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Putnam World Trust

PROSPECTUS

22 | 07 | 2024



An Umbrella Unit Trust established as an undertaking for collective investment in transferable securities pursuant to the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 (as amended) (S.I. No. 352 of 2011)

the section headed “The Manager” are the persons responsible for the information contained in this document. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure such is the case), the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information. The Directors accept responsibility accordingly.

If you are in any doubt about the contents of this Prospectus you should consult your stockbroker or other financial advisor.

This Prospectus (hereinafter “Prospectus”) should be read in accordance with the section headed “Interpretation.”

The latest published annual and half yearly reports of the Trust will be supplied to Unitholders free of charge on request and will be available to the public as further described in the section of the Prospectus headed “Reports”.

IMPORTANT INFORMATION

Putnam World Trust is an umbrella unit trust constituted by the Trust Deed and authorised by the Central Bank of Ireland (the “Central Bank”) on 22 February 2000 pursuant to the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 (as amended) (S.I. No. 352 of 2011).

Authorisation of the Trust by the Central Bank does not constitute an endorsement or guarantee of the Trust by the Central Bank nor is the Central Bank responsible for the contents of the Prospectus.

The authorisation of the Trust by the Central Bank shall not constitute a warranty as to the performance of the Trust and the Central Bank shall not be liable for the performance or default of the Trust.

Applications may only be made solely on the basis of this Prospectus and on the terms of the Trust Deed. No person is authorised to give any information or make any representation express or implied that is not contained herein and any information or representation given or made by any dealer, agent, or other person not contained herein shall be regarded as unauthorised and accordingly cannot be relied upon.

Neither the delivery of this Prospectus nor the offer, issue or sale of Units in the Trust shall under any circumstances constitute a representation that the information given in this Prospectus is correct as at any time subsequent to the date hereof. This Prospectus will be updated to take into account any material changes.

The Units of the Trust have not been registered under the United States Securities Act of 1933 (as amended) (the “1933 Act”) and the Trust has not been registered under the Investment Company Act of 1940 (as amended) and, accordingly, the Units may not be offered or sold directly or indirectly in the United States or to or for the benefit of any U.S. Person unless, in the Manager’s judgement, such offer or sale is permitted under an exemption from the 1933 Act. Units may not be offered or sold directly or indirectly to or for the benefit of any U.S. Taxpayer unless such requirement is waived by the Manager in its sole discretion.

The Investment Advisor may effect transactions by or through the agency of another person with whom the Investment Advisor and any entity related to the Investment Advisor has arrangements under which that party will from time to time provide or procure for the Investment Advisor or any party related to the Investment Advisor goods, services or other benefits. It is expected that there may be instances when, in the Investment Advisor’s judgment, more than one firm can offer comparable execution services for a particular transaction or generally to the Trust. In selecting among such firms, consideration will be given to those firms that supply research services to the Investment Advisor or the Trust in addition to execution services, as permitted by applicable law. It is possible that certain of the services

supplied will benefit primarily one or more other accounts for which investment discretion is exercised by the Investment Advisor or its affiliates. Conversely, the Trust may be the primary beneficiary of services received as a result of portfolio transactions effected for other accounts managed by the Investment Advisor or its affiliates. Subject to applicable law, such benefits currently may include economic analysis, investment research, industry and company reviews, statistical information, market data, evaluations of investments, recommendations as to the purchase and sale of investments and performance measurement services, and may in the future include other benefits, as permitted by law. Benefits from their provision, including any improvement in overall performance, can reasonably be expected to accrue to the Trust, or to other clients of the Investment Advisor and its affiliates. For the avoidance of doubt, such services do not include travel, accommodation, entertainment, general administrative goods or services, general office equipment or premises, membership fees, employees' salaries or direct money payments. Any such arrangements shall provide for best execution and a report thereon will be included in the Trust's annual and half-yearly reports and any benefit under these arrangements will assist in the provision of investment services to the Trust.

This Prospectus may only be issued with one or more Supplements, each containing information relating to a separate Fund. Details relating to Classes may be dealt with in the relevant Fund Supplement or in separate Supplements for each Class. Each Supplement shall form part of, and should be read in conjunction with, this Prospectus. To the extent that there is any inconsistency between this Prospectus and any Supplement, the relevant Supplement shall prevail.

Investors should note that because investments in securities can be volatile and that their value may decline as well as appreciate, there can be no assurance that a Fund will be able to attain its objective. The price of Units as well as the income therefrom may go down as well as up to reflect changes in the Net Asset Value of a Fund. An investment should only be made by those persons who could sustain a loss on their investment. A contingent deferred sales charge subject to a maximum of 4% of the Net Asset Value per Unit may be imposed on certain Units as is set out herein.

The difference at any one time between the issue price and the redemption price of Units means that the investment in a Fund should be viewed as medium to long term.

Applicants will be required to certify that they are not U.S. Persons or U.S. Taxpayers unless waived at the discretion of the Manager.

Investors should note that certain Funds included in the Prospectus are not registered for public sale in each country in which this Prospectus may be used or distributed under local law. This Prospectus does not constitute an offer or solicitation to anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation.

The distribution of this Prospectus and supplementary documentation and the offering of Units may be restricted in certain countries. Investors wishing to apply for Units should inform themselves as to the requirements within their own country for transactions in Units, any applicable exchange control regulations and the tax consequences of any transaction in Units.

Prospective investors should note that not all of the protections provided for under their relevant regulatory regime may apply and there may be no right to compensation under such regulatory regime, if such scheme exists.

Statements made in this Prospectus are based on the law and practice in force in Ireland at the date of this Prospectus and are subject to changes in that law.

The distribution of this Prospectus in certain countries may require that this Prospectus be translated into the languages specified by the regulatory authorities of those countries. Should any inconsistency arise between the translated and the English version of the Prospectus, the English version shall prevail.

The Manager, its affiliates and the Transfer Agent may use telephone recording procedures to record any conversation. Unitholders are advised that, and by subscribing for Units of a Fund consent that, telephone conversations may be recorded and such tape recordings may be used by the Manager in legal proceedings or otherwise at its discretion.

