

Umbrella Fund Prospectus

Generali Umbrella Fund

Including the Management Rules

Date of the Securities Market Agency's authorisation to publish this Prospectus Including the Management Rules: 30 March 2021.

Date of entry into force of the Umbrella Fund Management Rules as last amended: 8 May 2021.

All Subfunds of the Umbrella Fund comply with Directive 2009/65 of the European Parliament and of the Council of 13 July 2009 on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities.

Availability of the audited annual and semi-annual reports of the Umbrella Fund

Investors may consult the most recently published audited annual and semi-annual reports of the Umbrella Fund free of charge at all subscription offices of the Management Company. They can also request the Key Investor Information Documents of the Subfunds, a copy of the Umbrella Fund Prospectus Including the Management Rules, and a copy of the audited annual and semi-annual reports of the Umbrella Fund, free of charge. They can request delivery of these documents in paper copies, in electronic format in a durable data medium, or by e-mail.

All documents relating to the Umbrella Fund and its Subfunds are also freely available on the Management Company's public website www.generalinvestments.si.

Additional information regarding the Subfund operations and investment coupons can be obtained via the telephone number 080 80 24.

Table of contents

- Availability of the audited annual and semi-annual reports of the Umbrella Fund* 2
- General information about the Umbrella Fund* 7
- Management Rules* 7
- Changes to the Management Rules* 8
- Definitions* 9
- CHAPTER 1: COMMON INVESTMENT RULES..... 14**
 - 1.1. INTRODUCTION 14
 - 1.2. PERMISSIBLE INVESTMENTS 14
 - A. Transferable securities and money market instruments* 15
 - B. Money deposits* 15
 - C. Other open-end investment funds (target funds)* 15
 - D. Derivative financial instruments* 16
 - E. Structured financial instruments incorporating derivatives* 16
 - 1.3. EXPOSURE OF THE UMBRELLA FUND AND ITS SUBFUNDS 16
 - 1.4. ANCILLARY LIQUID ASSETS 17
 - 1.5. BORROWING 18
 - 1.6. PORTFOLIO MANAGEMENT TECHNIQUES 18
- CHAPTER 2: ASSET VALUATION RULES..... 19**
 - 2.1. GENERAL VALUATION RULES 19
 - 2.2. VALUATION OF FINANCIAL ASSETS OR INSTRUMENTS 19
- CHAPTER 3: RISKS 21**
- CHAPTER 4: REFERENCE CURRENCY AND VALUATION PERIOD 23**
- CHAPTER 5: USING A SUBFUND'S NET PROFIT OR INCOME 24**
- CHAPTER 6: EXPENSES..... 25**
 - 6.1. DIRECT FEES DEBITING HOLDERS OF SUBFUND INVESTMENT COUPONS 25
 - 6.2. MANAGEMENT AND OPERATING COSTS OF THE UMBRELLA FUND 26
 - A. Management fee* 26
 - B. Other costs that can be levied on the Subfunds' assets on the basis of providing Umbrella Fund management services* 26
 - C. Depositary fee* 27
 - D. Other costs imposed on the assets of Subfunds with regard to performing depositary services for the Umbrella Fund* 27

<i>E. Allocation of costs between the Umbrella Fund and the Subfunds</i>	27
6.3. ONGOING CHARGES	28
CHAPTER 7: TAXATION.....	29
7.1. TAXATION OF THE UMBRELLA FUND	29
7.2. TAXATION OF INVESTORS THAT ARE RESIDENT LEGAL ENTITIES	29
7.3. TAXATION OF INVESTORS THAT ARE RESIDENT NATURAL PERSONS	29
7.3.1. <i>Taxation in the event of the realisation or sale of an investment coupon, or the winding up of a Subfund</i>	29
7.3.2. <i>Taxation of Subfund transfers within the same Umbrella Fund</i>	31
7.3.3. <i>Taxation in the event of a Subfund merger, establishment of an umbrella fund from existing mutual funds, and the inclusion of Subfunds of an existing umbrella fund in another umbrella fund of the same management company</i>	32
7.4. INVESTORS THAT ARE NON-RESIDENT LEGAL ENTITIES OR NATURAL PERSONS	33
CHAPTER 8: FINANCIAL YEAR	34
CHAPTER 9: INFORMATION FOR THE PUBLIC AND HOLDERS OF INVESTMENT COUPONS..	35
9.1. PUBLICATION OF UNIT VALUES OF THE SUBFUNDS	35
9.2. PUBLICATION OF MONTHLY BUSINESS REPORTS FOR THE SUBFUNDS	35
9.3. PUBLICATION OF WEEKLY REPORTS WITH INFORMATION ON MONEY MARKET FUNDS	35
9.4. PUBLICATION OF INFORMATION ON LEGAL AND BUSINESS EVENTS	35
9.5. DIRECT COMMUNICATION WITH INVESTMENT COUPON HOLDERS	35
CHAPTER 10: INVESTMENT COUPONS AND THEIR PAYMENT AND REDEMPTION.....	37
10.1. INVESTMENT COUPONS	37
10.2. PAYMENT FOR AND REDEMPTION OF INVESTMENT COUPONS	38
10.2.1. <i>Payment for investment coupons</i>	38
10.2.2. <i>Suspension of payments into Subfunds</i>	40
10.2.3. <i>Redemption of investment coupons</i>	40
10.2.4. <i>Suspension of investment coupon redemption</i>	41
10.2.5. <i>Partial investment coupon redemption</i>	42
10.2.6. <i>Concurrent payments for and redemptions of investment coupons</i>	42
10.2.7. <i>Errors in calculation of the net asset value</i>	43
10.3. TRADING IN INVESTMENT COUPONS	43
CHAPTER 11: OTHER PROVISIONS GOVERNING THE UMBRELLA FUND AND THE SUBFUNDS	44
11.1. DURATION OF THE SUBFUNDS	44
11.2. THE TRANSFER OF MANAGEMENT	44
11.3. INCLUSION OF THE SUBFUNDS OF THE UMBRELLA FUND IN ANOTHER UMBRELLA FUND	44

11.4. REPLACEMENT OF THE DEPOSITARY	44
11.5. MERGER OF THE SUBFUNDS	45
11.5.1. <i>Conditions for the merger of the Subfunds and consequences for investment coupon holders</i>	45
11.5.2. <i>The rights of investment coupon holders</i>	45
11.6. LIQUIDATION	46
CHAPTER 12: THE MANAGEMENT COMPANY	48
12.1. GENERAL INFORMATION	48
12.2. MANAGEMENT AND SUPERVISORY BODIES	48
12.3. REMUNERATION POLICY	48
CHAPTER 13: INFORMATION ABOUT OTHER PERSONS	48
13.1. DEPOSITARY	48
13.2. OTHER PROVIDERS OF UMBRELLA FUND AND SUBFUND MANAGEMENT SERVICES	49
CHAPTER 14: COMPLAINTS BY INVESTORS AND OUT-OF-COURT DISPUTE SETTLEMENT	50
CHAPTER 15: RESPONSIBILITY FOR THE PROSPECTUS	51
APPENDICES	52
APPENDIX A: MANAGEMENT AND SUPERVISORY BODIES OF THE MANAGEMENT COMPANY	53
<i>The Management Board</i>	53
<i>The Supervisory Board</i>	53
APPENDIX B: LIST OF OTHER PROVIDERS OF UMBRELLA FUND AND SUBFUND MANAGEMENT SERVICES	54
<i>Administrative services</i>	54
<i>Marketing of investment coupons – subscription offices</i>	54
APPENDIX C: SOFT COMMISSIONS AND FEE-SHARING AGREEMENTS	55
A. <i>Soft commissions</i>	55
B. <i>Fee-sharing agreements</i>	55
APPENDIX D: LIST OF REGULATED MARKETS	56
APPENDIX E: LIST OF SUBFUNDS OF THE UMBRELLA FUND	58
APPENDIX F: DETAILED SUBFUND MANAGEMENT RULES	59
1. GENERALI GALILEO, MIXED FLEXIBLE FUND	59
2. GENERALI RASTKO EUROPE, EQUITY FUND	62
3. GENERALI BOND - EUR	64
4. GENERALI MM, MONEY MARKET - EUR	67
5. GENERALI FIRST SELECTION, FUND OF EQUITY FUNDS	71
6. GENERALI SOUTH EASTERN EUROPE, EQUITY	73

7. GENERALI NEW MARKETS, EQUITY	75
8. GENERALI RAW MATERIALS AND ENERGY, EQUITY	77
9. GENERALI TECHNOLOGY, EQUITY	79
10. GENERALI VITALITY, EQUITY	81
11. GENERALI INDIA – CHINA, EQUITY	82
12. GENERALI LATIN AMERICA, EQUITY	85
13. GENERALI EASTERN EUROPE, EQUITY	87
14. GENERALI GLOBAL, EQUITY	89
16. GENERALI CORPORATE BONDS - EUR	93

APPENDIX H: REMUNERATION POLICY OF THE MANAGEMENT COMPANY	99
--	-----------

General information about the Umbrella Fund

The Generali Krovni sklad umbrella fund (English: Generali Umbrella Fund) is established pursuant to the legislation of the Republic of Slovenia governing investment fund management.

Date of the umbrella fund management authorisation issued by the Securities Market Agency: 20 November 2008.

The Umbrella Fund consists of Subfunds which have specific investment goals and investment policies; they represent assets managed by the Management Company in accordance with the risk diversification principle and exclusively in the interest of holders of Subfund investment coupons.

The assets and liabilities of a Subfund are separated from the assets and liabilities of other investment funds and Subfunds as well as from those of the Management Company and the Umbrella Fund's Depositary.

A list of all Subfunds of the Umbrella Fund is provided in Appendix E to this Prospectus.

The Umbrella Fund is managed by Generali Investments, družba za upravljanje, d. o. o (English: Generali Investments Management Company LLC), Dunajska cesta 63, Ljubljana, Republic of Slovenia (abbreviated company name Generali Investments, d. o. o.; abbreviated English name Generali Investments LLC).

The Depositary of the Umbrella Fund's assets is Nova KBM d. d., Ulica Vita Kraigherja 4, Maribor, Republic of Slovenia.

The Umbrella Fund was last audited by Ernst & Young d. o. o., Dunajska cesta 111, Ljubljana, Republic of Slovenia.

The Management Company is supervised by the Securities Market Agency, Poljanski nasip 6, Ljubljana, Republic of Slovenia (www.a-tvp.si).

Management Rules

The Umbrella Fund Management Rules form a constituent part of this Prospectus. A Subfund does not have separate management rules; all specificities relating to particular Subfunds are set out in the Umbrella Fund Management Rules.

The common part of the Prospectus includes provisions applicable to all Subfunds, whilst Appendix F consists of specific provisions applicable to individual Subfunds.

The Management Rules govern the contents of legal relations between the Management Company managing the Umbrella Fund and the holders of Subfund investment coupons, in particular:

- subfund investment objectives and policies, including investment and borrowing restrictions;
- the use (retention or distribution) of the Subfunds' net profit/income;
- types of cost charged directly or indirectly to the holders of Subfund investment coupons;
- the reference currency and period of the Subfunds' net asset value and unit value calculation;

- the method of informing investors about the financial and legal position of the Subfunds, their operations as well as legal and business events relating to the Subfunds, the Umbrella Fund or the Management Company;
- the rights of holders of Subfund investment coupons; the characteristics of possible investment coupon classes; the process of payments for and redemptions of investment coupons, and the method of calculating their purchase and redemption values, including the conditions and limitations of payments for or redemptions of transferable securities and including details of the method of such payments and redemptions; the conditions of Subfund redemption and the concurrent payment of the redemption amount into another Subfund without making an interim payment of the proceeds (transfer of Subfunds), and possible transfer costs, conditions and circumstances in which the Management Company may temporarily suspend the payment for and/or redemption of investment coupons or introduce the temporary partial redemption of Subfund investment coupons; the process of how these measures are implemented; and information about trading in Subfund investment coupons in a regulated market;
- the duration of the Subfunds; the delegation of Subfund/Umbrella Fund management to another management company; merging of the Subfunds, changing the Depositary of the Umbrella Fund, reasons for liquidation based on a resolution by the Management Company and a description of the Subfund liquidation and the Umbrella Fund dissolution.

Changes to the Management Rules

When changing the Umbrella Fund Management Rules, the Management Company can either change provisions applicable to all Subfunds or those applicable to a particular Subfund. The validity of changes to the Management Rules is subject to approval by the Agency. Where major changes are made to the investment policy, the Agency will only issue approval if it deems them to be substantiated in terms of contents and timing.

The Management Company will publish information about such changes within 8 days of receipt of the Agency's approval, stating the date of approval, the date of entry into force of the changed Management Rules along with an explanation that the existing Management Rules apply until that date, and the date on which the changed text and the consolidated version of the amended Management Rules will be available to investors on the website www.generali-investments.si. The two texts will be published on the website no later than the day when investment coupon holders are directly informed about the changes to the Management Rules.

Where changes to the Management Rules concern the investment rules of the Umbrella Fund or any of the Subfunds or any direct or indirect charges connected with investing in a Subfund, the Management Company will, within 15 days of receipt of the Agency's approval, inform each holder of Subfund investment coupons about such changes, either directly by post or by e-mail if coupon holders agreed with the Management Company in advance about receiving e-mail notifications.

Information about changes to the Management Rules referred to in the preceding paragraph will be provided to all holders of investment coupons of all Subfunds, whilst information about changes to a specific Subfund will only be provided to holders of investment coupons of this particular Subfund.

Changes to the Umbrella Fund Management Rules enter into force either upon the expiry of 8 business days or one month following the publication of information on changes to the Umbrella Fund Management Rules.

Changes enter into force one month following the notice if they refer to:

- the investment rules,
- direct and indirect costs connected with investments in investment coupons including:
 - the amount of subscription and/or redemption fees, and the method of their calculation and payment,
 - the amount and method of charging the management fee,
 - other costs arising in Subfund operations,
 - the amount and method of charging the depositary fee,
 - other costs reimbursable to the Depositary from the Subfunds' assets,
 - other possible costs debiting the Subfunds' assets, and
 - an indication where investors can access data on the annual costs of Subfunds' operations.

All other changes to the Management Rules enter into force eight days after their publication.

Until the expiry of the preceding Management Rules, investment coupon holders may request that their investment coupons be redeemed in accordance with the terms and conditions set out in such Management Rules.

Where the Management Company sets up additional Subfunds, changes to the Umbrella Fund Management Rules enter into force upon the expiry of eight days from the public notice thereof. In this case, the Management Company does not notify investment coupon holders of the other Subfunds thereof, whilst the rules on the notifications to be sent to investment coupon holders and their rights to receive changed Umbrella Fund Management Rules do not apply.

Definitions

The terms and abbreviations used in this Umbrella Fund Prospectus Including the Management Rules have the following meanings:

The Agency (Securities Market Agency, SMA) – The supervisory institution established on the basis of the act governing the financial instruments market; it carries out supervision of participants in the market as well as other tasks set out in the regulations in order to ensure proper conditions for the efficient operation of the market in financial instruments and investors' confidence therein.

Rating (Credit rating) – A score in the form of a code consisting of letters and numbers assigned to debt financial instruments (bonds, money market instruments) by the world's leading rating agencies Standard & Poor's (S&P), Fitch and Moody's. The level of rating defines an issuer's capacity to meet the obligations as a borrower in connection to the instrument issued, i.e. to repay the principal and pay the interest. Ratings are divided into two large groups. The first group consists of investment-grade instruments of high-quality issuers, and the second consists of non-investment grade instruments. There is yet a third group of instruments without a rating. In principle, these instruments are assessed as the most risky.

Investment-grade instruments include bonds (long-term debt) with a rating of at least *BBB-* (up to the highest rating *AAA*) by S&P and Fitch and at least *Baa3* (and up to *Aaa*) by Moody's. Investment-grade short-term debt includes money market instruments with a rating (in ascending order) from *A-3* to *A-1* by S&P, from *F3* to *F1* by Fitch, and from *P-3* to *P-1* by Moody's. Highest-grade short-term debt instruments comprise those assigned one of the two highest ratings. The same applies to short-term bank deposits. Although the Management Company applies the scores and codes of the aforementioned rating agencies, it does not completely rely on them neither does it automatically accept them. In asset management and risk management procedures, the Management Company examines whether such ratings conform with its own assessment of the credit quality of issuers and banks. In case of discrepancy, the Management Company assigns its own rating to the issuer/financial instrument concerned. In determining the rating of money market instruments held in money market fund portfolios issued or guaranteed by the Union, a central authority or central bank of a Member State, the European Central Bank, the European Investment Bank, the European Stability Mechanism or the European Financial Stability Facility, the Management Company normally applies the ratings of the credit rating agencies, whilst primarily using its own internal ratings for determining the credit quality of money market instruments of other issuers. The internal credit assessment is designated in a similar form as those of the credit rating agencies.

Target fund (another open-end investment fund) – An open-end investment fund whose units or shares represent investments of the Umbrella Fund's Subfunds.

Ongoing charges of a Subfund – Expenses incurred in the preceding year expressed as a percentage of the net asset value (NAV) that are associated with the Subfund's operations and directly debit its assets.

Net asset value of a Subfund (NAV) – The value of all assets of a Subfund less this Subfund's liabilities, or the unit value (UV) multiplied by the number of units of the Subfund in circulation.

Sustainability factors – Environmental, social and employee matters, and respect for human rights, anti-corruption and anti-bribery matters.

Share – A security representing a holding in a commercial company giving the holder the right to participate in the profits generated by the company (dividend). Investment funds normally invest in shares traded on stock exchanges.

Investment Funds Directive (UCITS Directive) – Directive 2009/65/EC of the European Parliament and the Council of 13 July 2009 governing specific aspects of investment fund and management company operations.

Rate of return of a Subfund – The indicator of a Subfund's performance, expressed as a change in the unit value of a Subfund in time; a Subfund's (past) rate of return is influenced by changes in the value of its investments (portfolio) and its expenses; where relevant, a year-on-year comparison of returns also indicates the period in which a Subfund operated as a separate mutual fund (before mutual funds were transformed into Umbrella Fund Subfunds).

Management Company (MC) - A commercial company headquartered in the Republic of Slovenia and authorised by the Agency to perform the services of investment fund management.

Member state – A member state of the European Union or a state signatory of the Agreement on the European Economic Area (EEA). In addition to the EU member states, the EEA also comprises Iceland, Liechtenstein and Norway.

Investment fund unit – A unit or share of an open- or closed-end investment fund or subfund.

Subfund unit – A proportionate (equal) part of the net asset value of a Subfund (NAV); the number of units held by an investor multiplied by the value of one unit (UV) equals the value of an investment coupon. Payments into a Subfund increase the number of Subfund units, while redemptions decrease the number of Subfund units.

ESMA (European Securities and Market Authority) – An EU supervisory authority that contributes to safeguarding the security of the European Union's financial system by enhancing the protection of investors and promoting stable and orderly financial markets.

ETF – Exchange Traded Funds; investment funds (usually of the open-ended type) whose units or shares are traded on stock exchanges.

Money market instrument – A short-term debt financial instrument with a maturity of maximum 1 year or 13 months (397 days). It is normally not classified as a security. Money market instruments include, for example, treasury bills, short-term corporate commercial papers, certificates of deposit. As a rule, financial institutions trade in these instruments directly, i.e. on a money market and not on a stock exchange.

Investment coupon – A registered security referring to a particular number of a mutual fund's (Subfund's) units.

Investment fund – A collective investment undertaking with the sole object of raising capital from investors and placing it, in accordance with a pre-defined investment policy, in different types of investment exclusively in the interest of holders of its units. An investment fund may raise capital either from the public and not from the public. According to the laws of the Republic of Slovenia, an investment fund is an undertaking for collective investment in transferable securities (UCITS) or an alternative investment fund (AIF).

Derivative financial instrument – a financial instrument whose price depends on the price movement of another financial instrument (e.g. a share) or any other underlying (e.g. interest rates, FX rates, price of goods etc.). Investment funds buy derivative financial instruments in order to increase yields or to hedge against substantive losses (risk hedging).

Umbrella fund – A mutual fund composed of two or more subfunds which represent separate assets.

Purchase value of an investment coupon – The value of an investment coupon increased by subscription fees.

Bond – A long-term debt security with the issuer's promise to return the principal and pay interest in a certain period (of several years) set out in advance. As a rule, financial institutions trade in bonds directly (outside regulated markets) but also on stock exchanges.

Valuation day of a Subfund – The day (each business day) on which a Subfund's net asset value (NAV) and unit value (UV) are calculated.

