resulted in extreme volatility in the securities markets and a virtual cessation of the functioning of the credit markets. The 2008 financial crisis has also contributed to market uncertainty in the United States increasing dramatically and such adverse market conditions have expanded to other markets. In fact, various sectors of the global financial markets continue to experience an extended period of adverse conditions. These conditions have resulted in reduced liquidity, greater volatility, general widening of credit spreads and a lack of price transparency.

These difficult global credit market conditions have adversely affected the market values of equity, fixed-income and other securities and these circumstances may continue or even deteriorate further. The short- and longer-term impact of these events is uncertain, but could have a material effect on general economic conditions, consumer and business confidence and market liquidity.

The credit crisis had an increasing impact on the economies of a number of jurisdictions who are members of the Organization of Economic Co-operation and Development (OECD).

One of the effects of the global credit crisis has been an introduction of a significantly more restrictive regulatory environment including the implementation of new accounting and capital adequacy rules in addition to further regulation of derivative instruments. Such additional rules and regulations could, among other things, adversely affect Investors as well as the flexibility of the ICAV in managing the assets of the Fund.

2. Suitability

Prospective purchasers of the Shares should ensure that they understand the nature of such Shares and the extent of their exposure to risk, that they have sufficient knowledge, experience and access to professional advisers to make their own legal, tax, accounting, regulatory and financial evaluation of the merits and risks of investment in such Shares and that they consider the suitability of such Shares as an investment in the light of their own circumstances and financial condition. An investment in the Fund should not in itself be considered a balanced investment program, but rather is intended to provide diversification in a more complete investment portfolio. Investors should be able to withstand the loss of their entire investment.

None of the ICAV, the Manager or any of their respective affiliates makes any representation as to the proper characterization of the Shares for investment or other purposes, as to the ability of particular Investors to purchase Shares for investment or other purposes under applicable investment restrictions or policies which may be applicable to them or as to the accounting, capital, tax and other regulatory or legal consequences of ownership of the Shares. All institutions the activities of which are subject to investment

laws and regulations, regulatory capital requirements or review by regulatory authorities should consult their own legal advisors in determining whether and to what extent the Shares are subject to any investment, capital or other restrictions.

3. Redemption Risk

Investors may redeem Shares in accordance with the terms of the Supplement. Large redemptions of Shares might result in the Fund being forced to sell assets at a time and price at which it would normally prefer not to dispose of those assets. In addition, a significant redemption of Shares may require the Fund to realize investments at values which are lower than the anticipated market values of such investments. This may cause a temporary imbalance in the Fund's portfolio, which may adversely affect the remaining Investors.

The Fund is empowered to charge a Redemption Fee of up to (three) (3) per cent. of the Net Asset Value per Share and to reflect in the Redemption Price an anti-dilution levy in relation to each redemption of Shares. The Fund will not impose a Redemption Fee and anti-dilution levy simultaneously in respect of the same redemption of Shares.

The Directors in consultation with the Manager may also, but will not be obliged to, temporarily suspend the determination of the Net Asset Value per Share of the Fund and/or the issue and redemption of its Shares under specific circumstances (including, without limitation, when the Fund is under severe liquidity pressure) as described in the Prospectus in the section entitled "THE SHARES" under the heading "Suspension of Valuation of Assets".

In addition, substantial redemptions could lead the Fund to hold, within a certain period of time, cash (or Money Market Instruments) pending its reimbursement to the Shareholders which could negatively impact the performance of the Fund.

4. Investment Risk

It should be remembered that the price of the Shares can go down as well as up and that, on the redemption of their Shares, Investors may not receive the amount that they originally invested.

The return on the Fund's assets will primarily be dependent upon the availability and market price at which they can be purchased at the time investments are made and the time it takes for the Fund's assets to reach maturity.

5. Liquidity Risk

In some circumstances, investments may be less liquid or the volume of trading, the volatility of prices and the liquidity of securities may vary, making it difficult to acquire or dispose of them at the prices quoted on the various exchanges or indicative secondary pricing sheets. Accordingly, the Fund's ability to respond to market movements may be impaired and the Fund may experience adverse price movements upon liquidation of its investments. Settlement of transactions may be subject to delay and operational uncertainties.

6. Currency Risk

Assets of the Fund may be denominated in a currency other than the Base Currency and changes in the exchange rate between the Base Currency and the currency of the asset may lead to a depreciation of the value of the Fund's assets as expressed in the Base Currency. It may not be possible or practical to hedge against such exchange rate risk. Performance may be strongly influenced by movements in FX

rates because currency positions held by the Fund may not correspond with the securities positions held. The Manager may, but is not obliged to, mitigate this risk by using financial instruments. Performance of the Fund may be strongly influenced by movements in foreign exchange rates because currency positions held by the Fund may not correspond with the securities positions held. The successful execution of a hedging strategy which matches exactly the profile of the investments of the Fund cannot be assured. It may not be possible to hedge against generally anticipated exchange or interest rate fluctuations at a price sufficient to protect the assets from the anticipated decline in value of the portfolio positions as a result of such fluctuations.