The Manager, will, on request, provide supplementary information to unitholders relating to the risk management methods employed including the quantitative limits that are applied and any recent developments in the risk and yield characteristics of the main categories of investments. The Risk Management Process is a living document and may change from time to time subject to the Central Bank's approval of any material changes.

Investors' attention is drawn to the section headed "Risk Factors and Special Considerations".

Investors should note that investment in the Trust is not a complete investment programme and may not be appropriate for all investors.

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PUTNAM GLOBAL HIGH YIELD BOND FUND
PUTNAM U.S. LARGE CAP GROWTH FUND
PUTNAM ULTRA SHORT DURATION INCOME FUND

Putnam World Trust

INVESTMENT ADVISOR

The Putnam Advisory Company, LLC
100 Federal Street
Boston, Massachusetts, 02110
United States of America

LEGAL ADVISORS IN IRELAND

Dechert LLP
Second Floor
5 Earlsfort Terrace
Dublin 2
D02 CK83
Ireland

AUDITORS

PricewaterhouseCoopers
Chartered Accountants
George's Quay
Dublin 2
Ireland

DEPOSITARY

State Street Custodial Services (Ireland) Limited
78 Sir John Rogerson's Quay
Dublin 2
Ireland

ADMINISTRATOR

State Street Fund Services (Ireland) Limited
78 Sir John Rogerson's Quay
Dublin 2
Ireland

TRANSFER AGENT

Citibank Europe plc
1 North Wall Quay
Dublin 1
Ireland

DISTRIBUTOR

Putnam Investments Limited
Cannon Place
78 Cannon Street
London EC4N 6HL
United Kingdom

MANAGER

Carne Global Fund Managers (Ireland) Limited
3rd Floor 55 Charlemont Place
Dublin, D02 F985 – Ireland

MANAGEMENT OF THE TRUST

MANAGER

The Manager of the Trust is Carne Global Fund Managers (Ireland) Limited (the "Manager"). The Central Bank UCITS Regulations refer to the "responsible person" being the party responsible for compliance with the relevant requirements of the Regulations on behalf of an Irish authorised UCITS. The Manager assumes the role of the responsible person for the Trust.

The Manager is a private limited company and was incorporated in Ireland on 10 November 2003 under the registration number 377914 and has been authorised by the Central Bank to act as a UCITS management company and to carry on the business of providing management and related administration services to UCITS collective investment schemes. The Manager's parent company is Carne Global Financial Services Limited, a company incorporated in Ireland with limited liability.

The Manager is responsible for the general management and administration of the Trust's affairs and for ensuring compliance with the Regulations, including investment and reinvestment of each Fund's assets, having regard to the investment objective and policies of each Fund. However, pursuant to the Administration Agreement, the Manager has delegated certain of its administration and transfer agency functions in respect of the Funds to the Administrator. The Manager has also delegated certain of its transfer agency functions in respect of the Funds to the Transfer Agent (as further described below under the section headed 'Transfer Agent').

Pursuant to the Investment Advisory Agreement, the Manager has delegated certain investment management functions in respect of each Fund to the Investment Advisor.

The directors of the Manager are:

Aleda Anderson (Nationality: American – Irish Resident)

Ms Anderson is an independent non-executive director with over 30 years' experience within the investment industry, most recently as Chief Executive Officer and Chief Investment Officer at Principal Global Investors (EU) Limited, a subsidiary of Principal Financial Group (NASDAQ:PFG), a global investment firm and FORTUNE 500 member. Prior to relocating to Ireland from the United States in 2018 to establish a Dublin office for Principal Global Investors, she was director of Strategy & Operations at Edge Asset Management, a specialist investment boutique located in Seattle, WA. During her 30-year career, Ms Anderson has held various positions at Charles Schwab in San Francisco, CA. including Vice President and General Manager, Asset Management Strategic Alliances, and Vice President Distribution Services for Schwab Funds and Laudus Funds. Earlier in her career, she worked for Franklin Templeton in San Mateo, CA. Ms Anderson studied Philosophy and Religion from San Francisco State University and holds Professional Diplomas in Strategic Management and Applied Alternative Investments, and a Professional Certificate in Complex Financial Instruments from University College Dublin.

Elizabeth Beazley (Nationality: Irish – Irish Resident)

Ms Beazley is a Managing Director with the Carne Group with over 20 years' experience in the funds' industry focusing on fund establishment, operations and corporate governance. During her time in Carne Group, Ms Beazley has held a number of roles including Global Head

of Onboarding covering a variety of jurisdictions including Ireland, Luxembourg, the UK and Channel Islands amongst others. Ms Beazley acts as non-executive director on a number of fund boards, including Carne Global Fund Managers (Ireland) Limited. Prior to joining Carne, she spent 4 years in a senior role with AIB/BNY Fund Management in Ireland, and before that worked for Bank of Bermuda (now HSBC).

Ms Beazley has been a member of various industry working groups and currently sits on the Irish Funds' Management Company working group as Deputy Chair in addition to being a member of the ETF Committee in EFAMA. She has a Bachelor of Commerce degree from University College Cork and has a Masters' degree in Business Studies from the Smurfit Graduate School of Business at University College Dublin. Ms Beazley is a member of the Association of Chartered Certified Accountants.

Neil Clifford (Nationality: Irish – Irish Resident)

Mr Clifford is a Director and Chief Executive Officer of the Manager. He is an experienced Irish-based investment management professional and fund director, with wide experience in the governance and operations of traditional and alternative investment funds. Neil joined the Manager in October 2014 from Irish Life Investment Managers (“ILIM”) (April 2006 – September 2014), where he was Head of Alternative Investments. He began his career with Irish Life as a sector-focused equity fund manager. Prior to this, Mr Clifford was a senior equity analyst for Goodbody Stockbrokers (September 2000 - April 2006) in Dublin. He has also worked as an engineer with a number of leading engineering and telecoms firms in Ireland. Mr Clifford holds a degree in Electrical Engineering from University College Cork and a Masters of Business Administration from the Smurfit School of Business, University College, Dublin. He has also attained the professional certifications of Chartered Alternative Investment Analyst (CAIA) and Financial Risk Manager (FRM – Global Association of Risk Professionals).