Open-end investment fund – An investment fund whose units can on the holder's request be redeemed and paid for from the assets of the fund, or an investment fund assuring in some other way that the price at which its units are traded on a stock exchange equal its calculated value or does not deviate from it substantially.

Purchase value of an investment coupon – The value of an investment coupon decreased by subscription fees.

OECD – (Organisation for Economic Cooperation and Development).¹

Option – a derivative financial instrument giving its holder the right but not the obligation to sell to or buy from the other party a certain amount of an instrument at a pre-agreed price. A put option gives the right to sell whilst a call option gives the right to buy. Options are traded on a stock exchange and outside regulated markets.

Subfund – An open-end investment fund formed within an umbrella fund with a specific investment objective and policy. Its assets are separated from other subfunds and divided into units.

Portfolio – An investment fund's assets or investments in financial instruments.

Special categories of entities (issuers) – The Republic of Slovenia and other member states, including their local and regional communities, third countries and international public organisations to which at least one member state is affiliated. Under certain conditions, Subfunds of the Umbrella Fund may invest a larger share of their assets in financial instruments issued or guaranteed by one of these entities than in financial instruments of other issuers, for instance companies.

Legal maturity date – The date set out in the terms and conditions of debt instruments as the date on which the issuer must unconditionally fulfil all its obligations (pay the entire amount due) to its holder (an investment fund). Also the date up to which a bank must, based on a contract, release the money of an investment fund held on term deposit or the date on which the money on an investment fund's bank account becomes and/or is freely repayable or transferrable.

Residual maturity – The length of time, normally expressed in years, months and/or days, remaining until the legal maturity of an instrument.

Subscription form – A statement given on a specific form by which the investor accepts the Umbrella Fund Management Rules, giving the investor the right, but not the duty, to pay contributions into a Subfund.

Synthetic risk and reward indicator (SRRI) – An integer number (from 1 to 7) ranking the level of risk and expected return of an investment fund calculated based on the past fluctuations (volatility) of its returns.

AIF – An alternative investment fund is any investment fund except a UCITS. It can raise capital either from the public or not from the public. In the Republic of Slovenia, alternative investment funds (AIF) and their managers are mainly covered by two acts: ZISDU-3 (Investment Funds and Management Companies Act) regulates the operations of AIFs that raise capital from the public whilst ZUAIS (Alternative Investment Fund Managers Act) regulates the operations of AIF managers regardless of whether they raise capital from the public or not.

Variable NAV money market fund – A money market fund the unit value of which changes according to its performance. Some foreign money market funds do not present their performance through the growth or decline of fund unit values but by means of rate of return

¹ In addition to the majority of EU member states, the OECD also includes: Australia, Canada, Chile, Iceland, Israel, Japan, Korea, Mexico, Norway, New Zealand, Switzerland, Turkey and the USA.

(interest rate). As their NAV does not change, they are referred to as constant NAV money market funds.

UCITS fund – An open-end fund that complies with the Investment Fund Directive (UCITS Directive). As a rule, stricter investment and diversification rules apply. In the Republic of Slovenia, a UCITS fund can be a mutual fund or an umbrella fund.

Fund of funds – An investment fund that invests a large portion of its assets in other (target) investment funds.

Depository – A depository for an investment fund's assets is a depository bank headquartered in the Republic of Slovenia, or a subsidiary of a bank of a member state or a third bank established in the Republic of Slovenia in accordance with ZBan-2, authorised by the Bank of Slovenia to perform depository services for investment funds..

World Federation of Exchanges (WFE) – A world organisation of market operators (exchanges) whose objective is to set up harmonised standards for business processes in regulated securities markets (the World Federation of Exchanges).

Weighted average maturity (WAM) – The weighted average length of time in years, months and/or days to legal maturity of the debt financial instruments in the portfolio of an investment fund, or, in the case of debt instruments with interest rates reset to money market rates, to the next interest rate reset.

Weighted average life (WAL) – The average length of time in years, months and/or days to legal maturity of the debt financial instruments, deposits and money in the portfolio of an investment fund.

Futures – Derivative financial instruments representing the purchase or selling (or delivery) of a certain amount (or number) of financial instruments at a predetermined price or date. Futures contracts are standardised, issued in a large number, and regularly traded.

Third country – A country that is not a member state.

Money Market Funds Regulation – Regulation (EU) 2017/1131 of the European Parliament and of the Council of 14 June 2017 on money market funds, laying down rules on the types and composition of investments, valuation of assets and reporting of money market funds in the European Union.

Regulation 2019/2088 on sustainability-related disclosures in the financial services sector (SFDR) – The regulation specifically governing sustainability-related disclosures.

Unit value (UV) – The value of a proportionate part of a Subfund's net assets divided into equal units, or the quotient of the net asset value (NAV) and the total number of a Subfund's units in circulation.

Mutual fund – An open-end (UCITS) investment fund formed as separate assets divided into units, the value of which is payable out of these assets upon the request of an investment coupon holder. It collects capital from the public. It is managed by a management company authorised by the Securities Market Agency.

Redemption request – A request submitted on a specific form by which an investor requests the payment of the redemption value of a Subfund investment coupon.

Transfer request – A request submitted on a specific form by which an investor requests that the redemption value of an investment coupon of a Subfund be transferred to another Subfund of the Generali Umbrella Fund.

Banking Act (ZBan-2) – The act regulating credit institutions with their registered office in the Republic of Slovenia and the conditions on which entities established outside of the Republic of Slovenia can perform services in the territory of the latter (Official Gazette RS, no. 25/15, as amended).

Corporate Income Tax Act (ZDDPO-2) – The act governing the taxation of corporate income (Official Gazette RS, no. 117/06, as amended).

Personal Income Tax Act (ZDoh-2) – The act governing the taxation of personal income (Official Gazette RS, no. 117/06, as amended).

Investment Funds and Management Companies Act (ZISDU-3) – The act setting out the conditions on which investment funds and management companies are established, and regulates the way they are run and supervised (Official Gazette RS, no. 31/15, as amended).

Prevention of Money Laundering and Terrorist Financing Act (ZPPDFT-1) – The act that sets out measures, competent authorities and procedures for the detection and prevention of money laundering and terrorist financing (Official Gazette RS, no. 68/16, as amended).

Financial Instruments Act (ZTFI-1) – The act governing the functioning of the capital market in the Republic of Slovenia (Official Gazette RS, no. 77/18).

Convertible bond – A bond that can be converted by its holder into equities of the same issuer under certain conditions. As this is a debt financial instrument (bond) with a component of a derivative financial instrument, i.e. the right of conversion or equity option, it is classified as a structured financial instrument. Convertible bonds are traded on a stock exchange and outside regulated markets.

Closed-end investment fund – An investment (AIF) fund whose shares (units) cannot be acquired or redeemed at their issuer (a management company or the investment fund itself) but can only be bought or sold on a market at the market price formed in that market.

Chapter 1: **Common investment rules**

1.1. Introduction

The Subfunds of the Umbrella Fund offer investors possibilities to invest in selected securities and other liquid financial instruments on the principle of risk spreading in order to increase the value of invested assets and keep the investments highly liquid. With regard to his/her needs and forecast future market trends, an investor can invest in a single Subfund or more Subfunds of the Umbrella Fund, which differ according to their investment objectives and policies.

This chapter only sets out the investment rules that are common to all the Umbrella Fund's Subfunds. The investment objectives and policies of specific Subfunds are set out in Appendix F.

1.2. Permissible investments

The Subfunds will invest their assets in some of the financial instruments listed hereinafter only within the limits of their investment objectives and policies.

A. Transferable securities and money market instruments

Investments in transferable securities and money market instruments which are listed for trading or are traded on a regulated market in a member state or a third country will comprise:

- equity securities (shares of commercial companies or share certificates, and shares and units of closed-end investment funds);
- debt securities (government and corporate bonds); and
- money market instruments.

The regulated markets in which these securities and money market instruments are listed for trading or are traded are specified in Appendix D.

Investments in transferable securities sold within the framework of their initial offering are only permissible if their issuer applies, no later than one year after their issuance, for admittance to the official listing of a stock exchange or to trading on another regulated market included in the list of regulated markets in Appendix D.

Investments in money market instruments traded outside a regulated market are only permissible if these instruments are sufficiently liquid, if their value can be precisely defined at any time, if the other conditions set out in ZISDU-3 and the regulations derived therefrom are met, and if they are only traded outside the regulated markets in the member states and similar OECD member states (Australia, Japan, Canada, New Zealand, Switzerland and the USA).

A maximum of 10% of the Subfunds' assets can be invested in other transferable securities and money market instruments not meeting the above conditions. A maximum of 5% of assets can be invested in other transferable securities not admitted to regulated markets. These investments will not deviate from their investment objectives and policies, and will not considerably affect their risk profile.

With those Subfunds whose investments are also defined by geographical criteria, the issuer of a financial instrument is deemed to be domiciled in a country where the majority of its operations is performed; a country where its business is mainly administered; or a country of the primary listing of its financial instrument.

B. Money deposits

Assets of the Subfunds will be invested in money deposits with a maturity of no more than 12 months with credit institutions established in the member states of the European Union or with top-rated banks in third countries.

C. Other open-end investment funds (target funds)

Investments in units of target funds will meet the following conditions:

- the management company of the target fund or the self-managed target fund has received an appropriate authorisation from the competent authorities;
- the management and operations of the target fund are subject to supervision equivalent to that set out in ZISDU-3 and ZTFI, and cooperation between the Agency and its supervisory authorities is appropriately regulated;
- the protection of the interests of holders of target fund units is at the same level as the protection of holders of units of a mutual fund, in particular in terms of the division of

assets, borrowing, lending and short selling of securities and money market instruments;

- the target fund's operations are subject to regular annual and semi-annual reports that clearly show its assets, liabilities, income as well as activities;
- in accordance with the management rules of the target fund, a maximum 10% of its assets can be placed in units of other investment funds;
- other criteria set by the Agency.

In the case of Subfunds of the Umbrella Fund with a significant share of investments in units of target funds, the target fund's management fee will not exceed 3%. The management fee of a target fund is the fee which, in accordance with the laws of the country where the target fund is established, is indicated as management fee in prospectuses or statutes of such target funds, decreased by any contractually agreed discounts and fees reimbursed for the benefit of a specific subfund.

Investments in target fund units are categorised by geographical and/or sectoral criteria according to the prevailing investment policies of the target funds.

D. Derivative financial instruments

The Subfunds will not invest in derivative financial instruments with the purpose of trading.

E. Structured financial instruments incorporating derivatives

Assets of the Subfunds can also be invested in convertible bonds. They are subject to the rules detailed in Appendix F.

Regulated markets in which these instruments are listed for trading or are traded are specified in Appendix D.

1.3. Exposure of the Umbrella Fund and its Subfunds

This chapter describes the basic and specific restrictions of the Subfunds' exposure to a single entity, a group of entities, and special categories of entities. It defines some other investment restrictions of the Subfunds that are not indicated in Appendix F but are set out in ZISDU-3, the Money Market Funds Regulation, and regulations issued on the basis of ZISDU-3.

Each Subfund will have a maximum 10% of assets invested in transferable securities and money market instruments issued by a single entity, whilst the total value of investments with exposure to a single entity exceeding 5% will not be higher than 40%. Total exposure to a single entity (including deposits placed with it) or to various issuers associated within a group will not exceed 20% of the asset value of a Subfund.

Notwithstanding the above restrictions, a Subfund may invest a maximum 35% of its asset value in a single entity if instruments are issued or guaranteed by the Republic of Slovenia or any other member state (including their local and regional communities), a third country or an international public organisation to which one or more member states is affiliated. On the basis of the Agency's approval of an individual Subfund, exposure to these special categories of entities can increase to 100% if it relates to a Subfund's investments in an least six different issues of financial instruments and the value of an issue does not exceed 30% of the Subfund's assets.

A Subfund of the Umbrella Fund may invest a maximum of 20% of its assets in units or shares of a single target fund (or Subfund), whereby investments in target funds that do not comply with the Investment Funds Directive will altogether not exceed 30% of the Subfund's assets.

Due to the prohibition on a significant influence over the management of securities issuers, all investment funds managed by the Management Company will together not acquire a share of the voting rights in the issuer exceeding the takeover threshold specified in the legislation regulating takeovers. A Subfund of the Umbrella Fund may hold no more than 10% of all shares of a single issuer without voting rights; a maximum 10% of the total nominal value of all issued, unmatured debt securities or money market instruments of an issuer; and no more than 25% of units in circulation of a single target fund or a target subfund of an umbrella fund. The possibilities of exceeding these investment restrictions are represented by exceptions relating to certain issuers, as detailed in ZISDU-3 and its implementing regulations.

The total exposure of each Subfund arising from the use of derivative financial instruments as a portfolio management technique will not exceed 100% of its NAV.

The Subfunds will not invest in related entities of the Management Company, nor in other investment funds managed by the Management Company or its related entities or entities to which the Management Company has outsourced the services of managing the Subfunds' assets. However, they will be able to accept from them a public offering to buy transferable securities according to the law regulating takeovers. All Subfunds of the Umbrella Fund can invest in money market instruments, cash deposits and securities within the framework of their initial offering issued by the Umbrella Fund's depositary or its related entities; however, such placements will not exceed 20% of their assets. The Management Company may, for the account of the Subfunds, accept bids to buy transferable securities from the Depositary and its related entities, and may enter with the latter and its related entities into purchase and sales transactions concerning money market instruments and bonds issued by the Bank of Slovenia or the Republic of Slovenia. All investments in financial instruments issued by the Depositary and its related entities and transactions concluded with them will be made subject to market conditions or conditions more favourable for the Subfunds.

Rules on the maximum and/or minimum permissible shares of specific types of investment do not need to be observed: if the rights to new financial instruments are exercised; due to other corporate actions of the issuer beyond the Management Company's control; for any other reasons beyond the Management Company's control; and in the first six months of a Subfund's operation (following the issuance of the fund management authorisation by the Agency).

All other significant provisions regarding investment restrictions of Subfunds' investments are governed by the applicable provisions of ZISDU-3, the Money Market Funds Regulation, and regulations issued on the basis of ZISDU-3.

1.4. Ancillary liquid assets

The Subfunds may also hold ancillary liquid assets, which are monetary assets that do not serve as a means towards achieving the Subfund's investment objectives but are intended to cover current or exceptional payments; they can also be held for the time needed to reinvest the realised assets and in cases where the Management Company must, due to unfavourable conditions in financial instruments markets, suspend investing the Subfunds' assets in these markets.

The scope of ancillary liquid assets will not exceed 20% of the total asset value of a Subfund.

1.5. Borrowing

For the purpose of adequate liquidity management, the Subfunds may incur debts² but only up to 20% of their asset value. The maturity of a borrowing may not exceed 6 months. The Management Company can pledge its assets for the account of a Subfund as security for the obligation to repay credit, whereby the value of pledged assets may not exceed 10% of its total asset value.

1.6. Portfolio management techniques

As hedging against market risk, the Management Company may apply special portfolio management techniques that include derivative financial instruments traded on the regulated markets referred to in Appendix D. These include options contracts with the right to sell or buy (call and put options) and futures contracts with the obligation to sell at a predetermined future date (short positions in futures contracts), whose underlying may be equity and bond indices, interest rates as well as equities/debt instruments and/or units of open-end investment (index) funds (ETF) traded on the regulated markets referred to in Appendix D.

Using this technique prevents excessive decreases of returns in times of declining values (prices) of financial instruments in the Subfunds' portfolios, whilst on the other hand – owing to direct and indirect costs to be borne by the Subfunds – somewhat decreases their positive returns. The costs of this technique represent the price payable by a Subfund for hedging against an excessive loss in asset value. The technique will not cause any deviation from the Subfunds' investment objectives nor incur significant additional risks on the Subfunds. When using such techniques, the Management Company will at all times comply with the Subfunds' permissible exposures.

Appendix F sets out the Subfunds with respect to which derivatives will be used to hedge against risk.

² The only exceptions are money market funds, which will not borrow.

Chapter 2:

Asset valuation rules

2.1. General valuation rules

The Management Company values units of the Umbrella Fund's Subfunds in accordance with the regulations of the Securities Market Agency and relevant accounting standards.

Financial instruments and monetary assets denominated in a foreign currency are converted to the reference currency of a Subfund at the European Central Bank exchange rate or any other contractually determined exchange rate. The same manner of conversion is used with acquisition and disposal costs of a financial instrument and interest arising from financial instruments.

2.2. Valuation of financial assets or instruments

Cash and cash equivalents

Cash is recognised at its nominal value, or interest is accrued on a daily basis in accordance with the relevant contractual provisions.

Deposits and loans

Interest is accrued on a daily basis in accordance with the applicable contractual provisions.

Shares

Shares (ordinary and preference shares of commercial companies, and shares/units of closed-end investment funds traded on a regulated market) are recognised at their most recently available daily (closing) price in the market in which they were acquired.

Shares which are not traded on a regulated market are recognised at their purchase value, which can also comprise their acquisition costs.

Fixed-rate preference shares not traded on a regulated market are recognised in the same way as bonds not traded on a regulated market.

Units of target funds

Units of target funds traded on a regulated market are recognised in the same way as shares traded on a regulated market.

Units of target funds not traded on a regulated market are recognised according to their most recently available unit value or share book value.

Bonds and convertible bonds

Coupon bonds traded on a regulated market are recognised at their residual nominal value multiplied either by the last closing price in the market where they were acquired and increased by accrued interest, in accordance with the terms and conditions set out by the bond issuer at the time of their issue, or in accordance with the terms and conditions set out by the relevant market operator.

Zero-coupon bonds traded on a regulated market are recognised at their residual nominal value multiplied by the closing price in the market where they were acquired.

Bonds not traded on a regulated market are valued at the purchase value increased by the accrued interest calculated in accordance with the terms and conditions stated by the issuer at their issue.

Money market instruments

Discounted money market instruments (treasury bills, discounted commercial papers, bills etc.) are recognised at their discounted nominal value increased by the accrued interest in accordance with the terms and conditions stated by the issuer at the time of their issue.

Undiscounted money market instruments (undiscounted commercial papers, certificates of deposit etc.) are recognised in the same manner as deposits given.

Options and futures

Options traded on regulated markets are recognised at the value representing the average of the latest available ask and bid prices in the market where they were acquired, whilst futures are recognised at the closing price in the market where they were acquired.

Other derivative financial instruments

Derivative financial instruments acquired by a Subfund independently of the will of the Management Company on the basis of corporate actions of issuers of the underlying financial instruments are recognised at their market price and, where this is not available or not sufficiently reliable, they are recognised at cost.

Valuation of money market funds

Money market funds are subject to special valuation rules pursuant to the Money Market Funds Regulation. Whenever possible, assets are valued by using mark-to-market based on close out prices that are sourced independently. Assets are valued at the more prudent side of bid and offer, unless the asset can be closed out at mid-market. Where use of mark-to-market valuation is not possible or the market data is not of sufficient quality, an asset shall be valued – in accordance with the prudential principle – conservatively at an estimated intrinsic value by using mark-to-model. When using mark-to-model, the amortised cost method may not be used.

Chapter 3:

Risks

Risks connected with investments in the Subfunds of the Umbrella Fund depend on the investment objectives and policies of a Subfund. Investors should therefore select a Subfund or a combination of Subfunds whose total investment risk will be acceptable to him/her. The value of the Subfunds' portfolios can fluctuate in the future. There is a possibility that investors may not recover the entire sum paid into a Subfund.

The operations of the Subfunds of the Umbrella Fund, and hence indirectly or directly investors in the Subfunds, are exposed to many factors and types of risk.

Market risk arises from the potential of a sudden and protracted general decline in prices on capital markets due to the general market and economic situation, and from factors related to the activities of the issuer of the financial instrument in which the Subfund placed its assets.

Currency risk is a consequence of investments whose value or income arising from them is denominated in other currencies than that of the Subfund's unit value. Changes in foreign exchange rates may have a substantial impact on the value of a Subfund's assets expressed in the reference currency.

The risk of investment concentration in narrowly defined sectors, geographical regions or any other narrowly defined investments generally arises from a similar and unidirectional impact of economic factors on issuers in a particular sector, activity, region or market, hence also on the prices of their financial instruments, which is why the influence of these factors on a Subfund's return is greater than that of investment diversification.

Credit risk is the risk that a debtor (a bank or an issuer of a security) will fail to discharge its liabilities to the Subfund in due time and/or in full.

Interest rate risk is the risk that the value of debt financial instruments in a Subfund's portfolio may substantially fluctuate due to changes in interest rates affecting their prices. Due to anti-inflation measures applied by monetary authorities, interest rate risk is usually closely connected to inflation risk.