7. Share Currency Designation Risk

Classes of the Fund may be designated in a currency other than the Base Currency of the Fund. Redemption proceeds and any distributions to Shareholders will normally be made in the currency of denomination of the relevant Class. Changes in the exchange rate between the Base Currency and such designated currency or between the currencies in which assets of the Fund are denominated and the Base Currency or such designated currency may lead to a depreciation of the value of such Shares as expressed in the designated currency. The Manager may try but is not obliged to mitigate this risk (see the section “**Hedged Classes**” of the Prospectus). Investors should be aware that this strategy may substantially limit Shareholders of the relevant Class from benefiting if the designated currency falls against the Base Currency and/or the currency/currencies in which the assets of the Fund are denominated. In such circumstances Shareholders of the relevant Class may be exposed to fluctuations in the Net Asset Value per Share reflecting the gains/losses on and the costs of the relevant assets. Assets used to implement such strategies shall be assets/liabilities of the Fund as a whole. However, the gains/losses on and the costs of the relevant assets will accrue solely to the relevant Class.

8. Valuation Risk

Due to a wide variety of market factors and the nature of investments to be held or entered into by the Fund, there is no guarantee that the value determined by the Manager will represent the value that will be realized by the Fund on the eventual disposition of the investment or that would, in fact, be realized upon an immediate disposition of the investment.

9. Reliance on the Manager and Dependence on Key Personnel

Subject to the limitations set forth in this Supplement, the Manager has complete discretion in directing the investment of the Fund's assets. The Fund's success depends, to a great extent, on the Manager's ability to select investments. The Fund will be highly dependent on the financial and managerial experience of the Manager and a limited number of persons of the Manager to whom the task of managing the investments has been assigned. If the services of all or a substantial number of such persons were to become unavailable, the result of such a loss of key management personnel could result in substantial losses for the Fund.

10. Custodial Risk

The ICAV has entered into arrangements pursuant to which the Fund's assets are held by the Depositary. The bankruptcy of the Depositary might have a material adverse effect on the Fund.

11. Position Limits

Limits imposed by the UCITS Regulations and/or counterparties may negatively impact on the Manager's ability to implement the Fund's investment policy. Position limits are the maximum amounts that any one person or entity may own or control in a particular financial instrument. If at any time positions of the Fund

were to exceed applicable position limits, the Manager would be required to liquidate positions of the Fund to the extent necessary to observe those limits. Further, to avoid exceeding the position limits, the Manager might have to forego or modify certain of its contemplated investments.

12. Performance Fee Risk

In addition to receiving a Management Fee, the Manager may also receive a Performance Fee based on the appreciation in the Net Asset Value per Share of one or more Classes of the Fund. Further information regarding any Performance Fee is outlined below.

The Performance Fee is based on net realised and net unrealised gains and losses as at the end of each Performance Period and as a result, the Performance Fee may be paid on unrealised gains which may subsequently never be realised.

Such a Performance Fee may create an incentive for the Manager to make investments for the Fund which are riskier than would be the case in the absence of a fee based on the performance of a Fund.

There may be circumstances where a Performance Fee accrues as a result of market movements rather than due to the performance of the Manager of the Fund. Where a Performance Fee is required to be paid to the Manager then this will impact the returns to Shareholders by reducing the Net Asset Value per Share held by a Shareholder.

The investment risks set out in this Supplement do not purport to be exhaustive and potential Investors should be aware that an investment in the Fund may be exposed to risks of an exceptional nature from time to time.

5. INVESTMENT AND BORROWING RESTRICTIONS

The Fund is subject to the investment and borrowing restrictions set out in the UCITS Regulations, the Central Bank Regulations and in Appendix I to the Prospectus.

Where the Fund receives collateral as a result of trading in OTC FDI, the use of efficient portfolio management techniques or otherwise, the requirements of Appendix III of the Prospectus will apply.

6. DISTRIBUTION POLICY

Classes may be either Accumulation Classes or Distribution Classes (as indicated in the table in the section “**SUBSCRIPTIONS**” below). Accumulation Classes capitalise income. Distribution Classes may pay a dividend to the relevant Shareholders on an annual basis as of the last Business Day in December in each year. In such case, dividends shall be paid out of realised and unrealised gains net of realised and unrealised losses but, at the discretion of the Directors, gross of the fees payable by the Fund as described in section 10 of this Supplement.

Please see the section of the Prospectus headed “IMPORTANT INFORMATION” for further information. The rationale for providing for the payment of dividends out of realised and unrealised gains net of realised and unrealised losses but gross of fees is to maximise the amount distributable to investors who are seeking a higher dividend paying Share Class.

The Directors will determine whether a dividend should be paid in respect of a particular Distribution Class and the amount of such dividend, in consultation with the Manager. Any dividend payments will be confirmed in writing to the Shareholders of Distribution Classes. To the extent made, distributions will be paid by wire transfer to the account(s) indicated by the Shareholder on its Application Form (as may be updated from time to time by signed, verified notification from the Shareholder to the ICAV c/o the Administrator).

The Directors, in consultation with the Manager, may at any time change the policy of the Fund with respect to dividends distribution, in which case full details of any such change will be disclosed in an updated Supplement and Shareholders will be notified in advance.