Sarah Murphy (Nationality: Irish – Irish Resident)

Ms Murphy is an Executive Director and the Chief Operating Officer of the Manager. The Manager is a UCITS Management Company and Alternative Investment Fund Manager which currently manages in excess of €130bn in assets across a wide range of fund structures and asset classes. She began her career at the Carne Group as a business manager where she was tasked with leading the launch and development of a number of the firm's corporate services businesses. Prior to joining Carne, Ms Murphy held a number of senior management roles in BDO Ireland's corporate services business. During this period, Ms Murphy was responsible for providing advisory services to a broad range of domestic and international clients in relation to corporate governance and company law issues associated with acquisitions, disposals and company re-organisations.

Jacqueline O'Connor (Nationality: British – Irish Resident)

Ms O'Connor is an independent non-executive director on Carne Group's Irish and Luxembourg management companies. She has over 20 years' experience within the asset management industry, most recently as Managing Director and CEO of Goldman Sachs Asset Management Fund Services Ltd (“GSAMFSL”), Goldman Sachs Asset Management's Irish domiciled UCITS management company and Alternative Investment Fund Manager based in Ireland. Jackie was responsible for setting up GSAMFSL in Ireland.

Prior to that, Ms O'Connor was international head of regulatory reform for GSAM, responsible for identifying and implementing requirements under new regulations within the EMEA and

Asia Pacific regions. Earlier in her career, Ms O'Connor worked in a number of roles within the GSAM and the wider Goldman Sachs Group, including global project manager for the GSAM Client Relationship Team as well as five years in Goldman Sachs's Internal Audit department.

Ms O'Connor holds a bachelor's degree with honours in Zoology from Sheffield University in the UK.

Teddy Otto (Nationality: German – Irish Resident)

Mr Otto is a Principal with the Carne Group. He specialises mainly in product development, fund establishment and risk management. Before joining the Manager, Mr Otto was employed by the Allianz / Dresdner Bank group in Ireland for six years. During this time, he acted as head of fund operations, head of product management and was appointed as a director of the Irish management company for Allianz Global Investors and a range of Irish and Cayman domiciled investment companies. He had previously held senior positions in the areas of market data and custody at Deutsche International (Ireland) Limited and worked in the investment banking division of Deutsche Bank, Frankfurt. He spent over six years at DeutscheBank group. Prior to that, he was employed with Bankgesellschaft Berlin for two years. Mr Otto holds a degree in business administration from Technische Universität Berlin.

N.J. Whelan (Nationality: Irish – Irish Resident)

N.J. Whelan is a Managing Director of Client Operations at Carne Group. He has over 20 years' experience in the asset management industry and has a particular focus on the governance and operations of funds and management companies.

At Carne, N.J. is responsible for Client Operations including the oversight of UCITS funds, alternative investment funds and traditional funds across a variety of fund structures, including money market funds, and spanning multiple jurisdictions, principally Ireland, Luxembourg, Switzerland and the UK. As part of his role at Carne, N.J. is also responsible for the ongoing monitoring of fund delegates including conducting due diligence on delegates, the management and resolution of issues as they arise and reporting to fund Boards.

N.J. joined Carne from PwC where he was a senior manager in the Asset and Wealth Management Practice in Ireland specialising in fund audits and was an active member of various fund industry working groups. At PwC Ireland, N.J. was their Money Market Fund specialist and was an active member of the Irish Funds Money Market Fund Working Group. These roles included cross-industry engagement and participating and speaking at events.

During the early stages of his professional career, N.J. worked for BNY Mellon in Ireland. N.J. is a qualified accountant and is a fellow of the Association of Chartered Certified Accountants (FCCA).

The Company Secretary of the Manager is Carne Global Financial Services Limited.

Trust Deed

The Manager was appointed as manager of the Trust and the Depositary was appointed as trustee of the Trust pursuant to an Amended and Restated Trust Deed dated 21 December 2021 and as may be further amended from time to time.

The Depositary shall stand possessed of all of the assets of each Fund as a separate and distinct trust upon trust for the Unitholders in that Fund according and subject to the provisions of the Trust Deed.

The Depositary is liable to the Funds for the loss of financial instruments of the Funds which are held in custody as part of the Depositary's safekeeping function (irrespective of whether or not the Trustee has delegated its safekeeping function in respect of such financial instruments). The Depositary will not be indemnified out of the assets of a Fund for the loss of financial instruments where it is so liable.

In particular the Depositary is obliged to ensure, inter alia, that Units are issued, redeemed and valued, and income is applied in accordance with the Trust Deed, the UCITS Regulations and the Central Bank UCITS Regulations.

The Depositary shall not be entitled to retire voluntarily under the Trust Deed except upon the appointment of a new Trustee or the termination of the Trust by the Manager. If, within three months of the date the Depositary expresses its desire to retire, no successor Trustee acceptable to the Central Bank has been identified, the Depositary may serve notice on the Unitholders informing them that all outstanding Units shall be redeemed and the Trust terminated. The Depositary shall cease to hold office in the event of the appointment by the Central Bank of a new Depositary. The Depositary may be removed by the Manager (with the approval of the Central Bank) in certain circumstances described in the Trust Deed.

PROMOTER

The promoter of the Trust is The Putnam Advisory Company, LLC, which also acts as investment advisor for the Trust. For details, please see the section below headed "Investment Advisor".

INVESTMENT ADVISOR

Pursuant to the Investment Advisory Agreement, the Manager has delegated its investment management functions to the Investment Advisor who manages the investment, realisation and re-investment of the assets of the Trust on a fully discretionary basis.

The Investment Advisor may delegate some or all of the investment management functions to one or more sub-investment managers. If a sub-investment manager's fee is payable out of the assets of the Fund, then details of such sub-investment manager shall be disclosed in the Prospectus. In any event, details of any sub-investment manager appointed but not paid out of the assets of the Fund may not be disclosed in the Prospectus but shall be disclosed in the periodic reports. Information relating to any sub-investment manager appointed will be provided to Unitholders upon request.

THE PUTNAM ADVISORY COMPANY, LLC

The Investment Advisor, which has its principal offices at 100 Federal Street, Boston, Massachusetts, USA is part of an affiliated group of companies doing business under the name Putnam Investments. Putnam Investments together with its corporate affiliates and predecessors has engaged in the investment management business since 1937 and currently manages nearly US\$159 billion in assets as at 31 March 2024. Putnam Investments is indirectly owned by Franklin Resources, Inc. (NYSE:BEN), a global investment management organization with subsidiaries operating as Franklin Templeton and serving clients in over 150

countries.