Risks connected with the use of derivative financial instruments (futures and options) as a portfolio management technique are limited by the amount of assets invested in those instruments. These risks and/or risk factors refer exclusively to those Subfunds whose assets are invested in derivative financial instruments. The sole purpose of purchasing futures and options is to hedge the Subfunds' assets against market risk, meaning that their use should decrease and not increase the risks connected to such Subfunds. Irrespective thereof, derivatives carry similar risks as other financial instruments, in particular credit risk (counterparty risk), market, currency and liquidity risk, and settlement risk.

Inflation risk is the risk that the value of assets will decrease or that their returns will be lower in real terms.

Liquidity risk of investments is the risk that financial instruments in a Subfund's portfolio will be difficult to liquidate in time, or will only be possible to liquidate at lower prices than those at which they are evaluated in the portfolio. Liquidity problems can result from a limited potential to liquidate a financial instrument, or from the illiquidity of the market on which it is traded.

Depositary risk and the risk of other agents (also part of operational risk) is the risk that the Depositary or Sub-depositary of the Umbrella Fund's assets or a stock broker cannot or does

not carry out depositary or brokerage services with appropriate levels of quality, care and diligence, security, speed or scope.

Settlement risk (also part of operational risk) involves the possibility that settlements of cash and financial in the cash account or financial instruments account of a Subfund are not carried out in the foreseen or contractually agreed time limit, which increases the liquidity risk of a Subfund.

Regulatory risk is the risk that regulatory changes in the Republic of Slovenia or countries whose capital markets a Subfund invests in have adverse effects, including higher tax burdens and limitations of international capital flows, which can increase the market and liquidity risk.

The risk of less developed markets and investments in issuers from countries with a higher general likelihood of political, economic, social and religious instability as well as adverse legislative changes is a consequence of the fact that the operations of participants in financial instrument markets or issuers in these markets are not subject to supervision that is equal, in scope and substance, to that of comparable institutions in more developed countries. Some of these markets do not apply the same accounting standards, auditing standards and financial reporting standards as the economies of the European Union.

The risk of investment in other (target funds) is the risk that the manager of the target fund will for longer periods partly or entirely stop redemption from a fund or will completely fail to discharge these liabilities.

The risk of illiquidity of a Subfund (if its investment coupons are excessively or massively redeemed) is the possibility that a Subfund will fail to discharge its liabilities to investors (regarding the redemption of investment coupons) in due time, or in an adequate amount if its investments must be liquidated at lower prices as a consequence of insufficient demand. Both can lead to the suspension of paying out the redemption value of investment coupons and at the same time decrease returns on investments in a Subfund's investment coupons.

Sustainability risk means an environmental, social or governance event or condition that, if it occurs, could cause an actual or a potential material negative impact on the value of the financial instruments invested in by a Subfund. Owing to the lack of clarity of EU legislation, delayed adoption of implementing acts and the (global) non-availability of data enabling accurate assessment of any likely impacts of sustainability risks on Subfund performance, including the sustainability of (potential) investments and appropriate manners of promoting sustainability, the Management Company has not been able to determine the manner and impact of integrating sustainability risks in its investment decision-making in the context of managing the assets of the Subfunds, whilst sustainability aspects are included in its due diligence of investments. Along these lines and on the basis described above, it is deemed – until further notice – that sustainability aspects and risks are not yet systematically integrated in the decision-making process with respect to managing the assets of the Umbrella Fund's Subfunds. The Management Company expects to be able to assess the impact of sustainability on the investment objectives and policies of the Subfunds once the entire set of legislation pertaining to sustainability of financial projects begins to apply in the EU.

Chapter 4:

Reference currency and valuation period

The reference currency of all Subfunds of the Umbrella Fund is the euro.

The net asset value (NAV) and unit value (UV) of the Subfunds are calculated as the balance on the valuation day on the day following the latter. The valuation day is any day except Saturdays, Sundays and statutory public holidays in the Republic of Slovenia.

Chapter 5:

Using a Subfund's net profit or income

All Subfunds of the Umbrella Fund will retain their entire income and net profit, without distributing them to investment coupon holders during the period the latter hold investment coupons. They will only pay them out upon the redemption of an investment coupon.

Chapter 6: Expenses

Details of expenses associated with each Subfund and those borne by holders of their investment coupons are stated in Appendix F.

6.1. Direct fees debiting holders of Subfund investment coupons

Direct fees are those paid directly by holders of Subfund investment coupons when paying for or redeeming an investment coupon.

Subscription fees:

For lump-sum payments into any Subfund of the Umbrella Fund, the Management Company is entitled to a subscription fee of no more than 3% of the investment coupon value.³

Subscription fee for instalment payments into a Subfund:

With instalment payments, the Management Company is entitled to a subscription fee of no more than 30% of the payments effected in the first payment year in accordance with the provisions of the savings scheme. Subscription fees for all subsequent payments into a Subfund will be proportionally lower so that the total subscription fees charged on payments into a Subfund in the entire payment period will not exceed the level of subscription fees levied on lump-sum payments.

Redemption fee:

The Management company is entitled to a redemption fee of no more than 2.5% of the investment coupon value. It can only be charged to investors explicitly agreeing to it by signing a subscription form.

Transfer fee charged for transfers to another Subfund of the Umbrella Fund:

The Management Company does not charge subscription or redemption fees for transfers between the Subfunds.

The only exception is Subfunds where the Management Rules set in advance⁴ that no subscription fees are charged by the Management Company. When such a Subfund is exchanged for a Subfund that charges subscription fees in accordance with the Management Rules,⁵ the Management Company is entitled to charge subscription fees for units with respect to which subscription fees were never paid in the same amount as for lump-sum payments in the Subfund from which assets are transferred. The Management Company charges

³ The subscription fee is not calculated as a percentage of the payments made into a Subfund but as a percentage of the value of the Subfund investment coupon from which the subscription fee is deducted. Example: with a payment of EUR 100 into a Subfund with a 3% subscription fee, the amount of the subscription fee is EUR 2.91, and the value of investment coupon paid in is EUR 97.09.

⁴ This also applies to Subfunds transformed from mutual funds whose Management Rules included such provisions.

⁵ This refers to cases where an investor pays for the investment coupons of a Subfund (i.e. "enters" the Umbrella Fund through a Subfund) for which the Management Company does not charge subscription fees. Here, provisions of the Management Rules referring to subscription fees should be precisely followed rather than just the actually charged subscription fees. If the Management Company, for a specific period and/or a particular distribution channel and/or a particular type of investor, allows or has allowed the exemption of subscription fee payment with respect to a particular Subfund investment coupon (for which it normally charges or has charged subscription fees), subscription fees are deemed to be paid and will not be charged by the Management Company with further transfers.

subscription fees for the transfer of all those units for which subscription fees have not previously been paid.

Investors can obtain information on the actual subscription and redemption fees at any time from persons authorised to market Subfund units.

Administrative costs:

The Management Company is entitled to the reimbursement, by investment coupon holders, of costs arising in connection with:

- the transfer of Subfund investment coupons on the basis of a judicial decision or any other decision or act of a state body and on the basis of legal transactions concluded in the form of notarial deeds, as set out by the Agency in a general act,,
- the registering or erasure of third party rights to investment coupons of a Subfund or receivables arising from investment coupons of a Subfund, or
- the provision of a statement of an investment coupon balance on an investor's request.

6.2. Management and operating costs of the Umbrella Fund

The Umbrella Fund's management and operating costs are all costs arising with regard to the management and operations of the Umbrella Fund that can be covered by the Management Company and the Depositary from the Subfunds' assets.

A. Management fee

The management fee payable to the Management Company is fixed as a percentage of the average annual net asset value of a Subfund of the Umbrella Fund. It is calculated and charged for each valuation day in a calendar year in relation to the net asset value of a Subfund on the valuation day, i.e. in a proportion equal to the proportionate part of the annual management fee. It is paid from the Subfund assets in the same time span.

The management fee levels applicable to the individual Subfunds are listed in Appendix F.

B. Other costs that can be levied on the Subfunds' assets on the basis of providing Umbrella Fund management services

The Management Company is entitled to issue an order to also cover other operating costs from a Subfund's assets, including: costs associated with the acquisition and disposal of a Subfund's portfolio, such as brokerage fees and charges, fees charged by managers of regulated markets and multilateral trading facilities, managers of settlement systems and clearing houses, fees and charges of intermediaries in derivatives transactions on regulated markets and the safekeeping thereof, costs connected with entering regulated markets and the proportional share of fees and other costs of consultancy companies connected with joint operation of the Management Company with other sellers when selling a Subfund's assets in order to execute a transaction for the account of the Subfund on more favourable terms; costs of payment transactions; costs of auditing the Umbrella Fund's annual report and costs of external experts connected with the preparation and auditing of annual reports; costs of notifications to a Subfund's investment coupon holders according to the applicable provisions of ZISDU-3 and its implementing regulations; costs of exercising rights arising from financial instruments owned by a Subfund for the account of the Subfund; costs connected with potential claims and objections for the account of a Subfund in all legal proceedings and proceedings before state bodies relating to a Subfund's rights, obligations or assets, including proceedings

against the Depositary should its conduct cause damage to a Subfund; costs arising from taxes and other duties on a Subfund's assets and trading in a Subfund's assets; interest and other costs of loans taken in accordance with ZISDU-3 by the Management Company for the account of a Subfund; costs relating to the distribution of a Subfund's net profit/income; and any other fund costs permitted under the applicable legislation.

C. Depositary fee

The maximum fee for depositary services excluding the safekeeping of the Subfunds' assets to which the Depositary is entitled will amount to 0.045% of the average annual NAV of a Subfund. Such depositary fee may be reduced if the NAV volume of all the Umbrella Fund's Subfunds increases and with respect to certain Subfund categories.

The maximum fee for the safekeeping services provided by the Depositary with respect to the Subfunds' assets will amount to 0.45% of the value of a financial instrument kept in custody.

The maximum amount charged for registering and executing orders in connection with a Subfund's asset held in custody will amount to EUR 120 per transaction.

The Management Company will pay the fees and charges within the deadlines set in the statements issued by the Depositary. The Depositary will issue statements of fees, charges and other compensations on a monthly basis.

D. Other costs imposed on the assets of Subfunds with regard to performing depositary services for the Umbrella Fund

The Depositary may also use a Subfund's assets to pay for its own costs relating to any proceedings connected with the Management Company's liability for damages or the subject of which are any rights, liabilities or assets of one or more Subfunds.

The Depositary also charges the Subfunds for the costs of services that are generally charged on the basis of the local laws and practices by sub-depositaries and are not directly comprised in the services of recording and executing orders for transactions with and the safekeeping of the Subfunds' assets (e.g. international payment transaction costs, negative interest, reporting within the SWIFT system, local duties, etc.).

E. Allocation of costs between the Umbrella Fund and the Subfunds

The management fee and the depositary fee will directly burden the assets of those Subfunds that they refer to, as described under items A and C of this chapter. The same applies to other costs that may burden Subfund assets with regard to performing the services of Subfund management and depositary services for the Umbrella Fund. By way of exception, urgent external circumstances or an economy of scale and a consequential decrease of costs for all participating Subfunds (e.g. costs incurred on the concurrent entering of several Subfunds to regulated markets; costs related to procedures in which several Subfunds participate etc.) can lead to the allocation of costs to those Subfunds they refer to, using a key that ensures the appropriate burdening of individual Subfunds (e.g. the same ratio would be used for all participating Subfunds in the case of entering individual markets; or in proportion to the assets held by a Subfund in case of taking part in the procedure; or in proportion to the net asset value of a participating Subfund with expenses charged by service providers as a total sum based on the total asset value of several Subfunds etc.).

6.3. Ongoing charges

The most recent data about ongoing charges are given in Appendix G. A chronological overview of the data relating to ongoing charges calculated and published so far is accessible at the Management Company's website.

Chapter 7: Taxation

Note: The following text does not describe all cases of taxes levied on taxable persons. Investors should be aware that the actual level of taxation resulting from the holding of investment coupons, the disbursement of an investment coupon redemption value, or any other facts related to the holding of investment coupons depends on the tax situation of each individual holder. If investors are unsure about taxes arising from their investments in a subfund, they should consult an expert!

7.1. Taxation of the Umbrella Fund

The Umbrella Fund and the Subfunds are not liable for corporate income tax as they are not legal entities.

7.2. Taxation of investors that are resident legal entities

Corporate income tax is governed by the Corporate Income Tax Act (ZDDPO-2). The tax rate on taxable profit stands at 19%.

All investors falling in the category of resident legal entities are obliged to determine their taxable profit on the basis of income and expenses recognised in accordance with the applicable laws and accounting standards, while also taking into account the special provisions of ZDDPO-2. The latter refer in particular to changes in accounting policies, error corrections and revaluation.

7.3. Taxation of investors that are resident natural persons

7.3.1. Taxation in the event of the realisation or sale of an investment coupon, or the winding up of a Subfund

In accordance with Article 93 of the Personal Income Tax Act (ZDoh-2), an investment coupon of a subfund is considered as capital; in the case of the disposal (or realisation or sale) of an investment coupon or the winding up of a subfund, the investor is subject to tax under the rules on capital gains set out in ZDoh-2.

According to Article 94 of ZDoh-2, the realisation or sale of an investment coupon of a subfund and the payment of a proportionate share of the liquidation estate is deemed to be the taxable disposal of an investment coupon.

In accordance with Article 95 of ZDoh-2, a non-taxable disposal of an investment coupon includes, but is not limited to:

- the transfer of a deceased person's capital to an heir, legatee or any other person who replaces them under regulations governing inheritance, or any other person who has a claim on a deceased's estate following the death of a natural person; and;
- the transfer of capital in the process of the forced collection of mandatory duties in accordance with the law.

Exemption from the payment of personal income tax on the disposal of investment coupons according to Article 528 of ZISDU-3 applies to holders that acquired investment coupons:

- through the exchange of investment coupons of an existing mutual fund for those of a subfund in the process of forming an umbrella fund from existing mutual funds;
- through the exchange of investment coupons of an existing subfund of the umbrella fund in the process of including the subfunds of the umbrella fund into another umbrella fund of the same management company,

if the exchanged investment coupons of an existing mutual fund or subfund were originally acquired through the exchange of shares of an authorised investment company or an investment company emerging from an authorised investment company in the process of the compulsory transformation thereof into a mutual fund, or in the process of the compulsory division of some of this company's assets into a mutual fund, on the condition that the holder acquired the shares of an authorised investment company in accordance with the rules governing the ownership transformation of companies.

The tax base for determining the amount of tax is the difference between the investment coupon value at disposal and the investment coupon value at acquisition.

Since 1 January 2020 inclusive, the value of an investment coupon at acquisition is deemed to be the amount of payment into a subfund less the subscription fee (i.e. the number of units multiplied by the unit value). In cases of inheritance, the purchase value of an investment coupon is increased by the amount of tax payable on inheritance and gifts, if any.

The investment coupon value at disposal equals the value calculated by multiplying the number of units held and the value of one unit at redemption.

Where the difference between the investment coupon value at disposal and the investment coupon value at acquisition is positive, the tax base is deemed to be such difference, reduced by standard deduction for expenses related to the acquisition and disposal of investment coupons. Standard deduction for expenses related to the acquisition and disposal of investment coupons is recognised at up to a rate not exceeding the lesser of:

- the sum of 1% of the investment coupon purchase value and 1% of the investment coupon value at disposal, or
- the positive difference between the investment coupon value at disposal and the investment coupon value at acquisition.

Personal income tax at a rate of 27.5% is calculated and payable on the tax base. The income tax rate is reduced for every five years of holding investment coupons, amounting to:

- 20% upon the completion of a holding period of 5 years,
- 15% upon the completion of a holding period of 10 years,
- 10% upon the completion of a holding period of 15 years.

After a holding period of 20 years, the investor is exempt from income tax on capital gains.

For investors who acquired subfund investment coupons by exchanging the investment coupons of a mutual fund acquired prior to 1 January 2003, the investment coupon purchase value is deemed to be the value as at 1 January 2006.

If the investor acquired the investment coupon prior to the euro change-over, the value of an investment coupon at acquisition will be translated into euros at the mean exchange rate of

the Bank of Slovenia effective on the investment coupon acquisition day, or on 1 January 2006 if the value as at this day is considered to be the investment coupon purchase value.

Investment coupons of a Subfund are managed according to the First In First Out method (FIFO) whereby the investment coupon value at acquisition is considered to be the value of the investment certificate acquired first.

The investment coupons of a subfund acquired through the exchange of the investment coupons of a mutual fund emerging from the exchange of shares of an authorised investment company in the process of the compulsory transformation thereof into a mutual fund, or in the process of the compulsory division of some of this company's assets into a mutual fund, on the condition that the holder acquired the shares of an authorised investment company in accordance with the rules governing the ownership transformation of companies, are deemed to have been acquired:

- on the day of establishment of an umbrella fund, if the latter was established through the merger of existing mutual funds;
- on the day of establishment of a subfund of an existing umbrella fund, if an existing mutual fund is transformed into a subfund of an existing umbrella fund;
- on the day of merger of mutual funds, if assets of the mutual funds or the subfunds of an umbrella fund were transferred to a newly established or existing subfund of the umbrella fund;
- on the day of transfer of subfunds, if the subfunds of an umbrella fund were transferred to another umbrella fund of the same management company.

The income tax on capital gains is assessed by the tax authorities in a decision based on the tax return submitted by the taxpayer no later than 28 February for the preceding year, in which all disposals of capital carried out within the year (except immovable property) are declared. Income so declared includes capital gains or capital loss realised in the fiscal year; in the latter case, losses arising from the disposal of capital are not recognised if the taxpayer acquired substitution capital identical in terms of its substance within 30 days prior to or following the disposal. Losses are also not recognised if the disposed capital was acquired by a taxpayer's related person.

The tax authorities will issue a decision on the assessment of income tax on capital gains by 30 April of the current year for the preceding year. The assessment of personal income tax on capital gains is final.

7.3.2. Taxation of Subfund transfers within the same Umbrella Fund

Where a subfund investment coupon is exchanged for that of another subfund within the same umbrella fund, the determination of tax liability is suspended. Where an investment coupon is realised in order to settle the transfer fee, a tax liability does not occur.

Where the determination of tax is suspended, tax will only be assessed with the next taxable disposal of investment coupons, whereby:

- the time of investment coupon acquisition is deemed to be the day the exchanged investment coupons were acquired as established under the rules of ZDoh-2; and
- the purchase value is the purchase value of the first exchanged investment coupons, established in accordance with ZDoh-2.

For taxpayers subject to an exemption from the payment of income tax on exchanged investment coupons pursuant to Article 528 of ZISDU-3, the exemption also applies to investment coupons acquired in the process of coupon exchange in the framework of a transfer between subfunds of the same umbrella fund.

Where data from the second paragraph of this subpoint are not available to the management company, the latter must, in the event of the exchange or realisation of such investment coupons, request the holder to provide evidence on the actual time of the acquisition as well as the purchase value and method of acquisition of the first investment coupon.

The suspension of tax determination should be notified to the Financial Administration of the Republic of Slovenia by the management company managing the umbrella fund. The management company must inform taxable persons in writing about the suspension of determining tax liability within 15 days of the exchange of investment coupons.

7.3.3. Taxation in the event of a Subfund merger, establishment of an umbrella fund from existing mutual funds, and the inclusion of Subfunds of an existing umbrella fund in another umbrella fund of the same management company

Where investment coupons of a transferring subfund are exchanged for those of a transferee subfund within the framework of a merger of subfunds, the taxable person may have the determination of their tax liability suspended.

The suspension of a tax liability determination can also be exercised when investment coupons of existing mutual funds are exchanged for those of the subfunds of an umbrella fund within the framework of establishing an umbrella fund from existing mutual funds, and when the investment coupons of a subfund of the umbrella fund are exchanged for investment coupons of the subfunds of another umbrella fund within the framework of inclusion of the subfunds into another umbrella fund of the same management company.

Where the determination of tax is suspended, tax will only be assessed with the next taxable disposal of investment coupons, whereby:

- the time of investment coupon acquisition is deemed to be the day the exchanged investment coupons were acquired as established under the rules of ZDoh-2; and
- the purchase value is the purchase value of the exchanged investment coupons, established in accordance with ZDoh-2.

For taxpayers subject to an exemption from the payment of income tax on exchanged investment coupons pursuant to Article 528 of ZISDU-3, the exemption also applies to investment coupons acquired in the process of a coupon exchange in the framework of a merger of subfunds, the establishment of an umbrella fund from existing mutual funds, and the inclusion of the subfunds of the umbrella fund in another umbrella fund of the same management company.