In the case of Distribution Classes, it is intended that dividends will be distributed annually. Dividends will be declared on the last Business Day of the year with dividends in respect of the period being paid to Shareholders on or before 31 January, in each year.

The rationale for providing for the payment of fees and expenses out of capital is to increase the level of distribution for Distribution Class Shareholders.

Please also refer to the "Dividend Policy" section in the Prospectus.

7. SUBSCRIPTIONS

Offer

Share Classes Available for Subscription

The Classes of Shares available for subscription in the Fund are set out in Annex A to this Supplement. The Shares in the Fund are distinguished principally on the basis of the category of investor, currency denomination, class hedging policy, subscription fee, the redemption fee, the contingent deferred sales charge and the investment management and distribution fees applicable to them.

Under the naming convention adopted by the ICAV in respect of the naming of Share Classes, the letters set out below have the following significance:

<i>Categories of Share Class</i>	
A	Class A Shares are offered primarily as an investment to retail or institutional investors. Investors wishing to purchase Class A Shares may do so directly or via their financial intermediary.
S and S2	Class S and S2 Shares are offered primarily as an investment to retail or institutional investors. Investors wishing to purchase Class S or S2 Shares may do so directly or via their financial intermediary.
M	Class M Shares may be offered in certain limited circumstances to Investors who have separate arrangements with the Manager including, inter alia, shareholders and employees of the Manager.
F and F2	Class F and F2 Shares are intended for early and seed investors into the Fund including institutional investors or distributors and platforms who have separate fee arrangements with their clients, and who in the Manager's reasonable opinion are able to subscribe an amount in excess of the investment minimum as set out below. The Fund does not intend to issue more than \$200,000,000 (or its currency equivalent) of Class F or F2 Shares, however the Directors may, in their sole and absolute discretion, increase this limit.
H and H2	Class H and H2 Shares may be offered to institutional investors or distributors and platforms who have separate fee arrangements with their clients, and who in the Manager's reasonable opinion are able to subscribe an amount in excess of the investment minimum as set out below.
R	Class R Shares are offered primarily as an investment to qualifying retail investors. Investors wishing to purchase Class R Shares may do so via their financial intermediary.
T	Class T Shares are offered primarily as an investment to qualifying institutional investors. Investors wishing to purchase Class T Shares may do so via their financial intermediary.
U and U2	Class U and U2 Shares are offered primarily to institutional investors who in the Manager's reasonable opinion are able to subscribe an amount in excess of the investment minimum as set out below.
N and N2	Class N and N2 Shares are intended for seed investors into the Fund including institutional investors or distributors and platforms who have separate fee arrangements with their clients, and who in the Manager's reasonable opinion are able to subscribe an amount in excess of the investment minimum as set out below. The Fund does not intend to issue more than \$200,000,000 (or its currency equivalent) of Class N or N2 Shares, however the Directors may, in their sole and absolute discretion, increase this limit.

<i>Currency of Share Class – Each category of Share Class shall be available in the following currencies</i>	
CHF	Share Classes denominated in the lawful currency of Switzerland.
EUR	Share Classes denominated in the lawful currency of the Euro-Zone.
GBP	Share Classes denominated in the lawful currency of the United Kingdom.
USD	Share Classes denominated in the lawful currency of the United States of America.
<i>Hedged and Unhedged Classes</i>	
With the exception of Classes denominated in EUR, which shall only be unhedged, each category of Share Class is available as hedged or unhedged. The Manager may undertake currency hedging in accordance with the provisions set out under “Currency hedging at Class level” in section 3 of this Supplement.	

The Directors are satisfied that restricting the universe of investors in any of the Classes of Shares listed above does not preclude those Classes from providing for public participation, as required by the UCITS Regulations. This is without prejudice to the Directors’ right to refuse any individual subscription application in their discretion without assigning any reason therefor.

The Initial Offer Price of each Class of Shares during the Initial Offer Period shall be, depending on the denomination of the Share Class, as follows:

- A Class – EUR 100.00, GBP 100.00, CHF 100.00, USD 100.00.
- F Class - EUR 100.00, GBP 100.00, CHF 100.00, USD 100.00.
- F2 Class - EUR 1,000.00, GBP 1,000.00, CHF 1,000.00, USD 1,000.00.
- H Class - EUR 100.00, GBP 100.00, CHF 100.00, USD 100.00.
- H2 Class - EUR 1,000.00
- M Class - EUR 100.00, GBP 100.00, CHF 100.00, USD 100.00.
- N Class – EUR 100.00
- N2 Class – EUR 1,000
- S Class - EUR 100.00, GBP 100.00, CHF 100.00, USD 100.00.
- S2 Class - EUR 1,000.00, GBP 1,000.00, CHF 1,000.00, USD 1,000.00.
- R Class – EUR 100.00
- T Class - EUR 100.00.
- U Class - EUR 100.00 GBP 100.00, CHF 100.00, USD 100.00.
- U2 Class – EUR 1,000, GBP 1,000.00, CHF 1,000.00, USD 1,000.00.

Please see the section entitled “Application for Shares” in the Prospectus in the section entitled “THE SHARES” for more information regarding the cost of Shares.