DEPOSITARY

The Depositary is State Street Custodial Services (Ireland) Limited, which is a private limited company incorporated in Ireland on 22 May 1991. The Depositary is ultimately owned by State Street Corporation. Its authorised share capital is GBP5,000,000 and its issued and paid up capital is GBP200,000.

State Street Corporation is a leading world-wide specialist in providing sophisticated global investors with investment servicing and investment management. State Street Corporation is headquartered in Boston, Massachusetts, USA, and trades on the New York Stock Exchange under the symbol “STT”.

The principal activity of the Depositary is to act as trustee and depositary of the assets of collective investment schemes. The Depositary is regulated by the Central Bank. The duties of the Depositary are to provide safekeeping, oversight and asset verification services in respect of the assets of the Trust and each Fund in accordance with the provisions of the Regulations. The Depositary will also provide cash monitoring services in respect of each Fund’s cash flows and subscriptions.

Depositary Duties

The Depositary will be obliged, inter alia, to ensure that the sale, issue, redemption and cancellation of Units in the Trust is carried out in accordance with the Regulations and the Trust Deed. The Depositary will carry out the instructions of the Manager unless they conflict with the Regulations or the Trust Deed. The Depositary is also obliged to enquire into the conduct of the Fund in each financial year and report thereon to the Unitholders.

Depositary Liability

Pursuant to the Trust Deed, the Depositary shall be liable, (i) in respect of a loss of a financial instrument held in its custody (or that of its duly appointed delegate) unless it can prove that the loss has arisen as a result of an external event beyond the Depositary’s reasonable control, the consequences of which would have been unavoidable despite all reasonable measures to the contrary, and (ii) in respect of all other losses as a result of the Depositary’s negligent or intentional failure to properly fulfil its obligations pursuant to the Regulations.

Depositary Delegation and Conflicts

Under the Trust Deed, the Depositary may delegate its safekeeping obligations provided that (i) the services are not delegated with the intention of avoiding the requirements of the Regulations, (ii) the Depositary can demonstrate that there is an objective reason for the delegation and (iii) the Depositary has exercised all due skill, care and diligence in the selection and appointment of any third party to whom it wants to delegate parts of the services, and keeps exercising all due skill, care and diligence in the periodic review and ongoing monitoring of any third party to whom it has delegated parts of its safekeeping services and of the arrangements of the third party in respect of the matters delegated to it. The liability of the Depositary will not be affected by virtue of any such delegation.

The Depositary has delegated its safe-keeping duties in respect of financial instruments in custody to the third parties set out in Appendix III hereto. The Depositary is part of an

international group of companies and businesses that, in the ordinary course of their business, act simultaneously for a large number of clients, as well as for their own account, which may result in actual or potential conflicts. Conflicts of interest arise where the Depositary or its affiliates engage in activities under the Trust Deed or under separate contractual or other arrangements. Such activities may include:

- (i) providing nominee, administration, registrar and transfer agency, research, agent securities lending, investment management, financial advice and/or other advisory services to the Manager in respect of the Trust;
- (ii) engaging in banking, sales and trading transactions including foreign exchange, derivative, principal lending, broking, market making or other financial transactions with the Manager in respect of the Trust either as principal and in the interests of itself, or for other clients.

In connection with the above activities the Depositary or its affiliates:

- (i) will seek to profit from such activities and are entitled to receive and retain any profits or compensation in any form and are not bound to disclose to, the Manager, the nature or amount of any such profits or compensation including any fee, charge, commission, revenue share, spread, mark-up, mark-down, interest, rebate, discount, or other benefit received in connection with any such activities;
- (ii) may buy, sell, issue, deal with or hold, securities or other financial products or instruments as principal acting in its own interests, the interests of its affiliates or for its other clients;
- (iii) may trade in the same or opposite direction to the transactions undertaken, including based upon information in its possession that is not available to the Manager in respect of the Trust;
- (iv) may provide the same or similar services to other clients including competitors of the Trust;
- (v) may be granted creditors' rights by the Manager in respect of the Trust which it may exercise.

The Manager in respect of the Trust may use an affiliate of the Depositary to execute foreign exchange, spot or swap transactions for the account of the Trust. In such instances the affiliate shall be acting in a principal capacity and not as a broker, agent or fiduciary of the Trust. The affiliate will seek to profit from these transactions and, unless otherwise separately agreed, is entitled to retain and not disclose any profit to the Manager. The affiliate shall enter into such transactions on the terms and conditions agreed with the Manager in respect of the Trust.

Where cash belonging to the Trust is deposited with an affiliate being a bank, a potential conflict arises in relation to the interest (if any) which the affiliate may pay or charge to such account and the fees or other benefits which it may derive from holding such cash as banker and not as depositary.

Up-to-date information

Up-to-date information regarding the duties of the Depositary, any conflicts of interest that may arise, the safe-keeping functions delegated by the Depositary, the list of delegates and sub-

delegates and any conflicts of interest that may arise from such a delegation will be made available to Unitholders on request.

Retirement / Removal of the Depositary

The Depositary may not retire or be removed from office until a new depositary is appointed as a replacement or the termination of the Trust. If no depositary has been appointed within a period of three months from the date on which the Depositary notifies the Manager of its intention to retire, the Trust will terminate in accordance with the terms of the Trust Deed. In such event, the Depositary shall not retire until the Trust's authorisation has been revoked by the Central Bank.

ADMINISTRATOR

The Manager has appointed State Street Fund Services (Ireland) Limited as Administrator pursuant to the Administration Agreement to perform certain valuation and administrative work.

The principal activity of the Administrator is to act as administrator for collective investment schemes. The Administrator is regulated by the Central Bank.

The Administrator is responsible for performing the day to day administration of the Trust and its Funds and for providing fund accounting for the Trust and its Funds, including the calculation of the Net Asset Value and the Net Asset Value per Class Unit, and for providing related services to the Funds.

The Administrator is a private limited company incorporated in Ireland on 23 March 1992 and is ultimately owned by State Street Corporation. The authorised share capital of the Administrator is GBP5,000,000 with an issued and paid up share capital of GBP350,000.