Where data from the second paragraph of this subpoint are not available to the management company, the latter must, in the event of the exchange of such investment coupons, request the holder to provide evidence on the actual time of the acquisition as well as the purchase value and method of acquisition of the investment coupon.

The suspension of tax liability determination should be notified to the Financial Administration of Slovenia by the management company, which should inform taxable persons thereof within 15 days and provide them with all the information required to determine their tax liabilities.

7.4. Investors that are non-resident legal entities or natural persons

Non-resident natural persons are not liable to pay personal income tax on capital gains arising from the disposal of investment coupons.

With regard to taxes levied on an investment in subfund investment coupons, non-resident natural persons must comply with special provisions (for residents and non-residents) of the Personal Income Tax Act (Zdoh-2) as well as tax regulations applicable to them in other countries where they are taxable persons (generally the countries of their residence).

Investors that are non-resident legal entities must comply with the tax regulations applicable to them in the other countries where they are taxable persons. In the case of investors that are non-resident legal persons and invest in the investment coupons of subfunds through their business units in Slovenia, the latter are subject to the same rules as for resident legal entities (item 7.2.).

In accordance with Article 255.b of the Tax Procedure Act, the Management Company shall perform due diligence procedures for the purpose of identifying accounts of non-residents, collect information on such accounts, and report it annually to the competent authority. Non-resident investors are obliged to disclose to the Management Company any data enabling the latter to identify an investor's residence for tax purposes. Information on investors and their accounts are reported annually to the Financial Administration of the Republic of Slovenia and exchanged with the competent authority of the member state of their residence for tax purposes, in accordance with the Standard for Automatic Exchange of Financial Account Information in Tax Matters.

Chapter 8: **Financial year**

The Umbrella Fund's financial year equals the calendar year.

Chapter 9:

Information for the public and holders of investment coupons

9.1. Publication of unit values of the Subfunds

The Management Company publishes Subfund unit values (UV) on its website no later than the business day following the valuation day, and in some daily newspapers with a high circulation no later than in their next regular edition on the day following publication in the electronic media.

9.2. Publication of monthly business reports for the Subfunds

Monthly business reports for the Subfunds are published on the Management Company's website no later than the 15th day of a month according to the situation as at the end of the preceding month.

9.3. Publication of weekly reports with information on money market funds

Reports with special information which are in accordance with the Money Markets Funds Regulation published for each money market (sub)fund are released by the Management Company weekly on its website.

9.4. Publication of information on legal and business events

Information on legal and business events associated with the Umbrella Fund, a Subfund or the Management Company that could significantly affect the Subfunds' operations is published by the Management Company on its website www.generali-investments.si under the heading "Public notices" (Slovenian: "Javne objave"). Information on events that could significantly affect the unit value of a Subfund and events with respect to which information must also be published in a newspaper is announced by the Management Company in the daily newspaper Dnevnik.

Where investment coupon holders are informed about legal and business events associated with the Umbrella Fund, a Subfund or the Management Company directly, announcement in the daily newspaper Dnevnik is not required, except where otherwise regulated by the law (e.g. in the event of liquidation).

9.5. Direct communication with investment coupon holders

The Management Company communicates directly with holders of Subfund investment coupons by sending them, to the addresses specified by them:

- notices in printed format by regular mail, or
- notices in electronic format by electronic mail.

An investor agrees on the electronic method of data exchange with the Management Company by notifying the latter of his/her e-mail address to be used for this purpose.

Chapter 10:

Investment coupons and their payment and redemption

The assets of the Umbrella Fund's Subfunds are divided into units.

10.1. Investment coupons

The Management Company issues Subfund investment coupons referring to one or several units, or parts of units, but not less than one unit.⁶

The investment coupons of the Umbrella Fund's Subfunds give their holders the right to:

- request the Management Company to redeem the units of the Subfund in respect of which an investment coupon is issued; and
- be paid a proportionate part of the liquidation estate in case a Subfund is wound-up.

A Subfund investment coupon should contain the following key elements, which are also recorded in the register of investment coupon holders maintained for each Subfund by the Management Company:

- an indication that the document is a Subfund investment coupon;
- the name of the Umbrella Fund and the Subfund;
- the name, registered office and registration number of the Management Company that issued the investment coupon;
- the name and registered office, or the name and surname of the person to whom the investment coupon refers, and an indication that the instrument is (non)-transferable;
- the number of units of the Subfund to which the investment coupon refers;
- the obligations of the Management Company and the rights of the investment coupon holder;
- the serial number;
- the place and date of issue; and
- the signature or signature stamp of the Management Company's board members.

A Subfund investment coupon is a registered security issued as a written instrument that cannot be transferred to another person (i.e. it is non-transferable).

The Management Company may exceptionally transfer a non-transferrable Subfund investment coupon to another investor. This can only be carried out on the basis of a judicial decision or any other decision or act of a state body, and on the basis of legal transactions concluded in the form of notarial deeds, as set out by the Agency in a general act.

⁶ Where the unit value of a Subfund grows, the Management Company reserves the right to change its denomination to a lower value (and appropriately increase the number of units). Investors will be informed in advance about the time and manner of such denomination.

10.2. Payment for and redemption of investment coupons

10.2.1. Payment for investment coupons

Subfund investment coupons can only be paid for in cash. The purchase value of an investment coupon equals the number of units multiplied by the unit value (UV) of a Subfund increased by the subscription fees to which the Management Company is entitled.

An investor becomes the holder of investment coupons of one or several Subfunds by agreeing to the Umbrella Fund Management Rules at the Management Company subscription offices, which he/she does by signing a duly and fully completed subscription form, and paying the purchase value of an investment coupon to the cash account of the relevant Subfund or a special cash account of the Umbrella Fund.

The Management Company reserves the right to reject contributions or restrict subscriptions or any other transactions by investors for the purpose of exercising procedures set out in regulations, especially those pertaining to money laundering and terrorist financing prevention, personal data protection and taxation and for the purpose of protecting the interests of the other investors, based on its own risk assessment.

The Management Company reserves the right to close inactive subscription forms that hold no assets, thus disabling the making of new payments on the basis thereof; in case the relevant investor wishes to invest in one or more Subfunds, they must re-subscribe to the Management Rules.

Subscription to the Umbrella Fund Management Rules is also possible with electronic identification means.

Before logging in to the Management Company's web application for the first time, the investor must complete the registration process. He/she can later log in with electronic identification means, and a username and personal password created by him/herself. In the subscription process, the investor submits to the Management Company all the details necessary to complete the subscription form and, in the end, electronically records the form and all other related documents. For a successful online subscription, the investor must submit several other supporting documents or photocopies of them to the Management Company.

The web application is accessible at the Management Company's website, along with all user instructions and the General Terms and Conditions.

As the investor agrees to the Umbrella Fund Management Rules with electronic identification means without his/her actual presence, the Management Company must adopt measures to ensure that the first payment into a Subfund is effected from the investor's bank account indicated in the subscription form. In order to comply with the rules on money laundering and terrorist financing prevention, the Management Company can subsequently and in certain cases obtain from the party issuing electronic identification means and from the certification service provider details on the manner of verifying the investor's identity.

Investors who are natural persons older than 18 years may also agree to the Management Rules with video-electronic identification means, subject to the investor's explicit consent to the entire process and specific consent to the production and retention of an audio recording of the entire process, as well as the production and retention of a screenshot with the customer's image and the image of his/her official personal identification document. Video electronic identification can proceed solely on the basis of an official personal document with a biometric image, whilst the investor's place of permanent residence must be within member states or third countries with efficient systems of preventing and detecting money laundering

and terrorist financing. As the investor agrees to the Umbrella Fund Management Rules with electronic identification means without his/her actual presence, the Management Company must adopt measures to ensure that the first payment into a Subfund is effected from the investor's bank account stated in the subscription form. Where a single transaction exceeds EUR 15,000, the Management Company is obliged to determine and verify the investor's identity in his/her physical presence. The process is described at www.generali-investments.si.

As the investor agrees to the Umbrella Fund Management Rules through a qualified digital certificate without his/her actual presence, the Management Company must adopt measures to ensure that the first payment into a Subfund is effected from the investor's bank account stated in the subscription form. In order to comply with the rules on money laundering and preventing terrorist financing, the Management Company can subsequently and in certain cases obtain from the registered certification authority data on the manner of verifying the investor's identity.

Upon the first and all subsequent payments, the investor will pay the relevant amount into the transaction account of a selected Subfund or a specific money account open with the Umbrella Fund's Depository. A reference number must be indicated in the payment transfer order. The Management Company will not accept incorrectly effected payments.

An investor's payment that arrives in a Subfund's transaction account by 0:01 hours (the cut-off time) on valuation day T will be considered by the Management Company for the purpose of calculating the purchase value of an investment coupon at the unit value on that valuation day T, which will be made available to the public at the Management Company's website no later than the following business day T+1. For an investor's payment arriving in the Subfund's transaction account after 0:01 hours (the cut-off time) on day T, the calculation of the purchase value will be based on the unit value as at the valuation day, which will be published on the Management Company's website no later than the business day T+2.

The exact time of the inflow of an investor's funds into a Subfund's transaction account is determined on the basis of a statement of payments forwarded by the Depository that maintains the Subfund's account. The Management Company will no later than five business days after the end of the valuation day on which payment arrived in the account send to the investment coupon holder a certificate on the issue of the investment coupon, together with an itemised statement of payment and a statement of balance on his/her account, which is kept in the records of investment coupon holders.

An investor can decide to make a lump-sum payment or instalment payments (savings scheme) into the Subfunds of the Umbrella Fund. With the instalment payments option agreed on in advance, the investor has the possibility to pay lower rate subscription fees with respect to total payments made within the entire savings period than in the case of paying the same amount by way of a lump-sum payment. In the case of instalment payments, the Management Company can send an investor a certificate on the issue of investment coupons only every six months. The minimum agreed instalments are specified on its website. An investor can maintain a number of separate active savings schemes within the same Subfund.

When investors subscribe to its Subfunds and pay in contributions, the Management Company must comply with the procedures set out in the regulations on money laundering and terrorist financing prevention as well as tax regulations. The Management Company can stop business cooperation with an investor if this is prescribed by the law, or if the investor does not become or ceases to be an investment coupon holder within a period of seven years from the signing of the subscription form or the last payment made, or if this is requested in writing by an investor who is no longer an investment coupon holder.

By subscribing to the Management Rules, an investor agrees that his/her personal and other data may be used for purposes connected with the holding of investment coupons.

A more detailed description of the procedures and terms and conditions for subscribing to the Umbrella Fund Management Rules, changing personal details in the records of investment coupon holders, the methods of payment, as well as other related information is available at all subscription offices and on the website of the Management Company.

10.2.2. Suspension of payments into Subfunds

In exceptional cases and when required by special circumstances, the Management Company or the Depositary can suspend payments into some or all Subfunds of the Umbrella Fund.

The Management Company can undertake this in particular:

- with the extremely high volatility of capital markets (extensive and fast falls or growth in the prices of single or several financial instruments), which prevents the reliable and credible valuation of financial instruments in a Subfund's portfolio;
- if there is a standstill in the transferability, liquidity and realisation of financial instruments, and if other problems exist in specific capital markets to which the Subfund should invest in accordance with its investment policy;
- upon the occurrence of a reason for the beginning of a winding-up procedure of a Subfund;
- in the event of a planned transfer, merger or other transformation of a Subfund,
- in the event of insurmountable technical problems in the Management Company, the Depositary of the Umbrella Fund's assets, or the Global Depositary or Sub-depositaries.

The Depositary of a Subfund's assets can undertake this in particular:

- if unforeseeable technical problems occur with the Depositary of the Umbrella Fund's assets, or the Global Depositary or Sub-depositaries;
- if an unforeseeable standstill occurs with the paper or cash settlement of financial instruments in the markets of safekeeping of financial instruments,
- if unforeseeable financial problems arise in the Republic of Slovenia.

The Management Company will inform investment coupon holders and the public about any suspension of payments into the Subfunds by way of an announcement on its website as soon as practicable but no later than the day of payment suspension.

10.2.3. Redemption of investment coupons

An investment coupon holder can at any time request that the Subfund redeem (either fully or partially) his/her investment coupons at their redemption value, which equals the number of units multiplied by the unit value of a Subfund less the redemption fee, and to pay the redemption value to the holder's transaction account.

An investor can only request redemption by duly and fully completing and signing a prescribed redemption request form, which is available at all subscription offices and on the website of

the Management Company. The request can be delivered in person at the subscription offices or via the online application using electronic identification means. The subscription offices with access to the system supporting the direct inputting of transfer requests are specifically indicated on the Management Company's website. Those subscription offices without this access should forward redemption requests to the Management Company by fax, e-mail or regular mail, on an investor's request.

A redemption request is deemed delivered at the time of the day it arrives at the Management Company's head office, whether submitted directly by the investor or by a subscription office.

On the basis of an investor's redemption request received by 0:01 hours (the cut-off time) on valuation day T, the Management Company will calculate the redemption value of an investment coupon on the basis of the unit value as at valuation day T, which will be available on the Management Company's website no later than the next business day T+1. With respect to a redemption request received after 0:01 hours (the cut-off time) on valuation day T, the redemption value will be calculated on the basis of the unit value as at valuation day T+1, which is to be published on the Management Company's website no later than the business day T+2.

The Management Company records the exact time and sequence of receiving redemption requests in its records of received redemption requests. In accordance with the relevant regulations, redemption payments are effected according to the sequence of duly and fully completed redemption requests received. The Management Company issues a redemption order no later than seven business days following the end of the valuation day on which it received a duly and fully completed redemption request and sends the investor in the same period a notice of redemption, together with an itemised statement of redemption and statement of balance on his/her account as kept in the record of investment coupon holders.

If the Management Company has to wait for a period of more than seven days for an inflow from the sale of assets, it can pay the redemption value on the business day following the day of receiving the inflow at the latest.

The Management Company reserves the right to redeem units acquired in contravention of the restrictions set out in paragraph 3 of item 10.2.1.

When redeeming investment coupons, the Management Company must comply with the procedures set out in the regulations on the prevention of money laundering and terrorist financing as well as tax regulations. For the sake of investor security and applicable rules governing the redemption of Subfund investment coupons, the Management Company adheres to the rules which are available in a more detailed format at its subscription offices and the website. Investors can find all other detailed information referring to investment coupon requests, such as the conditions of making redemption payments to juvenile investment coupon holders, conditions for instalment payments of redemption amounts and details on the website and at the subscription offices.

10.2.4. Suspension of investment coupon redemption

In exceptional cases and when required by special circumstances due to the protection and interests of investment coupon holders, the Management Company can suspend the redemption of Subfund investment coupons. Such suspension is only possible in the circumstances and under the conditions set out in a decision issued by the Agency, regulating the temporary suspension of investment coupon redemption or the introduction of partial investment coupon redemption.

The temporary suspension of redemption of Subfund investment coupons can be ordered by the Agency when it deems this to be in the interest of investment coupon holders or the public, and in cases specified in ZISDU-3 it can also be introduced by the Depository of the Umbrella Fund's assets.

10.2.5. Partial investment coupon redemption

The Management Company does not provide for partial redemption of investment coupons.

10.2.6. Concurrent payments for and redemptions of investment coupons

If an investment coupon holder requests the Management Company to pay the redemption value of a Subfund investment coupon and this is followed by payment for the investment coupon of another Subfund of the Generali Umbrella Fund, the redemption request and the payment request are addressed concurrently.

An investor can only request such transfer by duly and fully completing and signing a prescribed transfer form, which is available at all subscription offices and on the website of the Management Company. The request can be delivered in person at the subscription offices, via the online application using electronic identification means or via a mobile application.⁷ Those subscription offices with access to the system supporting the direct inputting of transfer requests are specifically indicated on the Management Company's website. The subscription offices without this access should forward transfer requests to the Management Company by fax, e-mail or regular mail, on an investor's request.

A transfer request is deemed delivered at the time of the day it arrives at the Management Company's head office, whether submitted directly by the investor or by a subscription office.

On the basis of an investor's transfer request received by 0:01 hours (the cut-off time) on valuation day T, the Management Company will calculate the redemption and purchase values of an investment coupon on the basis of the unit value as at valuation day T, which will be available on the Management Company's website no later than the next business day T+1. With respect to a transfer request received after 0:01 hours (the cut-off time) on valuation day T, the redemption and purchase values will be calculated on the basis of the unit value as at valuation day T+1, which is to be published on the Management Company's website no later than the business day T+2.

The Management Company records the exact time and sequence of receiving transfer requests in its records of received transfer requests. In compliance with the relevant regulations, transfers are effected according to the sequence of duly completed transfer requests received. The Management Company issues a transfer order no later than seven business days following the end of the valuation day on which it received a duly and fully completed transfer request and sends the investor in the same period a notice of transfer, together with a statement of redemption and payment as well as a statement of balance of his/her account as kept in the record of investment coupon holders.

A more detailed description of how the transfer of assets between Subfunds is accounted for is available at the Management Company subscription offices and the website.

⁷ The option to submit a transfer request via a mobile application will be available in 2019 at the latest.

10.2.7. Errors in calculation of the net asset value

An error in the calculation of the net asset value (NAV) of a Subfund is deemed to have occurred if:

- the difference between the correct NAV and the wrong NAV of a Subfund in the category of money market funds represents more than 0.25% of the correct NAV;
- the difference between the correct NAV and the wrong NAV of a Subfund in the category of bond funds represents more than 0.5% of the correct NAV;
- the difference between the correct NAV and the wrong NAV of a Subfund in the category of equity funds represents more than 1% of the correct NAV;
- the difference between the correct NAV and the wrong NAV of a Subfund in other fund categories represents more than 0.5% of the correct NAV.

If the NAV is too high due to an error in the NAV calculation, the following applies:

- the Management Company accounts additional units for the holders who paid for the investments coupons based on a NAV calculation that was too high, and sends them a new notice of payments accounted for;
- the Management Company transfers to the Subfund the difference in cash if the redemption value received by the holders of the investment coupons upon exiting from a Subfund was too high.

If the NAV is too low due to an error in the NAV calculation, the following applies:

- where the NAV representing the basis for redemption value calculation was too low, the Management Company transfers to the relevant holders the difference in cash according to the correctly calculated NAV and sends them a new notice of payment;
- where holders paid for investment coupons based on an NAV that was too low, the Management Board sends them a new notice of payment.

The Management Company acts by analogy also in cases where the NAV is incorrectly calculated due to an incorrect number of a Subfund's units in circulation or a calculation error.

The Management Company transfers the funds required to rectify errors within 5 working days of the day when the correct NAV is calculated. Amounts below EUR 2 will not be transferred, in which case investors will not be notified.

The expenses arising in connection with the rectification of NAV calculation errors do not burden the Subfunds' assets.

10.3. Trading in investment coupons

Investment coupons of the Umbrella Fund Subfunds are not traded on a regulated market.

Chapter 11:

Other provisions governing the Umbrella Fund and the Subfunds

11.1. Duration of the Subfunds

All Subfunds of the Umbrella Fund are established for an indefinite period.

11.2. The transfer of management

The Management Company that manages the Umbrella Fund (the transferor company) may transfer the management of the entire Umbrella Fund or an individual Subfund to another management company (transferee company)

Where the management company's authorisation to perform the services of investment fund management is withdrawn by the Agency in a finally binding decision, or when a bankruptcy procedure or a compulsory liquidation procedure is initiated, the forced transfer of the Umbrella Fund's management to another management company is effected.

The transfer or forced transfer of the Umbrella Fund's management to another management company is defined in the provisions of ZISDU-3.

Payments for and redemptions of investment coupons are stopped upon the transfer.

11.3. Inclusion of the Subfunds of the Umbrella Fund in another umbrella fund

If the Management Company managed two or more Umbrella Funds, the Subfunds of one Umbrella Fund could be included in the other Umbrella Fund. If all Subfunds of an Umbrella Fund were the subject of inclusion in another Umbrella Fund, the latter would cease to exist following the transfer of the Subfunds into another Umbrella Fund without a special liquidation procedure. Before separating Subfunds from an Umbrella Fund and including them in another Umbrella Fund, the Management Company must obtain the Agency's authorisation.

11.4. Replacement of the Depositary

The Management Company can replace the Umbrella Fund Depositary by terminating the Depositary Contract concluded with the existing Depositary and replacing it with another. In order to sign a contract with a new Depositary, the company needs the approval of the Agency. When the new contract is enforced, the old Depositary service contract ceases to apply.