The Net Asset Value will be calculated in accordance with the principles described under section “Net Asset Value and Valuation of Assets” in the Prospectus with the following distinction: securities valued under point “(a)” in that section, which are listed or traded on a Recognised Market will be valued at the official closing price published by an exchange or, if no closing price is available, at the latest mid-market price.

In accordance with the terms of the Prospectus, an anti-dilution levy may be applied to the Fund by the Directors acting in consultation with the Manager. The Fund’s Net Asset Value will reflect any application of an anti-dilution levy.

Where the Fund buys/enters Financial Instruments in response to a request for the subscription of Shares, it will generally incur a reduction in value, made up of dealing costs and any spread between the bid and offer prices of the investments concerned when compared to their valuation within the Net Asset Value per Share. The Net Asset Value per Share generally does not reflect such costs. The aim of the anti-dilution levy is to reduce the impact of such costs (which, if material, disadvantage existing Shareholders of the Fund) so as to preserve the value of the Fund. In calculating the Subscription Price of the Shares the Directors, in consultation with the Manager, may on any Dealing Day when there are net subscriptions, reflect in the Subscription Price an anti-dilution levy to cover dealing costs and to preserve the value of the underlying assets of the Fund.

For further information on anti-dilution levies please refer to the paragraph headed “Anti-Dilution Levy” in the section of the Prospectus entitled “THE SHARES: Net Asset Value and Valuation of Assets”

The Net Asset Value will be published as often as the Net Asset Value is calculated promptly following its calculation. Please see the section headed “**Publication of Net Asset Value per Share**” in the Prospectus.

The Fund may, save where otherwise determined by the Directors, return any subscription monies (without interest) to the investors where the Fund does not reach a minimum viable aggregate size of €5,000,000 by the end of the Initial Offer Period.

Minimum Initial Subscription Amount

The Minimum Initial Subscription amounts in respect of each Class are set out in the table below.

Class	Minimum Initial Subscription
Class A Shares	€500,000
Class S and S2 Shares	€500,000
Class F and F2 Shares	€500,000
Class H and H2 Shares	€100,000
Class M Shares	€1,000
Class N and N2 Shares	€500,000
Class R Shares	€1,000
Class T Shares	€500,000
Class U and U2 Shares	€50,000,000

Subject to the principle of equal and fair treatment of shareholders as per Regulation 26 (1) (d) of the Central Bank UCITS Regulations, the Directors, in consultation with the Manager, may partially or wholly waive the Minimum Initial Subscription amounts in respect of one or more Shareholders or investors at their discretion.

8. REDEMPTIONS

Shareholders may request redemption of their Shares on and with effect from any Dealing Day. Shares will be redeemed at the Net Asset Value per Share for that Class, calculated on or with respect to the relevant Dealing Day in accordance with the procedures described below (save during any period when the calculation of Net Asset Value is suspended).

In accordance with the terms of the Prospectus, swing pricing is applicable, and an anti-dilution levy may be applicable, to this Fund. The Net Asset Value will reflect any anti-dilution levy or swing pricing applied.

If the net redemptions based on the last available Net Asset Value on any Valuation Day exceed a certain threshold of the value of the Fund or a Share Class on that Valuation Day, as determined and reviewed on a periodic basis by the Directors, in consultation with the Manager, the asset value will be adjusted downwards to reflect the dealing and other costs that are deemed to be incurred in buying or selling assets to satisfy net daily transactions. The extent of the price adjustment will be set by the Directors, in consultation with the Manager, to reflect estimated dealing and other costs.

In accordance with the terms of the Prospectus, an anti-dilution levy may be applied at the discretion of the Directors, acting in consultation with the Manager. Where the Fund sells/exits Financial Instruments in response to a request for the redemption of Shares, it will generally incur a reduction in value, made up of dealing costs and any spread between the bid and offer prices of the investments concerned when compared to their valuation within the Net Asset Value per Share. The Net Asset Value per Share generally does not reflect such costs. The aim of the anti-dilution levy is to reduce the impact of such costs (which, if material, disadvantage existing Shareholders of the Fund) so as to preserve the value of the Fund. In calculating the Redemption Price of the Shares, the Directors, in consultation with the Manager, may on any Dealing Day when there are net redemptions, reflect in the Redemption Price an anti-dilution levy to cover dealing costs and to preserve the value of the underlying assets of the Fund.

For further information on swing pricing and anti-dilution levies please refer to the paragraphs headed "Swing Pricing" and "Anti-Dilution Levy" in the section of the Prospectus entitled "THE SHARES: Net Asset Value and Valuation of Assets".

For all redemptions, Shareholders will be paid the equivalent of the Redemption Price per Share for the relevant Dealing Day. This price could be less than the Net Asset Value per Share calculated as at the Valuation Point for that Dealing Day due to the effect of Duties and Charges and other fees and levies. Potential Shareholders should note therefore that the payments received for Shares redeemed could be less than their value on the day of redemption.

If the redemption of only part of a Shareholder's shareholding of a Class would leave the Shareholder holding less than the Minimum Holding for the relevant Class, the ICAV or its delegate may, if it thinks fit, redeem the whole of that Shareholder's holding in such Class.