Under the Administration Agreement, the Administrator shall not be liable for any loss of any nature whatsoever suffered by the Manager or the Unitholders in connection with the performance of its obligations under the Administration Agreement, except where that loss results from negligence, fraud, bad faith or wilful misconduct, violation of law on the part of the Administrator in the performance of its obligations and duties under the Administration Agreement or material breach of the Administration Agreement (provided, however, that the Administrator shall have the opportunity to cure within thirty days of its receipt of written notice from the Manager, solely those breaches capable of cure without material adverse impact to the Manager, provided in such instance where the Administrator is aware of an event related to such notice, the Administrator had previously informed the Manager of such event; any communication from the Administrator to the Manager shall not be used as or considered as an admission of fault and will be provided solely as an accommodation to the Manager). Notwithstanding any other provision of the Administration Agreement, neither party shall be liable to the other for any indirect, incidental, special or consequential loss howsoever arising out of or in connection with the Administration Agreement. The aforementioned disclaimer applies without limitation to claims regardless of the form of action, whether in contract, tort (including negligence), strict liability or otherwise and regardless of whether such damages are foreseeable.

TRANSFER AGENT

Citi Fund Services (Ireland), Limited (and as transferred from Citi Fund Services (Ireland),

Limited to Citibank Europe plc pursuant to a scheme of arrangement on 1 January 2012), was appointed as a transfer agent pursuant to the Transfer Agency Agreement and shall act as transfer agent to all Funds of the Trust.

Citibank Europe plc is a licensed bank, authorised and regulated by the Central Bank of Ireland. Citibank Europe plc was incorporated in Ireland on 9 June 1988 under registered number 132781 and is a member of the Citigroup group of companies, having as its ultimate parent Citigroup Inc., a U.S. publicly-traded company.

The Transfer Agent shall be responsible for the maintenance of the Unitholders' register, and shall process all applications for purchase, exchange and redemption of Units of the Funds.

DISTRIBUTOR

The Manager has appointed Putnam Investments Limited pursuant to the Distribution Agreement as Distributor to distribute Units in the Trust.

The Distributor is a private limited company incorporated in England.

The Distributor under the Distribution Agreement agrees to exercise reasonable efforts to find purchasers who are non-U.S. Persons for Units of the Trust. The Distribution Agreement may be terminated by either party without cause upon ten days' written notice. In addition, the Manager may terminate the Distribution Agreement upon the violation by the Distributor of any of its provisions, such termination to become effective five days after the date such notice of termination is received by the Distributor.

The Distributor has the authority to delegate its functions to sub-distributors subject at all times to the provisions of the Distribution Agreement and the requirements of the Central Bank.

PAYING AGENTS/REPRESENTATIVES/SUB-DISTRIBUTORS

Local laws/regulations in European Economic Area ("EEA") Member States, the United Kingdom and other jurisdictions may require the appointment of paying agents, representatives, distributors, and/or correspondent banks ("Paying Agents") and maintenance of accounts by such Agents through which subscription and redemption monies or distributions may be paid. Unitholders who choose or are obliged under local regulations to pay or receive subscription or redemption monies or distributions via an intermediate entity rather than directly to the Depository (e.g., a Paying Agent in a local jurisdiction) bear a credit risk against that intermediate entity with respect to (a) subscription monies prior to the transmission of such monies to the Depository for the account of the Trust or the relevant Fund and (b) redemption monies payable by such intermediate entity to the relevant Unitholder. Fees and expenses of Paying Agents appointed by the Manager on behalf of the Trust or a Fund may be payable out of the assets of the Trust or Fund in respect of which the Paying Agent has been appointed and will be at normal commercial rates.

Country Supplements dealing with matters pertaining to Unitholders in jurisdictions in which Paying Agents are appointed may be prepared for circulation to such Unitholders.

DEALINGS BY MANAGER, ADMINISTRATOR, INVESTMENT ADVISOR, DEPOSITARY AND ASSOCIATES

There is no prohibition on dealings in the assets of a Fund by the Manager, the Administrator,

the Transfer Agent, the Investment Advisor, the Depositary or entities related to the Manager, the Administrator, the Transfer Agent, the Investment Advisor, or the Depositary or to their respective officers, directors or executives, provided that the transaction is conducted at arm's length and is in the best interests of the Unitholders.

Transactions permitted are subject to:

- (i) a certified valuation by a person approved by the Depositary (or in the case of transactions involving the Depositary, the Manager) as independent and competent; or
- (ii) the execution of the transaction is on best terms on organised investment exchanges under their rules; or
- (iii) where the conditions set out in (i) or (ii) above are not practical, the transaction is executed on terms that the Depositary is satisfied that the relevant transaction is conducted at arm's length and is in the best interests of Unitholders (or, in the case of a transaction involving the Depositary, the Manager is satisfied that the transaction is at arm's length and in the best interests of Unitholders).

The Depositary (or the Manager, in the case of transactions involving the Depositary) must document how it has complied with the provisions of paragraph (i), (ii) or (iii) above. Where transactions are conducted in accordance with (iii) above, the Depositary (or the Manager, in the case of transactions involving the Depositary) must document their rationale for being satisfied that the transaction conformed to the principles outlined above.

CONFLICTS OF INTEREST

The Manager, the Administrator, the Transfer Agent, the Investment Advisor, the Depositary, and their respective affiliates, officers and shareholders (collectively the "Parties") are or may be involved in other financial, investment and professional activities that may on occasion cause conflicts of interest with the management of a Fund. These include management of other funds, purchases and sales of securities, investment and management counselling, brokerage services, trustee and depositary services and valuation of unlisted securities (in circumstances in which fees payable to the entity valuing such securities may increase as the value of assets increases), and serving as directors, officers, advisors or agents of other funds or other companies, including companies in which a Fund may invest. In particular, it is envisaged that the Investment Advisor will be involved in managing or advising on the investments of other investment funds or clients that may have similar or overlapping investment objectives to or with a Fund and that investment opportunities shall be fairly allocated to its clients. Each of the Parties will respectively ensure that the performance of their respective duties will not be impaired by any such involvement that they might have. In the event that a conflict of interest does arise, the Directors of the Manager shall endeavour to ensure that it is resolved fairly and in the interests of Unitholders, consistent with a conflicts of interest policy that the Manager has adopted and which it reviews annually.