The Management Company can replace the Depositary of the Umbrella Fund if:

- the Depositary is temporarily or permanently unable to perform any of its depositary services due to technical reasons, the withdrawal of the authorisation to perform depositary services, the beginning of a bankruptcy or compulsory settlement procedure, or any other insurmountable obstacles in its operations;
- the Depositary performs depositary services under non-competitive conditions;
- the Depositary performs prohibited transactions or acquires impermissible assets under Article 171 of ZISDU-3;
- it is established within a supervision procedure that the Depositary does not perform depositary services in compliance with the rules of its profession (professional due

diligence) or regulations or in accordance with the provisions of the depositary services agreement;

- the Depositary abuses internal information;
- the Depositary causes damage to a Subfund's assets; or
- the Depositary terminates the depositary services agreement.

11.5. Merger of the Subfunds

11.5.1. Conditions for the merger of the Subfunds and consequences for investment coupon holders

The Management Company or several management companies may merge two or several Subfunds of the same Umbrella Fund or several Umbrella Funds managed by it/them, by acquisition or consolidation. A merger by acquisition is carried out by transferring all assets of one or several Subfunds (the transferring fund) to another existing Subfund (the transferee fund). In a merger by consolidation, a new Subfund is established (the transferee fund) to which all assets of two or more Subfunds are transferred (the transferee fund). After the merger, the transferring fund ceases to exist without a liquidation procedure, and all its assets, rights and obligations are transferred to the transferee fund. After the merger procedure, investment coupon holders shall receive investment coupons of the transferee funds at the conversion rate determined by the Management Company or management companies in accordance with ZISDU-1 and the applicable implementing regulations. If in the conversion of investment coupons of the transferring fund for transferable investment coupons of the transferee fund a coupon holder is not eligible for a whole number of the transferee fund's investment coupons, the management company of the transferee fund can pay such a holder in cash the value of units affected by the partial right.

A merger of Subfunds is only permissible if the financial situation of holders of investment coupons of the merging Subfunds does not deteriorate after the merger. After the merger and taking into account any cash payment made to investment coupon holders, the NAV of the transferring fund must equal at least the sum of the NAVs of the transferring fund and the transferee fund before the procedure, and the total value of all investment coupons of the transferee fund that a person holds after the merger procedure must equal at least the total value of all investment coupons of the transferring fund held by the same person before the procedure. The process of merging Subfunds is subject to a preliminary review of the Depositary and the auditing company. The merger authorisation is issued by the Agency. Costs arising from the merger are borne by the management companies that manage the Subfunds of the Umbrella Funds involved in the merger.

11.5.2. The rights of investment coupon holders

Each investment coupon holder of any Subfund involved in the merger has the right to request from the Management Company:

- a copy of the auditor's report on the merger, which the Management Company must send free of charge no later than the next business day following receipt of the relevant written request; an electronic version can be sent; and
- the redemption of his/her investment coupons, with respect to which the Management Company may not charge redemption fees, or

- the conversion of these investment coupons for those of another Subfund with a similar investment policy managed by the same management company or by a management company that is either in close relation to the management company managing the Umbrella Fund comprising this Subfund or is related to companies associated through joint management.

Investment coupon holders have the right to request the redemption of their investment coupons in accordance with the terms of this chapter in the period from receipt of the notice of the merger up to the beginning of payments into and redemptions from the transferring and transferee funds.

11.6. Liquidation

A Subfund is liquidated:

- if its net asset value does not reach EUR 100,000 within four months of the day the Management Company received the Agency's decision on the authorisation to manage the Subfund;
- if its net asset value drops below EUR 100,000 and does not return to EUR 100,000 in the next 30 days; or
- on the basis of a resolution adopted by the Management Company.

The Management Company can decide to initiate a liquidation procedure if it assesses this to be in the interest of investors in a Subfund, in particular where its operating costs could become disproportionately high in comparison to its revenues, and investors would therefore not be able to achieve adequate returns on their investments in the Subfund's investment coupons. The same applies where the Management Company assesses the risks connected with a Subfund have increased so much that they could substantially threaten the security of its assets and thus the value of the holders' investment coupons. In principle, the Management Company can decide to adopt such a decision any time it judges that investors could achieve higher returns if they claimed their right to be paid a proportionate part of a Subfund's liquidation estate instead of keeping the Subfund in operation.

The Umbrella Fund ceases to exist without a liquidation procedure in two cases:

- if all its Subfunds are included in another umbrella fund, and/or
- if the Umbrella Fund does not comprise at least two Subfunds.

The Umbrella Fund can also cease to exist if there are reasons for the forced transfer of the Umbrella Fund management and its Depositary fails to conduct procedures connected to the signing of an agreement on the transfer of the Umbrella Fund management with a new management company (the transferee management company).

ZISDU-3 provisions apply to the process of Umbrella Fund dissolution and the process of the liquidation of a Subfund, as well as their legal consequences.

The Management Company will publish a notice on the initiation of the liquidation procedure of a Subfund on the business day following the occurrence of the reason therefore on its public website, in the daily newspaper Dnevnik and possibly other mass media, and within three

business days thereof it will also directly inform all investment coupon holders about the initiation of the liquidation procedure and its consequences.

If the Management Company failed to meet its obligation of public notices and information for holders of investment coupons of a Subfund or Subfunds, this obligation will be carried out by the Depositary of the Umbrella Fund's assets no later than three working days following the day when the Depositary became aware or should have become aware of the omission on the part of the Management Company.

Chapter 12: **The Management Company**

12.1. General information

Company name: GENERALI INVESTMENTS, družba za upravljanje, d. o. o.

Company name in English: GENERALI INVESTMENTS Management Company LLC

Abbreviated company name: GENERALI INVESTMENTS d. o. o.

Abbreviated company name in English: GENERALI INVESTMENTS LLC

Registered office: Dunajska cesta 63, 1000 Ljubljana

Date of establishment: 24 February 1994 (established as Kmečka družba d. d.)

Company registration number: 5834457

Tax number: 56687036

The Memorandum of Association and the last available audited annual report of the Management Company are available at its registered office each business day from 10:00 to 12:00 hours. The entire annual report together with the auditor's opinion is published by the Management Company on its website within 15 days of its adoption but no later than 6 months after the end of the calendar year. The Management Company delivers the annual report together with the auditor's report to the Agency of the Republic of Slovenia for Public Legal Records and Related Services for the purpose of public release.

The Management Company received authorisation of the Securities Market Agency (no. 25/23/AG-94) to perform the activities of investment fund management on 7 July 1994.

The Management Company's paid-up share capital recorded in the Court Register is EUR 1,767,668.00.

12.2. Management and supervisory bodies

The Management Company's corporate governance system, its management and supervisory bodies, and their members are described in Appendix A.

12.3. Remuneration policy

The policy governing the remuneration of employees and any other persons participating in the management of the Umbrella Fund is described in Appendix H.

Chapter 13: **Information about other persons**

13.1. Depositary

Company name: Nova KBM d. d.

Registered office: Ulica Vita Kraigherja 4, Maribor

The Bank of Slovenia authorised Nova KBM d. d. (at that time Abanka d. d.) to perform depositary services for investment funds on 9 April 2018.

The Securities Market Agency gave its consent to the signing of the agreement on depositary services for the Umbrella Fund on 25 February 2016.

The main functions of the Depositary of the Umbrella Fund include:

- the safekeeping of the Subfunds' assets in accordance with ZISDU-3,
- monitoring the Subfunds' cash flows, and
- control over the operations of the Umbrella Fund Subfunds.

The services provided to the Umbrella Fund by the Depositary may cause conflicts of interest between the latter and the Management Company, the Umbrella Fund Subfunds and their investors, therefore the Depositary is obliged to separate, functionally and hierarchically, the provision of depositary services from any other possibly conflicting functions and put in place appropriate procedures to determine, manage, monitor and disclose any such conflict of interest.

A Subfund's financial instruments that can be recorded on the financial instruments account opened with the Depositary, and financial instruments issued as written documents are kept in custody (safekeeping) by the Depositary in accordance with Regulation 2016/438/EU.

The Depositary delegated a part of the safekeeping services for individual Subfunds to:

- the Bank of New York Mellon NA/SV (BNYM), Belgium;
- Komercijalna Banka AD Skopje, North Macedonia;
- Raiffeisen Bank d. d. Bosnia and Herzegovina;
- Raiffeisen Bank International AG, Austria.

The global sub-depositary delegates safekeeping services on the local markets to third parties meeting the conditions of Regulation 2016/438/EU.

In providing the services of managing the Generali Umbrella Fund Subfunds, the Management Company does not perceive any potential conflicts of interest arising from doing business with the parties to which the Depositary delegated its safekeeping functions or with the third parties to which these functions were further delegated.

On request, investors will be provided with the most recent information regarding the delegation, by the Depositary to third parties, of safekeeping functions for a specific Subfund of the Umbrella Fund.

13.2. Other providers of umbrella fund and subfund management services

Data on persons to whom the Management Company delegated specific services of Umbrella Fund or Subfund management are listed in Appendix B.

Chapter 14:

Complaints by investors and out-of-court dispute settlement

An investor may complain or send a complaint relating to his/her investment or intended investment in the investment coupons of a Subfund of the Umbrella Fund to the address of the Management Company or its e-mail nasvet@generalinvestments.si. All information on the Management Company's complaints policy can be found on its website www.generalinvestments.si and obtained on the telephone number 080 80 24.

Any disputes arising between investors in the Subfunds of the Umbrella Fund on one hand and the Management Company and other providers of Umbrella Fund or Subfund management services having signed an agreement on the outsourcing of certain Umbrella Fund management services on the other hand can be resolved out-of-court before the Permanent Arbitration of the Slovenian Investment Fund Association (Združenje družb za upravljanje investicijskih skladov – GIZ), Čufarjeva ulica 5, Ljubljana, e-mail: arbitraza@zdu-giz.si, telephone: +386 1 430 49 18.

Investors can obtain the documentation describing the circumstances in which an out-of-court dispute settlement can be applied and obtain information about all elements of such out-of-court settlements on the Management Company's website, registered office and all subscription offices.

Chapter 15:

Responsibility for the Prospectus

"We hereby declare that the Umbrella Fund Prospectus Including the Management Rules contains true information and does not omit any information which the Management Company as the prospectus issuer should state or is aware of and whose non-disclosure could cause a loss to the holders of Subfund investment coupons or potential investors. The Prospectus does not contain any misleading data or information that could be interpreted in different ways."

Ljubljana, 7 April 2021

Generali Investments, družba za upravljanje, d. o. o. (Generali Investments Management Company LLC)

Luka Flere

Member of the Management Board

Luka Podlogar

President of the Management Board

Appendices

Appendix A: Management and supervisory bodies of the Management Company

The Management Company has a two-tier management system consisting of a Management Board and a Supervisory Board.

The Management Board

In accordance with the Memorandum of Association, the company's Management Board shall consist of at least two members. Composition at the moment of publishing this Prospectus:

- Luka Podlogar, President of the Management Board,
- Luka Flere, Member of the Management Board.

The Supervisory Board

In accordance with the Memorandum of Association, the Supervisory Board shall have at least three and a maximum of seven members. It is composed of:

- Josef Beneš, President of the Supervisory Board,
- Aljoša Tomaž, Deputy President,
- Gregor Pilgram, Member,
- Katarina Guzej, Member.

Appendix B: List of other providers of umbrella fund and subfund management services

Administrative services

Administrative services, which include the keeping of books and preparation of business reports for the Umbrella Fund, asset valuation, reporting (preparation of financial and other reports) on the Subfunds' performances, register keeping and other administrative services related to the Umbrella Fund and Subfund operations, were outsourced by the Management Company on the basis of an Annex to the Outsourcing Agreement of 28 November 2008 to Nova KBM d. d., Ulica Vita Kraigherja 4, Maribor.

Marketing of investment coupons – subscription offices

Details of persons providing the services of marketing and selling the investment coupons of the Subfunds (subscription offices) and points in the territory of the Republic of Slovenia where it is possible to subscribe to the Umbrella Fund Management Rules can be found on the website of the Management company.

Appendix C: Soft commissions and fee-sharing agreements

A. Soft commissions

In relation to carrying out transactions in financial instruments for the account of the Subfunds and the Umbrella Fund (services of transaction settlement and execution), the Management Company can accept an economic benefit from stockbroking companies or banks in the form of soft commissions, such as analyses of financial markets and issuers, and access to databases, without giving rise to any conflict of interest. The purpose of this arrangement is to ensure a high degree of information support for and the effective management of the Subfunds' assets.

B. Fee-sharing agreements

The Management Company has not entered into any fee-sharing agreements relating to the sharing of transaction costs charged to the Subfunds' assets with stockbroking companies. In relation to funds that place a significant part of their assets in units of target funds, it has no fee-sharing agreements (direct or indirect) with the management companies of the target funds.

Appendix D: List of regulated markets

A. Within the framework of their investment objectives, Subfunds' assets will only be invested in transferable securities, money market instruments and structured financial instruments (convertible bonds):

1. admitted for trading or traded on regulated markets of the member states. Their list is published on the ESMA website under the heading Rules, Databases & Library, subheading Registers and Data;
2. traded on other regulated markets of the member states that are recognised, operate regularly and are open to the public. They comprise multilateral trading systems included in the list published on the ESMA website under the heading Rules, Databases & Library, subheading Registers and Data;
3. admitted for trading or traded on the following stock exchanges in non-member states in Europe:
 - Banjalučka berza hartija od vrijednosti a. d., Bosnia and Herzegovina
 - Beogradska berza a. d., Serbia
 - Makedonska berza a. d., North Macedonia
 - Sarajevska berza a. d., Bosnia and Herzegovina
 - SIX Swiss Exchange, Switzerland
 - Borsa Istanbul, Turkey;
4. admitted for trading or traded on the following stock exchanges of non-European countries:
 - members of the World Federation of Exchanges (WFE).

A list of members of the World Federation of Exchanges is available on the website:

<http://www.world-exchanges.org/home/index.php/members/wfe-members>

B. Within the framework of their investment objectives and policies, Subfunds' assets will only be invested in derivative financial instruments:

1. traded on regulated markets of the member states;
2. traded on the following regulated markets of third countries:
 - Chicago Board of Trade
 - Chicago Board Options Exchange
 - Chicago Mercantile Exchange
 - COMEX Exchange

- ICE Futures Canada
- ICE Futures U.S. Energy Division Exchange
- ICE Futures U.S. Exchange
- NYMEX Exchange
- NYSE – LIFFE U.S.
- OCC Options
- Hong Kong Derivatives Exchange
- Osaka Securities Exchange
- Singapore Exchange
- Tokyo Commodity Exchange
- Tokyo Financial Exchange
- Tokyo Stock Exchange

Appendix E:

List of Subfunds of the Umbrella Fund

1. Generali Galileo, mešani fleksibilni sklad (Generali Galileo, Mixed Flexible Fund)
2. Generali Rastko Evropa, delniški sklad (Generali Rastko Europe, Equity)
3. Generali Bond, obvezniški - EUR (Generali Bond - EUR)
4. Generali MM, sklad denarnega trga - EUR (Generali MM, Money Market - EUR)
5. Generali Prvi izbor, sklad delniških skladov (Generali First Selection, Fund of Equity Funds)
6. Generali Jugovzhodna Evropa, delniški (Generali South Eastern Europe, Equity)
7. Generali Novi trgi, delniški (Generali New Markets, Equity)
8. Generali Surovine in energija, delniški (Generali Raw Materials and Energy, Equity)
9. Generali Tehnologija, delniški (Generali Technology, Equity)
10. Generali Vitalnost, delniški (Generali Vitality, Equity)
11. Generali Indija – Kitajska, delniški (Generali India – China, Equity)
12. Generali Latinska Amerika, delniški (Generali Latin America, Equity)
13. Generali Vzhodna Evropa, delniški (Generali Eastern Europe, Equity)
14. Generali Globalni, delniški (Generali Global, Equity)
15. Generali Amerika, delniški (Generali America, Equity)
16. Generali Corporate Bonds, obvezniški - EUR (Generali Corporate Bonds - EUR)

Appendix F:

Detailed subfund management rules

The management rules of the specific Subfunds set out in detail in this Appendix are always applied together with the management rules from the common part of this Prospectus.

1. Generali Galileo, Mixed Flexible Fund

Type: mixed flexible global fund of developed markets

1.1. Date of establishment and investment coupon designation

Date of fund management authorisation issued by the Securities Market Agency: 12 March 1997

Inception date (as a mutual fund): 1 January 1992⁸

Investment coupon ISIN code: SI0021400294

Investment coupon designation: KDZGA

1.2. Investment objective

The Subfund's investment objective is to seek long-term capital growth.

The Subfund's assets will be actively managed. Its performance will be benchmarked against the following combination of financial indices: 60% Morgan Stanley Capital International (MSCI) AC World equity index (measured in EUR) and 40% Markit iBoxx Overall EUR Total Return bond index.

1.3. Investment policy

With regard to the general restrictions set out in the common part of the Prospectus and the restrictions set out in this part of the Appendix to the Prospectus, the Subfund will invest in the following types of financial instruments:

- equity securities (shares, including share certificates, and units of closed-end investment funds);
- debt securities (government and corporate bonds);
- money market instruments;
- transferable units of other open-end investment funds (target funds) traded on organised markets (ETF);
- non-transferable units of other open-end investment funds (target funds);
- structured financial instruments with built-in financial instruments (convertible securities); and
- money deposits.

⁸ Generali Galileo started operating before the adoption of the Act on Investment Funds and Management Companies (ZISDU) and prior to the establishment of the Securities Market Agency. The Management Company assumed the management of the Galileo mutual fund on the basis of decision of the Securities Market Agency of 31 January 1996. The authorisation for the management of the Galileo mutual fund was issued later, i.e. on 12 March 1997.

A portfolio consisting of the above listed instruments can be modified without restrictions and adjusted to a new market situation (tactical asset allocation strategy with frequent portfolio adjustments). Hence, up to 100% of the Subfund's assets can at any time be invested in equities, debt securities, money market instruments, units of target funds investing in the aforementioned financial instruments, deposits, or cash and cash equivalents.

By geographical criteria, this is a global developed markets fund; its assets will be allocated directly or indirectly through target funds so as to have exposure to at least two developed markets regions, without focusing on a single country or region. The Subfund will be exposed to global developed markets with at least 80% of its assets. Exposure to a single region will also not exceed 80%. The regions include North America, the developed Asia Pacific markets, and Europe without European developing markets.

Futures and options based on equity and bond indices, interest rates, equities/debt instruments and/or units of index funds (ETF) will be used to hedge the Subfund's portfolio against market risk.

The fund's global exposure due to the use of derivative financial instruments and investments in convertible bonds is measured according to the commitment approach.

The investment policy of the Subfund displays these additional characteristics:

- bond maturities will generally range from 2 to 15 years;
- investments in target funds whose operations do not comply with the Investment Funds Directive can reach a maximum of 30% of the Subfund's assets; the selection of target funds depends on their investment policies and objectives, operating costs, subscription and redemption fees, and profile and quality of their managers;
- the Subfund will also invest in securities and money market instruments within an initial offering process;
- the Subfund will also invest in money market instruments normally not traded on a regulated market;
- a higher exposure to a single issuer not falling into special categories of entities is permissible up to 10% of the Subfund's assets (and total exposure to issuers whose individual exposure exceeds 5% can reach a maximum 40%) if this concerns shares of issuers from the Republic of Slovenia included in the index of the most liquid stocks on the Ljubljana Stock Exchange; shares of foreign issuers whose average daily trade on the relevant market in the last three months exceeded EUR 1 million or the corresponding amount in another currency; bonds with a rating corresponding to at least A3 (Moody's) or A- (S& P in Fitch); highest-grade money market instruments;
- ancillary liquid assets will not exceed 20% of the Subfund's assets.

A list of stock exchanges and other regulated markets is in Appendix D.

1.4. Risks and investor profile

The Subfund is especially exposed to market risk, interest risk, credit risk, currency risk, counterparty risk with investments in non-transferable units of target funds, and liquidity risk. The risks are detailed in Chapter 3 of the Prospectus Including Management Rules.

This fund is suitable only for investors willing to assume a higher risk while seeking relatively higher returns, or for investors who can afford to assume a higher risk. The fund may not be appropriate for investors intending to withdraw their money within less than 5 years.

1.5. Other specificities of the Subfund's management rules

The cut-off time for payments and redemptions is 0:01 hours.

Payments into the Subfund cannot be made with transferable securities.

The management fee amounts to 2.00% of the average annual NAV.

The Subfund investment coupon is a non-transferable security.

Subfund investment coupons may not be acquired on the basis of a purchase order.

2. Generali Rastko Europe, Equity Fund

Type: equity fund Europe

2.1. Date of establishment and investment coupon designation

Date of fund management authorisation issued by the Securities Market Agency: 12. 3. 1997

Inception date (as a mutual fund): 23 August 1996⁹

Investment coupon ISIN code: SI0021400310

Investment coupon designation: KDZRA

2.2. Investment objective

The Subfund's investment objective is to seek long-term capital growth.