Please refer to the section headed "Redemption of Shares" in the section entitled "THE SHARES" in the Prospectus for further information on the redemption process.

Timing of Payment

Redemption proceeds in respect of Shares will normally be paid by the Redemption Settlement Cut-Off

provided that all the required documentation has been furnished to and received by the Administrator but (unless dealing in the Shares is suspended or a redemption gate is applied) no later than within 10 Business Days of the relevant Dealing Deadline.

Withdrawal of Redemption Requests

Requests for redemption may not be withdrawn save with the written consent of the Directors in consultation with the Manager or in the event of suspension of calculation of the Net Asset Value of the Fund.

Redemption Limit

Where the total requests for redemption on any Dealing Day exceed at least 10% of the total number of Shares in the Fund or at least 10% of the Net Asset Value of the Fund and the Directors, in consultation with the Manager, decide to refuse to redeem any Shares in excess of 10% of the total number of Shares in the Fund or 10% of the Net Asset Value of the Fund or such higher percentage that the Directors, in consultation with the Manager, may determine, the Fund shall reduce pro rata any request for redemption on that Dealing Day and shall treat the redemption requests as if they were received on each subsequent Dealing Day until all the Shares to which the original request related have been redeemed.

9. SUSPENSION OF DEALING

Shares may not be issued or redeemed during any period when the calculation of the Net Asset Value of the Fund is suspended in the manner described in the Prospectus under the heading "Suspension of Valuation of Assets". Unless withdrawn, applications for Shares will be considered and requests for redemption will be processed as at the next Dealing Day following the ending of such suspension.

10. FEES AND EXPENSES

The Fund shall bear its attributable portion (based on its Net Asset Value) of the fees and operating expenses of the ICAV. The fees and operating expenses of the ICAV are set out in detail in the section entitled “FEES AND EXPENSES” in the Prospectus. The Directors intend to apply the fees and expenses associated with the establishment and ongoing operations of the ICAV across each Fund of the ICAV pro-rata each Fund’s Net Asset Value, to the extent possible.

Establishment Expenses

The Fund shall bear the fees and expenses attributable to its establishment, which are estimated to be €100,000 (excluding VAT) including its proportionate share of the establishment expenses of the ICAV, as detailed in the section of the Prospectus entitled “**Establishment Expenses**”.

Such establishment expenses may be amortised over the first five Accounting Periods of the Fund.

Subscription Fee

The ICAV may charge a Subscription Fee in respect of Class S and Class S2 Shares of up to 5% and Class R Shares of up to 3% on the aggregate investment amount subscribed.

The Subscription Fee, if applied, is payable to the Manager which may in turn be paid in full or in part by the Manager to sub-distributors, introducing agents or intermediaries.

Any applicable Subscription Fee will be deducted from the subscriber’s subscription payment for the purposes of determining the net amount available for investment in the Shares.

The Subscription Fee is charged at the absolute discretion of the Directors. Where a Subscription Fee is charged to Shareholders holding Class S or Class S2 Shares, then a Contingent Deferred Sales Charge will not be imposed on these Share Classes in respect of those relevant Shareholders.

Contingent Deferred Sales Charge

In respect of Class S and Class S2 Shares, Shareholders who redeem their Shares within 3 years of their initial purchase date will be subject to a contingent deferred sales charge of up to 3% applied at the point of redemption on a sliding scale from 1% to 3%, depending on the number of years that the individual Shareholder held its Shares (a Shareholder who redeems within one year will be subject to a fee of 3%, a Shareholder who redeems after one year but within two years will be subject to a 2% fee and a Shareholder who redeems after two years but within three years will be subject to a 1% fee).

Where a Contingent Deferred Sales Charge is imposed on Shareholders holding Class S or Class S2 Shares, then a Redemption Fee will not be charged to these Share Classes in respect of those relevant Shareholders.

Redemption Fee

In respect of Class S and Class S2 Shares, the ICAV may charge a Redemption Fee up to three (3) percent of the Net Asset Value of the Shares being redeemed. Such Redemption Fee shall be payable to the Fund.

The Redemption Fee is charged at the absolute discretion of the Directors, in consultation with the Manager.

Management Fee

Pursuant to the Management Agreement, the Manager is entitled to charge the Fund a Management Fee, which applies separately in respect of each Class as set out in the table below, based on its Net Asset Value.

Class	Management Fee	Performance Fee	Performance Hurdle
Class S and S2 Shares	1.00%	10%	Benchmark
Class F and F2 Shares	0.85%	10%	Benchmark
Class H and H2 Shares	0.75%	10%	Benchmark
Class M Shares	0.35%	0%	N/A
Class N and N2 Shares	0.50%	0%	N/A
Class R Shares	1.50%	10%	Benchmark
Class U and U2 Shares	0.65%	10%	Benchmark
Class A Shares	1.25%	0%	N/A
Class T Shares	1.25%	10%	Benchmark

The fee will be calculated and accrued daily and is payable monthly in arrears within ten (10) Business Days of the last Business Day of each calendar month.

The Management Fee may be waived or reduced in respect of one or more Classes by the Manager, in consultation with the Manager and the Directors. The Manager may decide to rebate to one or more Shareholders or intermediaries part or all of its Management Fee, which may include directors and employees of the Manager.