Like other investment firms with multiple clients, the Investment Advisor may face potential conflicts of interest when managing and trading on behalf of the Funds and other client accounts. This section describes some of these potential conflicts, which the Investment Advisor believes impact most major financial firms. It is not a complete description of every conflict that could exist. In addition, while the Investment Advisor's procedures are designed to address potential conflicts of interest, the Investment Advisor believes that all risks of these potential conflicts cannot be fully eliminated.

a) Allocation of Investments and Trading for Multiple Clients

Potential conflicts of interest may arise when an asset manager's various client accounts purchase or sell the same securities or other investments. Trade aggregation may create the potential for unfairness to client accounts if one account is favoured over another – for example, by allocating a disproportionate amount of a security that is likely to increase in value to a favoured account. As part of the Investment Advisor's trade oversight procedures, trade allocations are sampled on a regular basis for consistency with the Investment Advisor's policies in an attempt to ensure fairness over time across accounts.

Another potential conflict of interest may arise based on the different investment objectives and strategies of various client accounts of the Investment Advisor and its affiliates. For example, different accounts may have different investment horizons, objectives, policies or restrictions. Depending on investment objectives or other factors, the Investment Advisor may make different investment decisions for different accounts, including the Funds. In addition, investment decisions are the product of many factors in addition to basic suitability for the particular account involved. As a result, the Investment Advisor may buy or sell a particular security for some accounts even though it could have bought or sold it for other accounts at the same time. The Investment Advisor may also buy a particular security for some accounts when it is selling the security for other accounts. The market impact of client trading on other clients' holdings is impossible to predict; it may increase or reduce the price received or paid by clients. There may be circumstances when purchases or sales of portfolio securities for one or more accounts may have an adverse effect on other accounts. The Investment Advisor has implemented trade oversight and review procedures to monitor whether any account is systematically favoured over time; however, there is no way for an asset manager to eliminate completely the potential impact of one client's trading on another client.

b) Brokerage and Research Services

Transactions on U.S. and non-U.S. stock exchanges, commodities markets and futures markets and other agency transactions involve the payment by the Funds of negotiated brokerage commissions.

Commissions vary among different brokers and different trading platforms. A particular broker may charge different commissions according to factors such as the difficulty and size of the transaction and the trading venue. Although the Funds do not typically pay commissions for principal transactions in the over-the-counter markets, including the markets for most fixed income securities and some derivatives, an undisclosed amount of profit or "mark-up" is included in the price the Fund pays. In underwritten offerings, the price paid by the Fund includes a disclosed, fixed commission or discount retained by the underwriter or dealer.

The Investment Advisor places orders for the purchase and sale of portfolio investments for the Funds through a substantial number of brokers and dealers. In seeking the best execution reasonably available under the circumstances, the Investment Advisor, having in mind the Funds' best interests, selects broker-dealers to execute trades considering all factors it believes to be relevant. These can include factors such as:

- transaction price
- the size and type of the transaction
- the nature of the market for the security or other investment
- the amount of the commission

- research and brokerage products and services provided by a broker-dealer (except that research is not a factor for selecting broker-dealers in the case of the Investment Advisor's U.K. based affiliate, Putnam Investments Limited ("PIL"), whenever it may be acting as a sub-investment manager)
- the timing of the transaction (taking into account market prices and trends, the reputation, experience and financial stability of the broker-dealer involved)
- the benefit of any capital committed by a broker or dealer to facilitate the efficient execution of the transaction
- the quality of service rendered by the broker-dealer in other transactions.

Subject to the overriding requirements to seek best execution under the circumstances (namely, the best price available in the market, exclusive of any charges but taking account of any other factors such as counterparty risk, order size or client instructions), the Investment Advisor receives brokerage and research products and services from broker dealers, including both the broker dealers with which the Investment Advisor places the Funds' (and other clients') portfolio transactions and other third parties, which may include other broker-dealers. These products and services are sometimes called "soft dollar" purchases. In any such arrangements the broker to the arrangement shall agree to provide best execution, the arrangements must be those that assist in the provision of investment services to the Trust and shall be disclosed in the periodic reports of the Trust.

Research products and services received from executing broker-dealers are sometimes called "proprietary research". The Investment Advisor (though not PIL, when acting as sub-investment manager) may also allocate equity trades to generate "soft dollar credits" used to pay for brokerage services and trading systems and investment research reports and other research products and services from third-party providers when, in the Investment Advisor's judgment, trading through the firm generating the research would not be feasible (for instance, where the firm is not a broker-dealer) or in the account's best interest (for instance, where the firm has not satisfied the Investment Advisor's internal eligibility criteria for trading counterparties). Such products and services are referred to as "third-party research" or "third-party brokerage". In addition to generating soft-dollar credits to pay for third-party services, the Investment Advisor may instruct executing brokers to "step out" a portion of the trades placed with them to other broker-dealers providing brokerage and research services.

The proprietary and third-party products and services that the Investment Advisor may receive in connection with client portfolio transactions include, among others:

- trading systems and other brokerage services
- economic and political analysis
- market data and statistical information, including benchmark data and trade data
- fundamental and macro investment research
- industry and company reviews
- evaluations of investments, strategies, markets and trading venues
- recommendations as to the purchase and sale of investments
- performance measurement services
- meetings with management of current or prospective portfolio companies or with industry experts.

Some of these products and services obtained through soft dollar credits are "mixed-use" *i.e.*, they may be used both for investment / brokerage and non-investment / brokerage-related purposes. In these cases, the Investment Advisor will use its own resources to pay for that portion of the mixed-use product or service that in its good-faith judgment does not relate to

investment or brokerage purposes.

Use of soft dollars, while common in the asset management industry, may involve potential conflicts of interest. Research products and services provided by broker-dealers are supplemental to the Investment Advisor's own research efforts and relieve the Investment Advisor of the possible expense of generating the research internally. Management fees paid by clients are not reduced because the Investment Advisor receives brokerage and research products and services, even though the Investment Advisor might otherwise be required to purchase some of these products and services for cash. The Investment Advisor may have an incentive to select or recommend a broker-dealer based on its interest in receiving the research or other products or services, rather than on its clients' interest in paying the lowest commission.