The Subfund's assets will be actively managed. Its performance is benchmarked against the Morgan Stanley Capital International (MSCI) Europe equity index (measured in EUR).

2.3. Investment policy

With regard to the general restrictions set out in the common part of the Prospectus and the restrictions set out in this part of the Appendix to the Prospectus, the Subfund will invest in the following types of financial instruments:

- equity securities (shares, including share certificates, and units of closed-end investment funds);
- units of other open-end investment funds (target funds);
- debt securities (government and corporate bonds);
- money market instruments; and
- money deposits.

At least 80% of the Subfund's assets will be allocated to shares and units of equity investment funds relating to issuers from Europe.

Futures and options based on equity indices, equities and/or units of equity index funds (ETF) will be used to hedge the Subfund's portfolio against market risk. The Subfund's global exposure due to the use of derivative financial instruments is measured according to the commitment approach.

The investment policy of the Subfund displays these additional characteristics:

- investments in shares and equity investment funds will account for at least 85% of the Subfund's assets;

⁹ Generali Rastko Europe was formed on the basis of the Securities Market Agency's authorisation of 20 June 1996 to take over fund management, and an authorisation of 21 August 1996 upon the merger of the Rastko I, Neli II, Diver and Herman Celjski mutual funds and the concurrent establishment of two new mutual funds, Rastko and KD Bond. The Agency issued the fund management authorisation for Rastko subsequently, i.e. on 12 March 1997.

- investments in target funds will not exceed 10% of the Subfund's assets, regardless of their investment objectives and compliance with the Investment Funds Directive;
- the Subfund will also invest in securities and money market instruments within an initial offering process;
- the Subfund will also invest in money market instruments not traded on a regulated market;
- a higher exposure to a single issuer is permissible up to 10% of the Subfund's assets (and total exposure to issuers whose individual exposure exceeds 5% can reach a maximum 40%) if this concerns shares of issuers from the Republic of Slovenia included in the index of the most liquid stocks on the Ljubljana Stock Exchange and shares of foreign issuers whose average daily trade on the relevant market in the last three months exceeded EUR 1 million or the corresponding amount in another currency;
- ancillary liquid assets will not exceed 15% of the Subfund's assets.

A list of stock exchanges and other regulated markets is in Appendix D.

2.4. Risks and investor profile

The Subfund is especially exposed to market, concentration and liquidity risk. The risks are detailed in Chapter 3 of the Prospectus Including the Management Rules.

This fund is suitable only for investors willing to assume a higher risk while seeking relatively higher returns, or for investors who can afford to assume a higher risks. The fund may not be appropriate for investors intending to withdraw their money within less than 5 years.

2.5. Other specificities of the Subfund's management rules

The cut-off time for payments and redemptions is 0:01 hours.

Payments into the Subfund cannot be made with transferable securities.

The management fee amounts to 1.90% of the average annual NAV.

The Subfund investment coupon is a non-transferable security.

Subfund investment coupons may not be acquired on the basis of a purchase order.

3. Generali Bond - EUR

Type: aggregate bond fund – EUR

3.1. Date of establishment and investment coupon designation

Date of fund management authorisation issued by the Securities Market Agency: 12 March 1997

Inception date (as a mutual fund): 23 August 1996¹⁰

Investment coupon ISIN code: SI0021400302

Investment coupon designation: KDZBO

3.2. Investment objective

The Subfund's investment objective is to seek long-term capital growth.

The Subfund's assets will be actively managed. The Subfund's performance is benchmarked against the Markit iBoxx Overall EUR Total Return bond index.

3.3. Investment policy

With regard to the general restrictions set out in the common part of the Prospectus and the restrictions set out in this part of the Appendix to the Prospectus, the Subfund will invest in the following types of financial instruments:

- debt securities (government and corporate bonds);
- money market instruments;
- units of other open-end investment funds (target funds);
- structured financial instruments with built-in financial instruments (convertible bonds); and
- money deposits.

The Subfund will place at least 90% of its assets in bonds, including convertible bonds and bond target funds. At least 70% of its assets is exposed to the euro.

Futures and options based on bond indices, interest rates, debt instruments and/or units of bond index funds (ETF) will be used to hedge the Subfund's portfolio against market risk.

The Subfund's global exposure due to the use of derivative financial instruments and investments in convertible bonds is measured according to the commitment approach.

The investment policy of the Subfund displays these additional characteristics, some of which refer specifically to the investment policy of an aggregate bond fund:

- investments in corporate bonds will not exceed 70% of the Subfund's assets;

¹⁰ Generali Bond was formed on the basis of the Securities Market Agency's authorisation of 20 June 1996 to take over fund management, and an authorisation of 21 August 1996 upon the merger of the Rastko I, Neli II, Diver and Herman Celjski mutual funds and the concurrent establishment of two new mutual funds, Rastko and KD Bond (currently Generali Rastko Europe and Generali Bond). The Agency issued the fund management authorisation for KD Bond subsequently, i.e. on 12 March 1997.

- placements in non-investment grade bonds and convertible bonds will not exceed 30% of the Subfund's assets;
- placements in bonds and convertible bonds from emerging markets will not exceed 30% of the Subfund's assets;
- placements in non-investment grade bonds and convertible bonds from emerging markets will not exceed 10% of the Subfund's assets;
- investments in convertible bonds will not exceed 20% of the Subfund's assets;
- bond maturities will generally range from 2 to 15 years;
- investments in target funds will not exceed 10% of the Subfund's assets, regardless of their investment objectives and compliance with the Investment Funds Directive;
- a higher exposure to single issuers falling into special categories of entities up to 100% of the Subfund's assets is permissible if these investments concern at least six different issues of financial instruments and the value of the investment in a specific issue does not exceed 30% of the Subfund's assets;
- a higher exposure to a single issuer not falling into special categories of entities is permissible up to 10% of the Subfund's assets (and total exposure to issuers whose individual exposure exceeds 5% can reach a maximum 40%) if this concerns bonds issued by major banks and insurance companies from the Republic of Slovenia regardless of their rating; bonds of other issuers not falling into special categories of entities, with a rating corresponding to at least A3 (Moody's) or A- (S&P in Fitch); and highest-grade money market instruments;
- the Subfund will also invest in securities and money market instruments within an initial offering process;
- the Subfund will also invest in money market instruments not traded on a regulated market;
- ancillary liquid assets will not exceed 10% of the Subfund's assets.

Note: The Subfund can invest up to 100% of its assets in debt financial instruments issued or guaranteed for by special categories of entities such as the Republic of Slovenia or other member states (including their local and regional communities), a third country or an international public organisation to which at least one member state is affiliated.

A list of stock exchanges and other regulated markets is in Appendix D.

3.4. Risks and investor profile

The Subfund is especially exposed to interest, credit, market and liquidity risk. The risks are detailed in Chapter 3 of the Prospectus Including the Management Rules.

This fund is suitable for investors willing to assume a moderate risk while seeking moderate returns, or for investors who can afford to take a relatively low risk only. The fund may not be appropriate for investors intending to withdraw their money within less than 3 years.

3.5. Other specificities of the Subfund's management rules

The cut-off time for payments and redemptions is 0:01 hours.

Payments into the Subfund cannot be made with transferable securities.

The management fee amounts to 0.85% of the average annual NAV.

The Subfund investment coupon is a non-transferable security.

Subfund investment coupons may not be acquired on the basis of a purchase order.

4. Generali MM, Money Market - EUR

Type: standard variable NAV money market fund – EUR

The Subfund complies with the Money Market Funds Regulation.

4.1. Date of establishment and investment coupon designation

Date of fund management authorisation issued by the Securities Market Agency: 30 March 2005

Inception date (as a mutual fund): 16 May 2005

Investment coupon ISIN code: SI0021400203

Investment coupon designation: KDZDT

4.2. Investment objective

The Subfund's investment objective is to preserve the capital and generate a return equal to money market interest rates. The Subfund's assets will be actively managed (tactical investment allocation strategy). The Subfund's performance is benchmarked against the OISESTR Index (expressed in EUR), calculated by Bloomberg on the basis of the euro short-term rate (€STR) published daily by the ECB based on transactions conducted and settled on the T-1 TARGET2 business day.¹¹

4.3. Investment policy

With regard to the general restrictions set out in the common part of the Prospectus and the restrictions set out in this part of the Appendix to the Prospectus, the Subfund will invest in the following short-term assets:

- money market instruments; and
- money deposits.

All assets are exposed to the euro.

No special portfolio investment techniques will be used.

The investment policy of the Subfund displays these additional characteristics:

- investments in money market instruments listed or traded on any of the regulated market from Appendix D, and those not traded on a regulated market are permissible;
- money market instruments shall fulfil at least one of the following conditions:
 - their maturity at issuance is 397 days or less,
 - their residual maturity does is 397 days or less, or
 - their residual maturity is 2 years or less if the time remaining until the next interest rate reset date is 397 days or less;

¹¹ Up until 31 December 2020, the Subfund's performance is benchmarked against the EONIA Total Return index (expressed in EUR).

- only investments in highest-grade money market instruments are permissible, i.e. instruments assessed by the Management Company through its own analysis as having an appropriate credit quality; investments in money market instruments issued or guaranteed by the European Union, a central authority or central bank of a Member State, the European Central Bank, the European Investment Bank, the European Stability Mechanism or the European Financial Stability Facility are permissible without any special limits regarding credit quality;
- a higher exposure is permissible (up to and including 100% of the assets) with respect to investments in different money market instruments issued or guaranteed separately or jointly by special categories of entities, provided such instruments are from at least six different issues and investments in instruments from the same issue do not exceed 30% of the Subfund's assets; such issuers include the European Union, the national, regional and local administrations of the Member States or their central banks, the European Central Bank, the European Investment Bank, the European Investment Fund, the European Stability Mechanism, the European Financial Stability Facility, a central authority or central bank of a third country, the International Monetary Fund, the International Bank for Reconstruction and Development, the Council of Europe Development Bank, the European Bank for Reconstruction and Development, the Bank for International Settlements or any other relevant international financial institution or organisation to which one or more Member States belong;
- a higher exposure of the Subfund to a single issuer of a money market instrument not falling into special categories of entities is permissible up to 10% of the Subfund's assets (and total exposure to issuers whose individual exposure exceeds 5% can reach a maximum of 40%);
- exposure to the same credit institution may be increased to up to 15% of the Subfund's assets if the Management Company determines that the number of viable credit institutions in the Republic of Slovenia is insufficient for the Subfund to meet the 10% exposure limit with investments in deposits and it is not economically feasible for the Subfund to make deposits in another Member State; the Subfund's exposure, including investments in money market instruments issued by a credit institution, may not exceed 20% of the Subfund's assets in aggregate;
- the nominal value of investments in money market instruments of a single issuer may not exceed 10% of the nominal value of all money market instruments issued by such issuer;
- the maximum allowable weighted average maturity (WAM) and the weighted average life (WAL) of the Subfund's assets may not exceed 6 months and 12 months, respectively; the composition of assets and ancillary liquid assets should ensure at least 7.5% assets maturing within one working day and at least 15% of assets maturing within 5 working days, whereby the 15% may also include the value of assets representing money market instruments if they are able to be redeemed within five working days, but only up to a limit of 7.5 percentage points; if due to circumstances beyond the Management Company's control or due to the volume of contributions to and redemptions from the Subfund any of such restriction is exceeded, the Management Company (considering the best interest of the Subfund's investors) will make the effort to remedy them within the shortest time possible;
- ancillary liquid assets will not exceed 10% of the Subfund's assets.

In determining the credit quality of money market instruments and their issuers, the Management Company uses its own analysis in accordance with the Money Market Funds Regulation. Assessment is carried out using the methodology and models defined in the internal credit quality assessment procedure of the money market fund. The methodologies applied take into account the type of issuer (financial/non-financial corporations; national regional or local administrations; international financial institutions) and the type of instrument. A credit quality assessment is assigned to an instrument on the basis of the quantitative and qualitative analysis of input data and the weight of its materiality. The results are given a numerical rating and are converted, based on a conversion table, to alphabetical and numerical scores following the Standard & Poor's (S&P) scale.

The credit quality assessment procedure of banks and bank deposits held by the Subfund is performed by analogy.

Note: The Subfund can invest up to 100% of its assets in money market instruments issued or guaranteed for by special categories of entities, including the European Union, the national, regional and local administrations of the Member States or their central banks, the European Central Bank, the European Investment Bank, the European Investment Fund, the European Stability Mechanism, the European Financial Stability Facility, a central authority or central bank of a third country, the International Monetary Fund, the International Bank for Reconstruction and Development, the Council of Europe Development Bank, the European Bank for Reconstruction and Development, the Bank for International Settlements or any other relevant international financial institution or organisation to which one or more Member States belong.

A list of stock exchanges and other regulated markets is in Appendix D.

4.4. Risks and investor profile

The Subfund is especially exposed to interest, credit, market and liquidity risk. The risks are detailed in Chapter 3 of the Prospectus Including the Management Rules. In this section, investors are in particular warned that:

- the money market fund is not a guaranteed investment;
- an investment in the money market fund is different from an investment in deposits because unlike deposits it brings the risk that the principal is capable of fluctuation;
- the money market fund does not rely on external support for guaranteeing the liquidity or stabilising its unit value; and
- the risk of loss of the principal is to be borne by the investor.

This fund is suitable for investors seeking somewhat higher returns than those normally generated in the long term by cash deposits, and for investors who, at times of negative trends in other capital (especially equity) markets, wish to at least temporarily reallocate their assets to safer investment forms with stable, albeit relatively low returns. The fund may not be appropriate for investors intending to withdraw their money within less than 30 days.

4.5. Other specificities of the Subfund's management rules

The initial unit value was 10,000 tolar (EUR 41.73).¹²

The cut-off time for payments and redemptions is 0:01 hours.

Payments into the Subfund cannot be made with transferable securities.

The management fee amounts to 0.50% of the average annual NAV.

The Subfund investment coupon is a non-transferable security.

Subfund investment coupons may not be acquired on the basis of a purchase order.

¹² The conversion was carried out according to the exchange rate SIT 239.640 – EUR 1.00 and by using rounding-up rules.

5. Generali First Selection, Fund of Equity Funds

Type: global equity fund of developed markets

5.1. Date of establishment and investment coupon designation

Date of fund management authorisation issued by the Securities Market Agency: 30 March 2005

Inception date (as a mutual fund): 16 May 2005

Investment coupon ISIN code: SI0021400211

Investment coupon designation: KDZPI

5.2. Investment objective

The Subfund's investment objective is to seek long-term capital growth.

The Subfund's assets will be actively managed; however, instead of directly investing in shares the Subfund will select top global managers of equity investment funds. The selection of target funds depends on their investment policies and objectives, past performance, operating costs, and subscription and redemption fees.

The Subfund's performance is benchmarked against the Morgan Stanley Capital International (MSCI) AC World equity index (measured in EUR).

5.3. Investment policy

With regard to the general restrictions set out in the common part of the Prospectus and the restrictions set out in this part of the Appendix to the Prospectus, the Subfund will invest in the following types of financial instruments:

- transferable units of other open-end investment funds (target funds) traded on organised markets (ETF);
- non-transferable units of other open-end investment funds (target funds);
- money market instruments; and
- money deposits.

By geographical criteria, this is a global developed markets fund; its assets will be allocated to target funds so as to have exposure to at least two developed markets regions, without focusing on a single country or region. The Subfund will be exposed to the global developed markets region with at least 80% of its assets. Exposure to a single region will also not exceed 80%. The regions include North America, the developed Asia Pacific markets, and Europe without European developing markets.

Futures and options based on equity indices, equities and/or units of equity index funds (ETF) will be used to hedge the Subfund's portfolio against market risk. The Subfund's global exposure due to the use of derivative financial instruments is measured according to the commitment approach.

The investment policy of the Subfund displays these additional characteristics:

- investments in equity target funds will account for at least 85% of the Subfund's assets;
- the Subfund will also invest in target funds whose operations do not comply with the Investment Funds Directive, but not more than 30%;
- the Subfund will also invest in securities and money market instruments within an initial offering process;
- the Subfund will also invest in money market instruments not traded on a regulated market;
- ancillary liquid assets will not exceed 15% of the Subfund's assets.

A list of stock exchanges and other regulated markets is in Appendix D.

5.4. Risks and investor profile

The Subfund is especially exposed to market and currency risk, counterparty risk with investments in non-transferable units of target funds, and liquidity risk. The risks are detailed in Chapter 3 of the Prospectus Including the Management Rules.

This fund is suitable only for investors willing to assume a higher risk while seeking relatively higher returns, and with risk diversification resulting from the selection of different portfolio managers. The fund may not be appropriate for investors intending to withdraw their money within less than 5 years.

5.5. Other specificities of the Subfund's management rules

The initial unit value was 1,000 tolar (EUR 4.17).¹³

The cut-off time for payments and redemptions is 0:01 hours.

Payments into the Subfund cannot be made with transferable securities.

The management fee amounts to 0.85% of the average annual NAV.

The Subfund investment coupon is a non-transferable security.

Subfund investment coupons may not be acquired on the basis of a purchase order.

¹³ The conversion was carried out according to the exchange rate SIT 239.640 – EUR 1.00 and by using rounding-up rules.

6. Generali South Eastern Europe, Equity

Type: equity fund South Eastern Europe

6.1. Date of establishment and investment coupon designation

Date of fund management authorisation issued by the Securities Market Agency: 16 February 2006

Inception date (as a mutual fund): 24 February 2006

Investment coupon ISIN code: SI0021400229

Investment coupon designation: KDZBA

6.2. Investment objective

The Subfund's investment objective is to seek long-term capital growth.

The Subfund's assets will be actively managed. The Subfund's performance will be measured against the STOXX[®] Balkan TMI ex Greece & Turkey equity index (expressed in EUR) (the STOXX[®] Balkan TMI ex Greece & Turkey index is a registered trademark of STOXX Limited).¹⁴

6.3. Investment policy

With regard to the general restrictions set out in the common part of the Prospectus and the restrictions set out in this part of the Appendix to the Prospectus, the Subfund will invest in the following types of financial instruments:

- equity securities (shares, including share certificates, and units of closed-end investment funds);
- units of other open-end investment funds (target funds);
- debt securities (government and corporate bonds);
- money market instruments; and
- money deposits.

At least 80% of the Subfund's assets will be placed in shares and units of equity investment funds relating to issuers from Slovenia, Austria, Croatia, Bosnia and Herzegovina, Serbia, Montenegro, North Macedonia, Romania, Bulgaria, Greece and Turkey.

Futures and options based on equity indices, equities and/or units of equity index funds (ETF) will be used to hedge the Subfund's portfolio against market risk. The Subfund's global exposure due to the use of derivative financial instruments is measured according to the commitment approach.

The investment policy of the Subfund displays these additional characteristics:

- investments in shares and equity investment funds will account for at least 85% of the Subfund's assets;

¹⁴ The only business relationship existing between STOXX (or its licencees) and Generali Investments LLC is the one referring to the licence for STOXX[®] Balkan TMI ex Greece & Turkey and its related trademarks used in connection to Generali South Eastern Europe, Equity, a subfund of the Generali Umbrella Fund.

- investments in target funds will not exceed 10% of the Subfund's assets, regardless of their investment objectives and compliance with the Investment Funds Directive;
- the Subfund will also invest in securities and money market instruments within an initial offering process;
- the Subfund will also invest in money market instruments not traded on a regulated market;
- a higher exposure of the Subfund to a single issuer is permissible up to 10% of the Subfund's assets (and total exposure to issuers whose individual exposure exceeds 5% can reach a maximum 40%) under the condition that the average daily trade in the financial instruments in a relevant market in the last three months exceeds EUR 50,000 or the corresponding amount in another currency; and
- ancillary liquid assets will not exceed 15% of the Subfund's assets.

A list of stock exchanges and other regulated markets is in Appendix D.

6.4. Risks and investor profile

The Subfund is exposed to expressed market risk as well as concentration and currency risk. It is also exposed to risks connected with investments in less developed markets, which include increased liquidity risk, settlement and depositary risk, and regulatory risk, all of which lead to the potential illiquidity of the Subfund. The risks are detailed in Chapter 3 of the Prospectus Including the Management Rules.

This fund is suitable only for investors willing to assume a very high risk while seeking relatively high returns, or for investors who can afford to assume a high risk. The fund may not be appropriate for investors intending to withdraw their money within less than 5 years.

6.5. Other specificities of the Subfund's management rules

The initial unit value was 1,000 tolar (EUR 4.17).¹⁵

The cut-off time for payments and redemptions is 0:01 hours.