The Manager shall be entitled to be reimbursed by the Fund for reasonable out of pocket expenses incurred and any VAT on all fees and expenses payable to or by it.

Performance Fee

The Manager is entitled to a Performance Fee in respect of the performance of all of the Shares Classes.

The Performance Fee is equal to the percentage (outlined above) on the outperformance of the Benchmark (as defined above) for the relevant Share Class, in respect of each Performance Period (as defined below) after adding back any distributions made and before the accrual of any Performance Fee. No Share Class will be charged a Performance Fee until any previous losses are recovered. The Benchmark is consistent with the investment policy of the Fund.

The Benchmark will be adjusted to take into account any distributions made and any subscriptions and redemptions.

Excess performance is calculated net of all costs but may be calculated without deducting the Performance

Fee itself, provided that in doing so it is in Shareholders' best interests and would result in Shareholders paying reduced fees.

In the event that a Shareholder redeems all or any of his Shares other than at the end of a Performance Period, any Performance Fee that the Fund is accruing in relation to such Shares as at the relevant Redemption Date shall be due and payable to the Manager.

The first performance period will be from the Initial Issuance Date of the relevant Class until the following Annual Accounting Date subject to the relevant Class having launched 12 months prior to the Annual Accounting Date. Thereafter, a performance period will run from the first day after such Annual Accounting Date to the next following Annual Accounting Date or, if earlier, the date on which no Shares of the relevant Class are in issue (the "Performance Period").

The calculation of the Performance Fee must be verified by the Depositary. The Performance Fee is not capable of manipulation.

The Performance Fee shall be calculated and accrued as of each Valuation Day and shall crystallise on the last day of the Performance Period.

The Performance Fee is payable by the Fund to the Manager within ten days after the end of the relevant preceding Performance Period.

Upon the redemption of a Share by a Shareholder, a Performance Fee, if any, will crystallise in due proportion on the date of the Shareholder's redemption.

The Manager may, at its discretion, decide to waive its entitlement to a Performance Fee in respect of a particular Share Class. The Manager may rebate part or all of its Performance Fee to one or more Shareholders or intermediaries.

The past performance of the Fund against the Benchmark is shown in the Key Investor Information Documents for the Fund available at www.ambientasgr.com.

Example of Performance Fee

Set out below in chart format is a worked example of how the Performance Fee will operate in practice, demonstrating that it will only accrue in circumstances where the return of the relevant Share Class in any given Performance Period is greater than the return of the Benchmark.

	Scenario 1	Scenario 2	Scenario 3	Scenario 4
Subscription Amount	€1,000,000	€1,000,000	€1,000,000	€1,000,000
Benchmark value at start	100.00	100.00	100.00	100.00
Benchmark value	103.00	98.00	105.00	100.00
Gross Net Asset Value per Share	104.00	99.00	103.00	95.00
Number of Shares	10,000.00	10,000.00	10,000.00	10,000.00

Benchmark Return	0.03	(0.02)	0.05	-
Performance fees per Share	(0.10)	(0.10)	-	-
Accrued Performance fee	(1,000.00)	(1,000.00)	-	-
Net Asset Value per Share	103.90	98.90	103.00	95.00
Net Asset Value	€1,039,000.00	€989,000.00	€1,030,000.00	€950,000.00
			No fee	No fee

In scenario 1, both the Benchmark and the Class have positive performance. The Class has outperformed the Benchmark for the period and therefore a Performance Fee is payable.

In scenario 2, both the Benchmark and the Class have negative performance, however the Class has still outperformed the Benchmark for the period and a Performance Fee is payable.

In scenario 3, the Benchmark and the Class have positive performance. The Benchmark has outperformed the Class and no Performance Fee is payable. The underperformance of the Class as compared to the Benchmark must be cleared before the Fund can accrue any further Performance Fee in subsequent Performance Periods.

In scenario 4, the Benchmark remains unchanged and the Class has negative performance so no Performance Fee is payable because the Class has not outperformed the Benchmark. The underperformance of the Class as compared to the Benchmark must be cleared before the Fund can accrue any further Performance Fee in subsequent Performance Periods.

Net realised and unrealised capital gains plus net realised and unrealised capital losses as of the relevant Valuation Point shall be taken into account in calculating the Net Asset Value per Share. As a result, Performance Fees may be paid on unrealised gains which may never be subsequently realised. Please note that the Performance Fee is payable on the out-performance of the Benchmark. Therefore, in accordance with the requirements of the Central Bank, a Performance Fee shall still be payable where the Fund outperforms the Benchmark but overall has a negative performance for the relevant Performance Period.

Equalisation

If an investor subscribes for Shares in any Class of Shares that are subject to a Performance Fee, save for Class R or Class T Shares (“Relevant Class Shares”), at a time when the Net Asset Value per Share before deduction of any accrued performance fee (“Net Asset Value”) of that Class is at a value other than the comparison value assigned to the Benchmark for the Relevant Class Shares, certain adjustments (as outlined below) will be made to reduce inequalities that could otherwise result to the investor. The value assigned to the Benchmark for a Relevant Class Share is the publically traded price of the Benchmark on a relevant Dealing Day (the “Benchmark Value”).