Because of the nature of the Investment Advisor's trading process, it is not possible to trace trades in any account to specific products and services. An aggregated trade with a broker-dealer providing proprietary research or a trade that generates soft dollar credits by its nature represents commissions of multiple clients. Brokerage and research products and services acquired will be paid out of the aggregate of soft dollar credits generated by various trades over time. Clients do not receive a direct monetary benefit from brokerage and research products and services; however, these products and services may be useful to the Investment Advisor in providing investment advice to all its clients. Likewise, research products and services made available to the Investment Advisor from brokerage firms effecting securities transactions for a client may be utilised by the Investment Advisor in managing the accounts of other clients. Some of these brokerage and research products and services are of value to the Investment Advisor and its affiliates in advising multiple clients (including the Funds), although not all of these services are necessarily useful and of value in managing any particular account. There may be no correlation between the amount of brokerage commissions generated by a particular Fund and the indirect benefits received by that Fund.

Due in part to the European Union's recast Markets in Financial Instruments Directive ("MiFID II"), when PIL serves as sub-investment manager it is prohibited from using brokerage commissions from transactions to generate soft dollar credits. Research and brokerage products and services may be used to benefit all Funds and other clients of the Investment Advisor or its affiliates, including, subject to MiFID II's requirements, any Fund managed by PIL.

Research and brokerage products and services may be used to benefit all clients, including clients that prohibit the Investment Advisor from using, or limit the Investment Advisor's use of, brokerage commissions generated from such clients' trades to purchase brokerage and research products and services.

In the case of a broker-dealer that provides to the Investment Advisor any "brokerage and research services" as defined in Section 28(e) of the U.S. Securities Exchange Act of 1934, the Investment Advisor may cause a Fund to pay a broker-dealer an amount of disclosed commission for effecting agency transactions (on stock exchanges or otherwise) even though the commission is in excess of the commission another broker-dealer would have charged for effecting the transaction.

CASH/COMMISSION REBATES AND FEE SHARING

Where the Manager, or any of its delegates, successfully negotiates the recapture of a portion of the commissions charged by brokers in connection with the purchase and/or sale of

securities, financial derivative instruments or techniques and instruments for the Trust or a Fund, the rebated commission shall be paid to the Trust or the relevant Fund as the case may be. The Manager or its delegates may be reimbursed out of the assets of the Trust or the relevant Fund for reasonable properly vouched costs and expenses directly incurred by the Manager or its delegates in this regard.

PAYMENTS TO DEALERS

The Funds are offered and sold to investors primarily through third-party dealer firms (dealer includes any broker, dealer, bank, bank trust department, registered investment advisor, financial planner, retirement plan administrator, and any other institution having a distribution, agency, selling, services, or any similar agreement with the Distributor of the Trust or one of its affiliates).

In connection with sales and servicing activities relating to the Funds, the dealer firm for a Unitholder generally receives from the Manager or its affiliates payments representing a substantial portion of the fees shown under “Management and Trust Charges – the Manager” later in this Prospectus. The Manager or its affiliates may pay different amounts to different dealers based on various factors, such as the nature of the dealer relationship and the scope and value of the services provided by the dealer.

These amounts are paid by the Manager or its affiliates and do not increase the fees paid by a Unitholder or the Funds. A Unitholder’s dealer may charge fees or commissions (such as transaction fees) that are not described in this Prospectus. Investors may ask their dealer about any payments it receives from the Manager or its affiliates and any services the dealer provides, as well as about fees and/or commissions the dealer charges.

THE TRUST

INTRODUCTION

Putnam World Trust was constituted on 18 February 2000, and is an Irish umbrella unit trust established as a UCITS pursuant to the Regulations. The Trust currently comprises the following Funds:

Fund	Dealing Day	Base Currency
Putnam Emerging Markets Equity Fund	Each Business Day	US\$*
Putnam European High Yield Fund	Each Business Day	Euro*
Putnam Fixed Income Global Alpha Fund	Each Business Day	US\$*
Putnam Global Core Equity Fund	Each Business Day	US\$*
Putnam Global High Yield Bond Fund	Each Business Day	US\$
Putnam Global Technology Fund	Each Business Day	US\$*
Putnam Multi-Asset Absolute Return Fund	Each Business Day	US\$*
Putnam Securitised Credit Fund	Each Business Day	US\$*
Putnam Total Return Fund	Each Business Day	US\$*
Putnam U.S. Large Cap Growth Fund	Each Business Day	US\$
Putnam Ultra Short Duration Income Fund	Each Business Day	US\$

*The Fund is closed and is no longer available for investment. An application for withdrawal of approval will be made to the Central Bank in respect of the Fund following which, all references to the Fund will be removed from the Prospectus.

The Trust is an umbrella unit trust comprised of Funds in which different Classes of Units may be issued from time to time. A separate pool of assets is not being maintained for each Class of Units. Each Fund represents interests in a Trust comprising a separate and distinct portfolio of investments. Prior to the issue of any Units, the Manager will designate the Fund or Classes within the Fund in relation to which such Units and Classes of Units shall be issued. Separate records and accounts will be maintained for each Fund and assets in such Fund will be invested in accordance with the investment objectives applicable to such Fund. Separate audited accounts of each Fund shall be prepared for inclusion in the annual report of the Trust. As and when a new Fund is created with the prior approval of the Central Bank, the Manager will issue a Supplement that will contain details of the investment policy and objectives of the new Fund as well as the details of the initial offer period, the initial subscription price and any other relevant information with regard to such Fund. Supplements may also be removed from this Prospectus from time to time as Funds are, with the prior approval of the Central Bank, closed.

The issue and redemption of Units in any Fund takes place on each Dealing Day for the relevant Fund. Rules of the Trust are set out in the Trust Deed, which is binding upon the Depositary, the Manager and all Unitholders. The Trust shall terminate one hundred years from the date of its constitution.

The Base Currency and reporting currencies of each Fund will be determined by the Manager in respect of each Fund.