Payments into the Subfund cannot be made with transferable securities.

The management fee amounts to 2.49% of the average annual NAV.

The Subfund investment coupon is a non-transferable security.

Subfund investment coupons may not be acquired on the basis of a purchase order.

¹⁵ The conversion was carried out according to the exchange rate SIT 239.640 – EUR 1.00 and by using rounding-up rules.

7. Generali New Markets, Equity

Type: global equity fund of emerging markets

7.1. Date of establishment and investment coupon designation

Date of fund management authorisation issued by the Securities Market Agency: 1 March 2006

Inception date (as a mutual fund): 14 March 2006

Investment coupon ISIN code: SI0021400245

Investment coupon designation: KDZNT

7.2. Investment objective

The Subfund's investment objective is to seek long-term capital growth.

The Subfund's assets will be actively managed. Its performance is benchmarked against the Morgan Stanley Capital International (MSCI) Emerging Markets equity index (measured in EUR).

7.3. Investment policy

With regard to the general restrictions set out in the common part of the Prospectus and the restrictions set out in this part of the Appendix to the Prospectus, the Subfund will invest in the following types of financial instruments:

- equity securities (shares, including share certificates, and units of closed-end investment funds);
- units of other open-end investment funds (target funds);
- debt securities (government and corporate bonds);
- money market instruments; and
- money deposits.

At least 80% of the Subfund's assets will be placed in shares and units of equity investment funds relating to issuers from the emerging markets of Asia, Latin America, Eastern and Central Europe, and Africa.¹⁶

Futures and options based on equity indices, equities and/or units of equity index funds (ETF) will be used to hedge the Subfund's portfolio against market risk. The Subfund's global exposure due to the use of derivative financial instruments is measured according to the commitment approach.

The investment policy of the Subfund displays these additional characteristics:

¹⁶ Emerging markets also include certain EU member states, such as the Czech Republic, Hungary, Poland, Slovakia and Slovenia.

- investments in shares and equity investment funds will relate to at least two subregions of the emerging markets, and at all times less than 80% will be placed in a single subregion;
- investments in shares and equity investment funds will account for at least 85% of the Subfund's assets;
- investments in target funds will not exceed 10% of the Subfund's assets, regardless of their investment objectives and compliance with the Investment Funds Directive;
- the Subfund will also invest in securities and money market instruments within an initial offering process;
- the Subfund will also invest in money market instruments not traded on a regulated market;
- a higher exposure of the Subfund to a single issuer is permissible up to 10% of the Subfund's assets (and total exposure to issuers whose individual exposure exceeds 5% can reach a maximum 40%) under the condition that the average daily trade in the financial instruments in a relevant market in the last three months exceeds EUR 1 million or the corresponding amount in another currency; and
- ancillary liquid assets will not exceed 15% of the Subfund's assets.

A list of stock exchanges and other regulated markets is in Appendix D.

7.4. Risks and investor profile

The Subfund is exposed to expressed market risk as well as concentration and currency risk. It is also exposed to risks connected with investments in less developed markets, which include increased liquidity risk, settlement risk, depositary risk and regulatory risk, all of which lead to the potential illiquidity of the Subfund. The risks are detailed in Chapter 3 of the Prospectus Including the Management Rules.

This fund is suitable only for investors willing to assume a high risk while seeking relatively high returns, or for investors who can afford to assume a high risk. The fund may not be appropriate for investors intending to withdraw their money within less than 5 years.

7.5. Other specificities of the Subfund's management rules

The initial unit value was 1,000 tolar (EUR 4.17).¹⁷

The cut-off time for payments and redemptions is 0:01 hours.

Payments into the Subfund cannot be made with transferable securities.

The management fee amounts to 2.00% of the average annual NAV.

The Subfund investment coupon is a non-transferable security.

Subfund investment coupons may not be acquired on the basis of a purchase order.

¹⁷ The conversion was carried out according to the exchange rate SIT 239.640 – EUR 1.00 and by using rounding-up rules.

8. Generali Raw Materials and Energy, Equity

Type: equity fund in the Energy sector, and the Raw materials and manufacturing sector

8.1. Date of establishment and investment coupon designation

Date of fund management authorisation issued by the Securities Market Agency: 29 March 2006

Inception date (as a mutual fund): 8 May 2006

Investment coupon ISIN code: SI0021400252

Investment coupon designation: KDZSE

8.2. Investment objective

The Subfund's investment objective is to seek long-term capital growth.

The Subfund's assets will be actively managed. Its performance is benchmarked against the combination of the Morgan Stanley Capital International (MSCI) indices with the following composition: 40% MSCI World Materials Sector and 60% MSCI World Energy Sector (both measured in EUR).

8.3. Investment policy

With regard to the general restrictions set out in the common part of the Prospectus and the restrictions set out in this part of the Appendix to the Prospectus, the Subfund will invest in the following types of financial instruments:

- equity securities (shares, including share certificates, and units of closed-end investment funds);
- units of other open-end investment funds (target funds);
- debt securities (government and corporate bonds);
- money market instruments; and
- money deposits.

At least 80% of the Subfund's assets will be allocated to shares and units of equity investment funds relating to issuers in the industry sectors of extraction and processing of raw materials, and energy (extraction and processing of minerals, wood, cellulose and paper; manufacturing of chemical, construction and packaging materials; extraction, processing, storage and transport of oil, gas and other fuels; manufacturing of equipment and provision of services for the generation of energy).

Futures and options based on equity indices, equities and/or units of equity index funds (ETF) will be used to hedge the Subfund's portfolio against market risk. The Subfund's global exposure due to the use of derivative financial instruments is measured according to the commitment approach.

The investment policy of the Subfund displays these additional characteristics:

- investments in shares and equity investment funds will account for at least 85% of the Subfund's assets;
- investments in one of the two main sectors will not exceed 80% of the Subfund's assets;
- investments in target funds will not exceed 10% of the Subfund's assets, regardless of their investment objectives and compliance with the Investment Funds Directive;
- the Subfund will also invest in securities and money market instruments within an initial offering process;
- the Subfund will also invest in money market instruments not traded on a regulated market;
- a higher exposure of the Subfund to a single issuer is permissible up to 10% of the Subfund's assets (and total exposure to issuers whose individual exposure exceeds 5% can reach a maximum 40%) under the condition that the average daily trade in the financial instruments in a relevant market in the last three months exceeds EUR 1 million or the corresponding amount in another currency; and
- ancillary liquid assets will not exceed 15% of the Subfund's assets.

A list of stock exchanges and other regulated markets is in Appendix D.

8.4. Risks and investor profile

The Subfund is especially exposed to market, concentration, currency and liquidity risk. The risks are detailed in Chapter 3 of the Prospectus Including the Management Rules.

This fund is suitable only for investors willing to assume a relatively high risk while seeking relatively high returns, or for investors who can afford to assume a higher risk. The fund may not be appropriate for investors intending to withdraw their money within less than 5 years.

8.5. Other specificities of the subfund's management rules

The initial unit value was 1,000 tolar (EUR 4.17).¹⁸

The cut-off time for payments and redemptions is 0:01 hours.

Payments into the Subfund cannot be made with transferable securities.

The management fee amounts to 1.89% of the average annual NAV.

The Subfund investment coupon is a non-transferable security.

Subfund investment coupons may not be acquired on the basis of a purchase order.

¹⁸ The conversion was carried out according to the exchange rate SIT 239.640 – EUR 1.00 and by using rounding-up rules.

9. Generali Technology, Equity

Type: equity fund in the Information Technology and Communication Services sectors

9.1. Date of establishment and investment coupon designation

Date of fund management authorisation issued by the Securities Market Agency: 29 March 2006

Inception date (as a mutual fund): 1 June 2006

Investment coupon ISIN code: SI0021400260

Investment coupon designation: KDZTE

9.2. Investment objective

The Subfund's investment objective is to seek long-term capital growth.

The Subfund's assets will be actively managed. Its performance is benchmarked against the combination of the Morgan Stanley Capital International (MSCI) indices with the following composition: 60% MSCI World Information Technology and 40% MSCI World Communication Services Sector (both measured in EUR).

9.3. Investment policy

With regard to the general restrictions set out in the common part of the Prospectus and the restrictions set out in this part of the Appendix to the Prospectus, the Subfund will invest in the following types of financial instruments:

- equity securities (shares, including share certificates, and units of closed-end investment funds);
- units of other open-end investment funds (target funds);
- debt securities (government and corporate bonds);
- money market instruments; and
- money deposits.

At least 80% of the Subfund's assets will be allocated to shares and units of equity investment funds relating to issuers in the information technology and communication services sectors.

Futures and options based on equity indices, equities and/or units of equity index funds (ETF) will be used to hedge the Subfund's portfolio against market risk. The Subfund's global exposure due to the use of derivative financial instruments is measured according to the commitment approach.

The investment policy of the Subfund displays these additional characteristics:

- investments in shares and equity investment funds will account for at least 85% of the Subfund's assets;

- investments in one of the two main sectors will not exceed 80% of the Subfund's assets;
- investments in target funds will not exceed 10% of the Subfund's assets, regardless of their investment objectives and compliance with the Investment Funds Directive;
- the Subfund will also invest in securities and money market instruments within an initial offering process;
- the Subfund will also invest in money market instruments normally not traded on a regulated market;
- a higher exposure of the Subfund to a single issuer is permissible up to 10% of the Subfund's assets (and total exposure to issuers whose individual exposure exceeds 5% can reach a maximum 40%) under the condition that the average daily trade in the financial instrument issued by a single entity in a relevant market in the last three months exceeds EUR 1 million or the corresponding amount in another currency; and
- ancillary liquid assets will not exceed 15% of the Subfund's assets.

A list of stock exchanges and other regulated markets is in Appendix D.

9.4. Risks and investor profile

The Subfund is especially exposed to market, concentration, currency and liquidity risk. The risks are detailed in Chapter 3 of the Prospectus Including the Management Rules.

This fund is suitable only for investors willing to assume a relatively high risk while seeking relatively high returns, or for investors who can afford to assume a higher risk. The fund may not be appropriate for investors intending to withdraw their money within less than 5 years.

9.5. Other specificities of the Subfund's management rules

The initial unit value was 1,000 tolar (EUR 4.17).¹⁹

The cut-off time for payments and redemptions is 0:01 hours.

Payments into the Subfund cannot be made with transferable securities.

The management fee amounts to 1.89% of the average annual NAV.

The Subfund investment coupon is a non-transferable security.

Subfund investment coupons may not be acquired on the basis of a purchase order.

¹⁹ The conversion was carried out according to the exchange rate SIT 239.640 – EUR 1.00 and by using rounding-up rules.

10. Generali Vitality, Equity

Type: equity fund in the Health Care sector, Consumer Discretionary sector, and Consumer Staples sector

10.1. Date of establishment and investment coupon designation

Date of fund management authorisation issued by the Securities Market Agency: 27 September 2006

Inception date (as a mutual fund): 14 November 2006

Investment coupon ISIN code: SI0021400286

Investment coupon designation: KDZVI

10.2. Investment objective

The Subfund's investment objective is to seek long-term capital growth.

The Subfund's assets will be actively managed. Its performance is benchmarked against the combination of the Morgan Stanley Capital International (MSCI) indices with the following composition: 60% MSCI World Health Care, 25% MSCI World Consumer Staples and 15% MSCI World Consumer Discretionary (all measured in EUR).

10.3. Investment policy

With regard to the general restrictions set out in the common part of the Prospectus and the restrictions set out in this part of the Appendix to the Prospectus, the Subfund will invest in the following types of financial instruments:

- equity securities (shares, including share certificates, and units of closed-end investment funds);
- units of other open-end investment funds (target funds);
- debt securities (government and corporate bonds);
- money market instruments; and
- money deposits.

At least 80% of the Subfund's assets will be placed in shares and units of equity investment funds relating to issuers operating in the sectors of health care equipment and services, pharmaceuticals, biotechnology, consumer discretionary and consumer staples.

Futures and options based on equity indices, equities and/or units of equity index funds (ETF) will be used to hedge the Subfund's portfolio against market risk. The Subfund's global exposure due to the use of derivative financial instruments is measured according to the commitment approach.

The investment policy of the Subfund displays these additional characteristics:

- investments in shares and equity investment funds will account for at least 85% of the Subfund's assets;

- investments in one of the three main sectors will not exceed 80% of the Subfund's assets;
- investments in target funds will not exceed 10% of the Subfund's assets, regardless of their investment objectives and compliance with the Investment Funds Directive;
- the Subfund will also invest in securities and money market instruments within an initial offering process;
- the Subfund will also invest in money market instruments not traded on a regulated market;
- a higher exposure of the Subfund to a single issuer is permissible up to 10% of the Subfund's assets (and total exposure to issuers whose individual exposure exceeds 5% can reach a maximum 40%) under the condition that the average daily trade in the financial instrument issued by a single entity in a relevant market in the last three months exceeds EUR 1 million or the corresponding amount in another currency; and
- ancillary liquid assets will not exceed 15% of the Subfund's assets.

A list of stock exchanges and other regulated markets is in Appendix D.

10.4. Risks and investor profile

The Subfund is especially exposed to market, concentration, currency and liquidity risk. The risks are detailed in Chapter 3 of the Prospectus Including the Management Rules.

This fund is suitable only for investors willing to assume a high risk while seeking relatively high returns, or for investors who can afford to assume a high risk. The fund may not be appropriate for investors intending to withdraw their money within less than 5 years.

10.5. Other specificities of the Subfund's management rules

The initial unit value was 239.64 tolar (EUR 1).²⁰

The cut-off time for payments and redemptions is 0:01 hours.

Payments into the Subfund cannot be made with transferable securities.

The management fee amounts to 1.89% of the average annual NAV.

The Subfund investment coupon is a non-transferable security.

Subfund investment coupons may not be acquired on the basis of a purchase order.

11. Generali India – China, Equity

Type: equity fund Asia Pacific

11.1. Date of establishment and investment coupon designation

Date of fund management authorisation issued by the Securities Market Agency: 25 July 2008

²⁰ The conversion was carried out according to the exchange rate SIT 239.640 – EUR 1.00 and by using rounding-up rules.

Inception date (as a mutual fund): 11 August 2008

Investment coupon ISIN code: SI0021400955

Investment coupon designation: KDZIK

11.2. Investment objective

The Subfund's investment objective is to seek long-term capital growth.

The Subfund's assets will be actively managed. Its performance is benchmarked against the combination of the Morgan Stanley Capital International indices with the following composition: 70% MSCI China and 30% MSCI India (both measured in EUR).

11.3. Investment policy

With regard to the general restrictions set out in the common part of the Prospectus and the restrictions set out in this part of the Appendix to the Prospectus, the Subfund will invest in the following types of financial instruments:

- equity securities (shares, including share certificates, and units of closed-end investment funds);
- units of other open-end investment funds (target funds);
- debt securities (government and corporate bonds);
- money market instruments; and
- money deposits.

At least 80% of the Subfund's assets will be allocated to shares and units of equity investment funds relating to issuers from greater China and India.

Futures and options based on equity indices, equities and/or units of equity index funds (ETF) will be used to hedge the Subfund's portfolio against market risk. The Subfund's global exposure due to the use of derivative financial instruments is measured according to the commitment approach.

The investment policy of the Subfund displays these additional characteristics:

- investments in shares and equity investment funds will account for at least 85% of the Subfund's assets;
- investments in target funds will not exceed 10% of the Subfund's assets, regardless of their investment objectives and compliance with the Investment Funds Directive;
- the Subfund will also invest in securities and money market instruments within an initial offering process;
- the Subfund will also invest in money market instruments not traded on a regulated market;
- a higher exposure of the Subfund to a single issuer is permissible up to 10% of the Subfund's assets (and total exposure to issuers whose individual exposure exceeds 5% can reach a maximum 40%) under the condition that the average daily trade in the financial instrument issued by a single entity in a relevant market in the last three months exceeds EUR 1 million or the corresponding amount in another currency; and

- ancillary liquid assets will not exceed 15% of the Subfund's assets.

A list of stock exchanges and other regulated markets is in Appendix D.

11.4. Risks and investor profile

The Subfund is exposed especially to market risk as well as concentration and currency risk. It is also exposed to risks connected with investments in less developed markets, which include increased liquidity risk, settlement risk, depositary risk and regulatory risk, all of which lead to the potential illiquidity of the Subfund. The risks are detailed in Chapter 3 of the Prospectus Including the Management Rules.

This fund is suitable only for investors willing to assume a relatively high risk while seeking relatively higher returns, or for investors who can afford to assume a higher risk. The fund may not be appropriate for investors intending to withdraw their money within less than 5 years.

11.5. Other specificities of the Subfund's management rules

The initial unit value was EUR 1.

The cut-off time for payments and redemptions is 0:01 hours.

Payments into the Subfund cannot be made with transferable securities.

The management fee amounts to 2.00% of the average annual NAV.

The Subfund investment coupon is a non-transferable security.

Subfund investment coupons may not be acquired on the basis of a purchase order.

12. Generali Latin America, Equity

Type: equity fund Latin America emerging markets

12.1. Date of establishment and investment coupon designation

Date of fund management authorisation issued by the Securities Market Agency: 25 July 2008

Inception date (as a mutual fund): 1 October 2008

Investment coupon ISIN code: SI0021400989

Investment coupon designation: KDZLA

12.2. Investment objective

The Subfund's investment objective is to seek long-term capital growth.

The Subfund's assets will be actively managed. Its performance is benchmarked against the Morgan Stanley Capital International (MSCI) Emerging Markets Latin America equity index (measured in EUR).

12.3. Investment policy

With regard to the general restrictions set out in the common part of the Prospectus and the restrictions set out in this part of the Appendix to the Prospectus, the Subfund will invest in the following types of financial instruments:

- equity securities (shares, including share certificates, and units of closed-end investment funds);
- units of other open-end investment funds (target funds);
- debt securities (government and corporate bonds);
- money market instruments; and
- money deposits.

At least 80% of the Subfund's assets will be allocated to shares and units of equity investment funds relating to issuers from the emerging markets of Latin America.

Futures and options based on equity indices, equities and/or units of equity index funds (ETF) will be used to hedge the Subfund's portfolio against market risk. The Subfund's global exposure due to the use of derivative financial instruments is measured according to the commitment approach.

The investment policy of the Subfund displays these additional characteristics:

- investments in shares and equity investment funds will account for at least 85% of the Subfund's assets;
- investments in target funds will not exceed 10% of the Subfund's assets, regardless of their investment objectives and compliance with the Investment Funds Directive;
- the Subfund will also invest in securities and money market instruments within an initial offering process;

- the Subfund will also invest in money market instruments not traded on a regulated market;
- a higher exposure of the Subfund to a single issuer is permissible up to 10% of the Subfund's assets (and total exposure to issuers whose individual exposure exceeds 5% can reach a maximum 40%) under the condition that the average daily trade in the financial instrument issued by a single entity in a relevant market in the last three months exceeds EUR 1 million or the corresponding amount in another currency; and
- ancillary liquid assets will not exceed 15% of the Subfund's assets.

A list of stock exchanges and other regulated markets is in Appendix D.

12.4. Risks and investor profile

The Subfund is exposed especially to market risk as well as concentration and currency risk. It is also exposed to risks connected with investments in less developed markets, which include increased liquidity risk, settlement risk, depositary risk and regulatory risk, all of which lead to the potential illiquidity of the Subfund. The risks are detailed in Chapter 3 of the Prospectus Including the Management Rules.

This fund is suitable only for investors willing to assume a relatively high risk while seeking relatively higher returns, or for investors who can afford to assume a higher risk. The fund may not be appropriate for investors intending to withdraw their money within less than 5 years.

12.5. Other specificities of the subfund's management rules

The initial unit value was EUR 1.

The cut-off time for payments and redemptions is 0:01 hours.

Payments into the Subfund cannot be made with transferable securities.

The management fee amounts to 2.00% of the average annual NAV.

The Subfund investment coupon is a non-transferable security.

Subfund investment coupons may not be acquired on the basis of a purchase order.

13. Generali Eastern Europe, Equity

Type: equity index Central and Eastern Europe

13.1. Date of establishment and investment coupon designation

Date of fund management authorisation issued by the Securities Market Agency: 25 July 2008

Inception date (as a mutual fund): 1 October 2008

Investment coupon ISIN code: SI0021400963

Investment coupon designation: KDZVE

13.2. Investment objective

The Subfund's investment objective is to seek long-term capital growth.

The Subfund's assets will be actively managed. Its performance is benchmarked against the Morgan Stanley Capital International (MSCI) Emerging Markets Europe 10/40 equity index (measured in EUR).