If Relevant Class Shares are subscribed for at a time when the Net Asset Value per Relevant Class Share is less than the Benchmark Value for those Relevant Class Shares, the investor will be required to pay a Performance Fee with respect to any subsequent appreciation in the value of the Relevant Class Shares above

the Benchmark Value for the Relevant Class Shares. With respect to any appreciation in the value of those Relevant Class Shares from the Net Asset Value per Relevant Class Share at the date of subscription above the Benchmark Value for the Relevant Class Shares, the Performance Fee will be charged at the end of each Performance Period by redeeming at par value (which will be retained by the Fund) such number of the Shareholder's Shares of the Relevant Class Shares as have an aggregate Net Asset Value (after accrual of any Performance Fee) equal to the Performance Fee of any such appreciation (a "Performance Fee Redemption"). An amount equal to the aggregate Net Asset Value of the Relevant Class Shares so redeemed will be paid to the Manager as a Performance Fee. The Fund will not be required to pay to the Shareholder the redemption proceeds of the Relevant Class Shares, being the aggregate par value thereof. Performance Fee Redemptions are employed to ensure that the Fund maintains a uniform Net Asset Value per Share of each Relevant Class Shares. As regards the Shareholder's remaining Shares, any appreciation in the Net Asset Value per Share in respect of the Relevant Class Shares above the Benchmark Value will be charged a Performance Fee in the normal manner described above.

If Relevant Class Shares are subscribed for at a time when the Net Asset Value per Relevant Class Share is greater than the Benchmark Value for those Relevant Class Shares, the investor will be required to pay an amount in excess of the then current Benchmark Value for the Relevant Class Shares equal to the Performance Fee, which is the difference between the then current Net Asset Value per Relevant Class Shares (before accrual for the Performance Fee) and the Benchmark Value (an "Equalisation Credit"). At the date of subscription, the Equalisation Credit will equal the Performance Fee per Relevant Class Shares accrued with respect to the other Relevant Class Shares of the same Class (the "Maximum Equalisation Credit"). The Equalisation Credit is payable to account for the fact that the Net Asset Value per Relevant Class Shares has been reduced to reflect an accrued Performance Fee to be borne by existing holders of the Relevant Class Shares and serves as a credit against Performance Fees that might otherwise be payable by the Fund but that should not, in equity, be charged against the Shareholders making the subscription because, as to such Relevant Class Shares, no favourable performance has yet occurred. The Equalisation Credit ensures that all Shareholders of the same Class have the same amount of capital at risk per Relevant Class Shares.

The additional amount invested as the Equalisation Credit will be at risk in the Fund and will therefore appreciate or depreciate based on the performance of the Relevant Class Shares subsequent to the issue of the Relevant Class Shares but will never exceed the Maximum Equalisation Credit. In the event of a decline as at any Valuation Day in the Net Asset Value per Relevant Class Shares below the Benchmark Value for the Relevant Class Shares, the Equalisation Credit will also be reduced by an amount equal to the Performance Fee of the difference between the Net Asset Value per Relevant Class Shares (before accrual of the Performance Fee) at the date of issue and as at that Dealing Day. Any subsequent appreciation in the Net Asset Value per Relevant Class Shares above the Benchmark Value of the Relevant Class Shares, will result in the recapture of any reduction in the Equalisation Credit but only to the extent of the previously reduced Equalisation Credit up to the Maximum Equalisation Credit.

The Performance Fees for Class R and Class T Shares are calculated using a series accounting methodology, as further detailed below.

Administrator's Fee

The Fund shall discharge the fees and expenses of the Administrator or its affiliates (including any reasonable out of pocket expenses incurred on behalf of the Fund). The fees of Administrator or its affiliates shall not exceed 0.13% of the Net Asset Value of the Fund which shall be calculated and accrued as of each Valuation Day and shall be payable monthly in arrears subject to a minimum monthly fee of US\$10,000. The Fund may

pay additional fees to the Administrator or its affiliates for such other services including, but not limited to audit assistance, investor reporting and subscription/redemption account maintenance, production of financial statements, filing the Fund's VAT returns with the Irish Revenue Commissioners, middle office services, regulatory reporting due diligence on investor accounts which will be at normal commercial rates.

Depositary's Fee

The Depositary shall be entitled to receive out of the assets of the Fund, an annual fee (plus VAT, if any) not exceeding 0.03% of the net asset value of the Fund, accrued and calculated on each Valuation Point and payable monthly in arrears, subject to a minimum annual fee of US\$40,000 for the Fund.

The Depositary shall also be entitled to be repaid out of the assets of the Fund for all of its reasonable disbursements incurred on behalf of the Fund, including the safe-keeping fees and expenses of any sub-custodian (which shall be at normal commercial rates) and transaction charges (which shall also be at normal commercial rates) levied by the Depositary or any sub-custodian and any applicable taxes it incurs on behalf of the Fund. Such custody fees shall accrue and be payable monthly in arrears.

Operating Expenses

The Fund will pay all its operating expenses and the fees hereinafter described as being payable by the Fund. The Fund will also bear its attributable portion (based on its Net Asset Value) of the fees and operating expenses of the ICAV as set out in detail in the section entitled "FEES AND EXPENSES" in the Prospectus. Expenses paid by the Fund throughout the duration of the Fund, in addition to fees and expenses payable to the Directors, the Manager, the Depositary, the Administrator, the Secretary and any Paying Agent appointed by or on behalf of the Fund, include but are not limited to the costs and expenses associated with specialist risk software used to analyse the Fund's portfolio, brokerage and banking commissions and charges, legal and other professional advisory fees, regulatory fees, auditing fees, distribution fees, translation and accounting expenses, interest on borrowings, taxes and governmental expenses applicable to the Fund, costs and expenses of preparing, translating, printing, updating and distributing the Supplement, annual and semi-annual reports and other documents furnished to current and prospective Shareholders, all expenses in connection with obtaining and maintaining a credit rating for the Fund, expenses of the publication and distribution of the Net Asset Value and any other expenses, in each case together with any applicable value added tax.

Shareholders of the Fund should note that all or a portion of Fees and Expenses in respect of the Fund may be charged to capital at Fund or Share Class level. As a result capital may be eroded and income may be achieved by foregoing the potential for future capital growth. Thus, on redemptions of holdings Shareholders of the Fund's share classes may not receive back the full amount invested due to capital reduction. It is recommended that Shareholders of the Fund seek advice in this regard. The rationale for providing for the payment of fees and expenses out of capital is to maximise the amount distributable to investors.

Due to the different times and prices at which Class R and Class T Shares are subscribed by investors and in order to ensure that a relevant Shareholder bears performance fees as outlined according to the actual performance of Class R and Class T Shares, a new series of Shares in respect of these Share Classes will be issued as of each Valuation Day. Therefore, different series of Shares within Class R and Class T Shares may be issued. Shares of a relevant series have the same features as Shares of another series of the same Class except that the time of issuing is different. From an accounting point of view, a series of Shares is treated as a sub-class of Shares, i.e. each Share of a relevant series will have the same Net Asset Value which will be

different from the Net Asset Value of another series of Shares of the same Class. After each Accounting Period, all series of Shares that are subject to the performance fees within a Class of Shares will roll up into the lead series of Shares for the Class.

As outlined above, the Relevant Class Shares will be subject to equalisation in respect of the calculation of their Performance Fees. This methodology will apply to all Share Classes in the calculation of all other Fees and Expenses as outlined above, save for Class R and Class T Shares which are subject to series accounting in respect of the calculation of Performance Fees for these Share Classes.

Annex A – Share Classes Available in the Fund

Class S

Class S (EUR) Accumulation
Class S (USD) Hedged Accumulation
Class S (USD) Accumulation
Class S (CHF) Hedged Accumulation
Class S (CHF) Accumulation
Class S (GBP) Hedged Accumulation
Class S (GBP) Accumulation

Class M

Class M (EUR) Accumulation
Class M (USD) Hedged Accumulation
Class M (USD) Accumulation
Class M (CHF) Hedged Accumulation
Class M (CHF) Accumulation
Class M (GBP) Hedged Accumulation
Class M (GBP) Accumulation

Class T

Class T (EUR) Accumulation

Class N

Class N (EUR) Accumulation

Class U

Class U (EUR) Accumulation
Class U (USD) Hedged Accumulation
Class U (USD) Accumulation
Class U (CHF) Hedged Accumulation
Class U (CHF) Accumulation
Class U (GBP) Hedged Accumulation
Class U (GBP) Accumulation

Class U2

Class U2 (EUR) Accumulation
Class U2 (USD) Hedged Accumulation
Class U2 (USD) Accumulation
Class U2 (CHF) Hedged Accumulation

Class F

Class F (EUR) Accumulation
Class F (USD) Hedged Accumulation
Class F (USD) Accumulation
Class F (CHF) Hedged Accumulation
Class F (CHF) Accumulation
Class F (GBP) Hedged Accumulation
Class F (GBP) Accumulation

Class A

Class A (EUR) Accumulation
Class A (USD) Hedged Accumulation
Class A (USD) Accumulation
Class A (CHF) Hedged Accumulation
Class A (CHF) Accumulation
Class A (GBP) Hedged Accumulation
Class A (GBP) Accumulation

Class F2

Class F2 (EUR) Accumulation

Class N2

Class N2 (EUR) Accumulation

Class S2

Class S2 (EUR) Accumulation
Class S2 (USD) Hedged Accumulation
Class S2 (USD) Accumulation
Class S2 (CHF) Hedged Accumulation
Class S2 (CHF) Accumulation
Class S2 (GBP) Hedged Accumulation
Class S2 (GBP) Accumulation

Class R

Class R (EUR) Accumulation

Class U2 (CHF) Accumulation
Class U2 (GBP) Hedged Accumulation
Class U2 (GBP) Accumulation

Class H

Class H (EUR) Accumulation
Class H (USD) Hedged Accumulation
Class H (USD) Accumulation
Class H (CHF) Hedged Accumulation
Class H (CHF) Accumulation
Class H (GBP) Hedged Accumulation
Class H (GBP) Accumulation

Class H2

Class H2 (EUR) Accumulation