13.3. Investment policy

With regard to the general restrictions set out in the common part of the Prospectus and the restrictions set out in this part of the Appendix to the Prospectus, the Subfund will invest in the following types of financial instruments:

- equity securities (shares, including share certificates, and units of closed-end investment funds);
- units of other open-end investment funds (target funds);
- debt securities (government and corporate bonds);
- money market instruments; and
- money deposits.

At least 80% of the Subfund's assets will be invested shares and equity investment funds relating to issuers from Eastern European countries which, in addition to Slovenia and the Eastern European members of the EU, comprise Russia, Croatia, Serbia, Bosnia and Herzegovina, North Macedonia, and issuers from Turkey. Exposure to Croatia, Bosnia and Herzegovina, Serbia and North Macedonia does not exceed 20% of the Subfund's assets.

Futures and options based on equity indices, equities and/or units of equity index funds (ETF) will be used to hedge the Subfund's portfolio against market risk. The Subfund's global exposure due to the use of derivative financial instruments is measured according to the commitment approach.

The investment policy of the Subfund displays these additional characteristics:

- investments in shares and equity investment funds will account for at least 85% of the Subfund's assets;

- investments in target funds will not exceed 10% of the Subfund's assets, regardless of their investment objectives and compliance with the Investment Funds Directive;
- the Subfund will also invest in securities and money market instruments within an initial offering process;
- the Subfund will also invest in money market instruments not traded on a regulated market;
- a higher exposure of the Subfund to a single issuer is permissible up to 10% of the Subfund's assets (and total exposure to issuers whose individual exposure exceeds 5% can reach a maximum 40%) under the condition that the average daily trade in the financial instrument issued by a single entity in a relevant market in the last three months exceeds EUR 50,000 or the corresponding amount in another currency; and
- ancillary liquid assets will not exceed 15% of the Subfund's assets.

A list of stock exchanges and other regulated markets is in Appendix D.

13.4. Risks and investor profile

The Subfund is exposed especially to market risk as well as concentration and currency risk. It is also exposed to risks connected with investments in less developed markets, which include increased liquidity risk, settlement risk, depositary risk and regulatory risk, all of which lead to the potential illiquidity of the Subfund. The risks are detailed in Chapter 3 of the Prospectus Including the Management Rules.

This fund is suitable only for investors willing to assume a high risk while seeking relatively high returns, or for investors who can afford to assume a high risk. The fund may not be appropriate for investors intending to withdraw their money within less than 5 years.

13.5. Other specificities of the subfund's management rules

The initial unit value was EUR 1.

The cut-off time for payments and redemptions is 0:01 hours.

Payments into the Subfund cannot be made with transferable securities.

The management fee amounts to 2.15% of the average annual NAV.

The Subfund investment coupon is a non-transferable security.

Subfund investment coupons may not be acquired on the basis of a purchase order.

14. Generali Global, Equity

Type: global equity fund of developed markets

14.1. Date of establishment and investment coupon designation

Date of fund management authorisation issued by the Securities Market Agency: 15 March 2011

Inception date (as a mutual fund): 12 April 2011²¹

Investment coupon ISIN code: SI0021401383

Investment coupon designation: KDZDO

14.2. Investment objective

The Subfund's investment objective is long-term capital growth.

The Subfund's assets will be actively managed. Its performance is benchmarked against the equity index Morgan Stanley Capital International (MSCI) AC World (measured in EUR).

14.3. Investment policy

With regard to the general restrictions set out in the common part of the Prospectus and the restrictions set out in this part of the Appendix to the Prospectus, the Subfund will invest in the following types of financial instruments:

- equity securities (shares, including share certificates, and units of closed-end investment funds);
- units of other open-end investment funds (target funds);
- debt securities (government and corporate bonds);
- money market instruments; and
- money deposits.

By geographical criteria, this is a global developed markets fund; its assets will be allocated directly or indirectly through equity target funds in shares of issuers domiciled in at least two developed markets regions, without focusing on a single country or region. The Subfund will be exposed to global developed markets with at least 80% of its assets. Exposure to a single region will also not exceed 80%. The regions include North America, the developed Asia Pacific markets, and Europe without European developing markets.

Futures and options based on equity indices, equities and/or units of equity index funds (ETF) will be used to hedge the Subfund's portfolio against market risk. The Subfund's global exposure due to the use of derivative financial instruments is measured according to the commitment approach.

The investment policy of the Subfund displays these additional characteristics:

²¹ The Subfund was included in the Generali Umbrella Fund on 14 January 2013. Prior to that, it operated as a self-standing mutual fund entitled KD Equity Income having emerged from the transformation of KD ID, Equity Investment Company, plc (KD ID, delniška investicijska družba, d. d.) into a mutual fund. Details of the mutual fund and the investment company as its predecessor are available on the website of the Management Company.

- investments in shares and equity investment funds will account for at least 85% of the Subfund's assets;
- investments in target funds will not exceed 10% of the Subfund's assets, regardless of their investment objectives and compliance with the Investment Funds Directive;
- the Subfund will also invest in securities and money market instruments within an initial offering process;
- the Subfund will also invest in money market instruments not traded on a regulated market;
- a higher exposure to a single issuer is permissible up to 10% of the Subfund's assets (and total exposure to issuers whose individual exposure exceeds 5% can reach a maximum 40%) if this concerns shares of issuers from the Republic of Slovenia included in the index of the most liquid stocks on the Ljubljana Stock Exchange and shares of foreign issuers whose average daily trade on the relevant market in the last three months exceeded EUR 1 million or the corresponding amount in another currency;
- ancillary liquid assets will not exceed 15% of the Subfund's assets.

A list of stock exchanges and other regulated markets is in Appendix D.

14.4. Risks and investor profile

The Subfund is especially exposed to market, currency and liquidity risk. The risks are detailed in Chapter 3 of the Prospectus Including the Management Rules.

This fund is suitable only for investors willing to assume a high risk while seeking relatively high returns, or for investors who can afford to assume a high risk. The fund may not be appropriate for investors intending to withdraw their money within less than 5 years.

14.5. Other specificities of the Subfund's management rules

The initial unit value was EUR 6.29.²²

The cut-off time for payments and redemptions is 0:01 hours.

Payments into the Subfund cannot be made with transferable securities.

The management fee amounts to 2.00% of the average annual NAV.

The Subfund investment coupon is a non-transferable security.

Subfund investment coupons may not be acquired on the basis of a purchase order.

²² Initial unit value of the Subfund at the time of transformation of the then self-standing mutual fund from an investment company. The unit value equals the book value of the investment company on the day of its dissolution.

15. Generali America, Equity

Type: equity fund North America

15.1. Date of establishment and investment coupon designation

Date of fund management authorisation issued by the Securities Market Agency: 29 February 2016

Inception date: 17 April 2016

Investment coupon ISIN code: SI0021401649

Investment coupon designation: KDZAM

15.2. Investment objective

The Subfund's investment objective is to seek long-term capital growth.

The Subfund's assets will be actively managed. Its performance is benchmarked against the equity index Morgan Stanley Capital International (MSCI) USA USD (measured in EUR).

15.3. Investment policy

With regard to the general restrictions set out in the common part of the Prospectus and the restrictions set out in this part of the Appendix to the Prospectus, the Subfund will invest in the following types of financial instruments:

- equity securities (shares, including share certificates, and units of closed-end investment funds);
- units of other open-end investment funds (target funds);
- debt securities (government and corporate bonds);
- money market instruments; and
- money deposits.

At least 80% of the Subfund's assets will be allocated to shares and units of equity investment funds relating to issuers from the USA.

Futures and options based on equity indices, equities and/or units of equity index funds (ETF) will be used to hedge the Subfund's portfolio against market risk. The Subfund's global exposure due to the use of derivative financial instruments is measured according to the commitment approach.

The investment policy of the Subfund displays these additional characteristics:

- investments in shares and equity investment funds will account for at least 85% of the Subfund's assets;
- investments in target funds will not exceed 10% of the Subfund's assets, regardless of their investment objectives and compliance with the Investment Funds Directive;
- the Subfund will also invest in securities and money market instruments within an initial offering process;
- the Subfund will also invest in money market instruments not traded on a regulated market;

- a higher exposure of the Subfund to a single issuer is permissible up to 10% of the Subfund's assets (and total exposure to issuers whose individual exposure exceeds 5% can reach a maximum 40%) under the condition that the average daily trade in the financial instruments in a relevant market in the last three months exceeds EUR 1 million or the corresponding amount in another currency; and
- ancillary liquid assets will not exceed 15% of the Subfund's assets.

A list of stock exchanges and other regulated markets is in Appendix D.

15.4. Risks and investor profile

The Subfund is especially exposed to market, concentration and currency risk. The risks are detailed in Chapter 3 of the Prospectus Including Management Rules.

This fund is suitable only for investors willing to assume a relatively high risk while seeking relatively high returns, or for investors who can afford to assume a high risk. The fund may not be appropriate for investors intending to withdraw their money within less than 5 years.

15.5. Other specificities of the Subfund's management rules

The initial unit value was EUR 1.

The cut-off time for payments and redemptions is 0:01 hours.

Payments into the Subfund cannot be made with transferable securities.

The management fee amounts to 1.70% of the average annual NAV.

The Subfund investment coupon is a non-transferable security.

Subfund investment coupons may not be acquired on the basis of a purchase order.

16. Generali Corporate Bonds - EUR

Type: corporate bonds fund – EUR

16.1. Date of establishment and investment coupon designation

Date of fund management authorisation issued by the Securities Market Agency: 16 December 2016

Inception date: 5 January 2017

Investment coupon ISIN code: SI0027100013

Investment coupon designation: KDZCB

16.2. Investment objective

The Subfund's investment objective is to seek long-term capital growth.

The Subfund's assets will be actively managed. The Subfund's performance is benchmarked against Markit iBoxx Corporates Overall EUR Total Return.

16.3. Investment policy

With regard to the general restrictions set out in the common part of the Prospectus and the restrictions set out in this part of the Appendix to the Prospectus, the Subfund will invest in the following types of financial instruments:

- debt securities (government and corporate bonds);
- money market instruments;
- units of other open-end investment funds (target funds);
- structured financial instruments with built-in financial instruments (convertible bonds); and
- money deposits.

The Subfund will place at least 90% of its assets in bonds, including convertible bonds and bond target funds. At least 70% of the Subfund's assets will be placed in corporate bonds and at least 70% of its assets will be exposed to euro.

Standardised futures and options contracts based on bond indices, interest rates, debt instruments and/or units of bond index funds (ETF) will be used to hedge the Subfund's portfolio against market risk.

The Subfund's global exposure due to the use of derivative financial instruments and investments in convertible bonds is measured according to the commitment approach.

The investment policy of the Subfund displays these additional characteristics, some of which refer specifically to the investment policy of a corporate bond fund:

- placements in non-investment grade bonds and convertible bonds will not exceed 30% of the Subfund's assets;

- placements in bonds and convertible bonds from emerging markets will not exceed 30% of the Subfund's assets;
- placements in non-investment grade bonds and convertible bonds from emerging markets will not exceed 10% of the Subfund's assets;
- investments in convertible bonds will not exceed 20% of the Subfund's assets;
- bond maturities will generally range from 2 to 15 years;
- investments in target funds will not exceed 10% of the Subfund's assets, regardless of their investment objectives and compliance with the Investment Funds Directive;
- a higher exposure of the Subfund to a single issuer not falling into special categories of entities is permissible up to 10% of the Subfund's assets (and total exposure to issuers whose individual exposure exceeds 5% can reach a maximum of 40%) if this concerns bonds issued by investment-grade issuers and highest-grade money market instruments;
- the Subfund will also invest in securities and money market instruments within an initial offering process;
- the Subfund will also invest in money market instruments not traded on a regulated market;
- ancillary liquid assets will not exceed 10% of the Subfund's assets.

A list of stock exchanges and other regulated markets is in Appendix D.

16.4. Risks and investor profile

The Subfund is especially exposed to interest, credit, market and liquidity risk. The risks are detailed in Chapter 3 of the Prospectus Including the Management Rules.

The fund is suitable for investors willing to assume a moderate risk while expecting moderate returns, or for investors who can afford to take only a moderate level of risk.

16.5. Other specificities of the subfund's management rules

The initial unit value was EUR 1.

The cut-off time for payments and redemptions is 0:01 hours.

Payments into the Subfund cannot be made with transferable securities.

The management fee amounts to 1.00% of the average annual NAV.

The Subfund investment coupon is a non-transferable security.

Subfund investment coupons may not be acquired on the basis of a purchase order.

Appendix G: Subfund Operations

Details on Subfund operations include:

- past returns,
- ongoing charges.

**TABLE: Subfunds of the Generali Umbrella Fund:
Past returns and ongoing charges**

Note: A Subfund's past performance is not an indication of how its investment coupons will perform in the future

With international benchmarking, the different tax regimes that could influence the calculation of a Subfund's performance should be taken into consideration.

	1	2	3	4	5
PERIOD	Generali Galileo, Mixed Flexible Fund	Generali Rastko Europe, Equity	Generali Bond – EUR	Generali MM, Money Market - EUR	Generali First Selection, Fund of Equity Funds
2011	-17.9	-22.4	1.0	2.2	-14.1
2011 (BM)	-1.1	-8.3	3.3	0.7	-4.4
2012	11.4	12.6	11.7	2.2	14.3
2012 (BM)	13.0	17.0	11.2	0.1	14.0
2013	4.7	17.0	2.6	2.1	10.1
2013 (BM)	9.9	16.4	2.2	-0.1	15.1
2014	23.5	19.9	11.2	0.9	19.8
2014 (BM)	14.4	4.1	11.1	-0.1	16.3
2015	-1.4	-1.0	2.3	0.1	6.0
2015 (BM)	4.7	5.5	1.0	0.2**	6.6
Past return (%) 2016	9.9	10.2	3.0	0.0	9.7
2016 (BM)	6.9	-0.5	3.3	-0.3	8.8
2017	6.6	17.5	2.9	-0.1	7.5
2017 (BM)	4.3	7.3	0.6	-0.4	6.7
2018	-9.3	-14.5	-0.2	-0.4	-7.2
2018 (BM)	-3.8	-13.1	0.4	-0.4	-6.8
2019	7.6	15.5	5.7	-0.4	26.7
2019 (BM)	18.1	22.2	6.0	-0.4	26.5
2020	1.5	-6.8	3.2	-0.5	5.0
2020 (BM)	5.6	-5.4	4.1	-0.5	5.0

Ongoing charges (%)	1.1.2020-31.12.2020	2.07	1.98	0.93	0.16	0.93*
----------------------------	----------------------------	------	------	------	------	-------

6 7 8 9 10

	PERIOD	Generali South Eastern Europe, Equity	Generali New Markets, Equity	Generali Raw Materials and Energy, Equity	Generali Technology, Equity	Generali Vitality, Equity
		2011	-25.9	-20.7	-10.2	5.3
	2011 (BM)	-21.8	-15.9	-5.3	4.2	10.4
	2012	2.8	15.8	3.4	12.5	14.7
	2012 (BM)	-0.3	16.1	3.8	13.8	15.4
	2013	16.5	-3.3	0.4	9.8	18.4
	2013 (BM)	7.2	-9.0	4.9	22.2	24.9
	2014	22.4	15.3	-1.7	20.2	23.4
	2014 (BM)	6.3	8.7	1.5	26.0	26.9
	2015	-7.9	-8.0	-12.8	17.6	11.7
	2015 (BM)	-1.4	-7.5	-12.9	14.6	16.8
Past return (%)	2016	17.1	13.0	24.8	10.9	0.7
	2016 (BM)	4.6	11.9	25.8	12.0	-1.9
	2017	-7.0	17.0	-2.3	15.3	1.1
	2017 (BM)	4.6	17.9	-2.3	13.4	3.4
	2018	-5.7	-12.9	-10.5	-0.8	5.2
	2018 (BM)	-2.6	-12.5	-14.3	-0.6	1.3
	2019	16.2	19.3	10.8	36.2	19.0
	2019 (BM)	23.6	17.7	14.7	40.4	24.1
	2020	-9.6	7.4	-18.0	24.2	3.2
	2020 (BM)	-4.0	6.4	-23.0	23.2	4.5

Ongoing charges (%)	1.1.2020-31.12.2020	2.83	2.09	2.03	1.98	1.98
----------------------------	----------------------------	------	------	------	------	------

11 12 13 14 15 16

	PERIOD	Generali India – China, Equity	Generali Latin America, Equity	Generali Eastern Europe, Equity	Generali Global, Equity	Generali America, Equity	Generali Corporate Bonds - EUR
		2011	-26.4	-14.2	-25.7		
	2011 (BM)	-21.7	-16.8	-21.9			
	2012	25.6	2.2	21.2	8.1		

2012 (BM)	22.0	6.7	25.5	14.0			
2013	2.0	-15.5	-5.6	10.9			
2013 (BM)	-4.8	-19.3	-11.4	15.1			
2014	31.1	1.1	-17.6	24.8			
2014 (BM)	25.2	-2.9	-22.3	16.3			
2015	-6.5	-21.0	-5.5	-1.7			
2015 (BM)	1.7	-25.3	-8.1	6.6			
2016	2.1	32.1	27.3	10.7			
2016 (BM)	1.4	31.8	25.4	8.8			
2017	23.7	6.3	2.2	6.8	3.7		
2017 (BM)	29.0	6.0	2.1	6.7	4.8		
2018	-12.1	-3.8	-6.9	-11.4	-1.2	-1.8	
2018 (BM)	-12.5	-4.8	-10.4	-6.8	-1.7	-1.3	
2019	18.4	16.3	30.0	14.4	27.3	2.1	
2019 (BM)	19.1	16.0	26.1	26.5	31.6	6.3	
2020	11.6	-27.3	-14.5	-5.4	8.1	0.1	
2020 (BM)	14.1	-22.8	-22.0	5.0	9.5	2.7	
Ongoing charges (%)	1.1.2020-31.12.2020	2.09	2.31	2.30	2.09	1.81	1.10

Notes:

Figures are only indicated for those Subfunds and periods with respect to which they are available.

With amendments to the Prospectus Including the Management Rules, the benchmarks (BM) for assessing investment objectives were partly or completely changed a number of times, therefore the reported returns were achieved in conditions that are no longer applicable.

Where the actual ongoing charges are not available, estimates (*) are provided.

With equity subfunds, BM performance data relate to benchmarks not including reinvestment of income in the form of dividends (i.e. price indices). This applies to the following Generali subfunds: Rastko, Bond, First Selection, South Eastern Europe, New Markets, Raw Materials and Energy, Technology, Vitality, India – China, Latin America, Eastern Europe, and America; it also applies to Generali Galileo pro rata to the share of equity indices in the BM. With the bond subfunds Generali Bond and Generali Corporate Bonds, and partly with Galileo, BM performance data refer to bond benchmarks assuming reinvestment of income in the form of interest (i.e. total return indices). The BM of Generali MM, a money market fund, is represented by a benchmark not relating to financial instruments, hence income reinvestment is irrelevant.

**On 26 November 2015, the provider stopped publishing EONIA Net Total Return index. With respect to 2015, this benchmark is only shown for the period up to that date.

The past return (performance) of a fund means the total annual return on investments in a Subfund investment coupon. The above calculation does not reflect entry/exit charges or any effect of tax liabilities that may be levied on the holder upon the redemption of investment coupons.

Ongoing charges consist of the management and depositary fees payable as well as other charges borne by a Subfund, but exclude the costs of transactions in financial instruments except with the Subfunds that invest a large portion of their assets in target funds and whose ongoing charges also include entry and exit charges of the target funds where these are

actually paid by the Subfund. The ongoing charges figure for a Subfund is based on last year's expenses, for the year ending December 2018, and may vary from year to year.

Historical data for the calculated and published ongoing charges figure are available on the Management Company's website.

Appendix H: Remuneration Policy of the Management Company

The Management Company has adopted and implemented a Remuneration Policy, which conforms to the principles of prudent and effective risk management. With respect to Management Board members, Supervisory Board members and other employees performing special work, the Remuneration Policy sets out rules that discourage the taking of risks that are incompliant with the risk levels of the Umbrella Fund's Subfunds and their rules, and that are in conformity with the business strategy, objectives, values and interests of the Company and the interests of the Umbrella Fund's Subfunds. The Remuneration Policy was introduced in a manner ensuring its proportionality with the size and the internal organisation of the Management Company as well as the complexity of its activities.

Detailed information about the Remuneration Policy and the persons in charge of remuneration is available to investors at the Management Company's website www.generali-investments.si. On request, investors can obtain a printed version of the document with detailed information on the Remuneration Policy.