To invest in the Trust is to purchase Units in a Fund. It is the Fund that accumulates the assets on behalf of the Unitholders. A Unit in the Fund represents the beneficial ownership of one undivided share in the assets of the relevant Fund. Units in each Fund may at the discretion of the Manager be divided into different Classes, which may be differentiated in relation to Base Currency, fees, charges and distributions, and other factors as permitted by the Central Bank from time to time. Information relating to different Classes of Units in a Fund will be set out

in the relevant Supplement for the Fund.

The Directors may close some or all of the Unit Classes in a Fund to subscriptions from existing and/or new Unitholders if the assets attributable to the Fund are at a level, above which, as determined by the Directors, it is not in the best interests of Unitholders to accept further subscriptions, *e.g.*, where the size of the Fund may constrain the ability of the Investment Advisor to meet the investment objective(s).

In accordance with the requirements of the Central Bank, the Directors may subsequently re-open some or all of the Unit Classes in a Fund to further subscriptions from existing and/or new Unitholders at their discretion and the process of closing and potentially, re-opening the Unit Classes may be repeated thereafter as the Directors may determine from time to time.

Unitholders may ascertain the closed or open status of the Unit Classes and if those Unit Classes are open to existing and/or new Unitholders by contacting the Administrator. Closing the Unit Classes to new subscriptions from existing and/or new Unitholders will not affect the redemption rights of Unitholders.

Investors are informed that any sub-distributors appointed may not offer all Classes of Units.

The creation of further classes will be notified to and cleared in advance with the Central Bank. The different fees and charges to be applied to each of these Classes will be set out in the relevant Supplement for the Fund.

HEDGED CLASSES

Where specified in the relevant Supplement, the Investment Advisor shall enter into certain currency related transactions in order to hedge the currency exposure of the assets of a Fund attributable to a particular Class into the currency of denomination of the relevant Class for the purposes of efficient portfolio management.

In addition, where specified in the relevant Supplement, a Class of Unit designated in a currency other than the Base Currency shall be hedged against exchange rate fluctuation risks between the designated currency of the Class of Unit and the Base Currency in which the assets of the Fund are designated.

Investors should be aware that this strategy may substantially limit Unitholders of the relevant Class of Unit from benefiting if the designated currency falls against the Base Currency and/or the currency/currencies in which the assets of the Fund are denominated. In such circumstances, Unitholders of the Class of Unit of the Fund may be exposed to fluctuations in the Net Asset Value per Unit reflecting the gains/losses on and the costs of the relevant financial instruments.

In the case of an unhedged Class of Unit, a currency conversion will take place on subscriptions, redemptions, switches and distributions, at prevailing exchange rates. The value of the Class of Unit expressed in the Class currency will be subject to exchange rate risk in relation to the Base Currency.

The financial instruments used to implement such currency hedging strategies with respect to one or more Classes shall be the assets and liabilities of the Fund as a whole but shall be attributable to the relevant Class(es). The gains/losses on and the costs of the relevant hedging transactions will accrue solely to the relevant Class of Unit of the Fund. The relevant Fund

shall not combine or offset currency exposures of different Classes and it shall not allocate currency exposures of assets of the Fund to separate Classes.

Where there is more than one hedged Class in a Fund denominated in the same currency (which is a currency other than the Base Currency of the relevant Fund) and it is intended to hedge the foreign currency exposure of such Classes against the Base Currency of the relevant Fund or against the currencies in which the Fund's assets are denominated, the Fund may, in accordance with the Central Bank requirements, aggregate the foreign exchange transactions entered into on behalf of such hedged Classes and apportion the gains/losses on and the costs of the relevant financial instruments pro rata to each such hedged Class in the relevant Fund.

Where the Investment Advisor seeks to hedge against currency fluctuations at Class level, while not intended, this could result in over-hedged or under-hedged positions due to external factors outside the control of the Investment Advisor. However, notwithstanding the provisions in the Prospectus, over-hedged positions will not exceed 105% of the Net Asset Value of the Class and under-hedged positions shall not fall short of 95% of the portion of the Net Asset Value of the Class which is to be hedged against currency risk. Hedged positions will be reviewed daily to ensure that over-hedged or under-hedged positions do not exceed/fall short of the permitted levels outlined above. These positions and hedged positions materially in excess of 100% of the Net Asset Value of the Class will not be carried forward from month to month.

To the extent that hedging is successful for a particular Class, the performance of the Class is likely to move in line with the performance of the underlying assets with the result that investors in that Class will not gain if the Class currency falls against the Base Currency.

The currency hedging strategy will be monitored and adjusted in line with the valuation cycle at which investors are able to subscribe to and redeem from the relevant Fund. Investors' attention is drawn to the risk factor below entitled "Unit Currency Designation Risk".

Units may generally be subscribed for or offered for repurchase on any Dealing Day.

The Trust is not liable as a whole to third parties. Each Fund will be treated as bearing its own liabilities as may be determined by the Manager, provided however, that if the Manager is of the opinion that a particular liability does not relate to any particular Fund or Funds, that liability shall be borne jointly by all Funds pro rata to their respective Net Asset Values at the time when the allocation is made.

The assets from each Fund shall belong exclusively to that Fund, shall be segregated from the assets of other Funds, shall not be used to discharge directly or indirectly the liabilities of or claims against any other Fund or other undertaking or entity and shall not be available for such purpose.

PROFILE OF A TYPICAL INVESTOR

Putnam Global High Yield Bond Fund

This Fund has the investment objective of generating high current income. The Fund is suitable for experienced investors wishing to obtain the defined investment objective. The investor must be able to accept moderate temporary losses; thus, the Fund may be suitable for investors who can afford to set aside the capital for several years.

Putnam U.S. Large Cap Growth Fund

The Fund has the investment objective of capital appreciation. The Fund may be appropriate for investors who see funds as a convenient way of participating in capital market developments. The Fund is also suitable for more experienced investors wishing to attain a defined investment objective. Investors should have experience with investments in equities and be able to accept significant short-term losses and high volatility, thus the Fund is only suitable for investors who can afford to set aside the capital for at least 5 years.

Putnam Ultra Short Duration Income Fund

This Fund has the investment objective of seeking capital preservation and a rate of current income higher than U.S. Treasury bills by investing in a diversified portfolio composed of short duration, investment-grade money market and other fixed-income securities. The Fund is suitable for experienced investors wishing to obtain the defined investment objective. Investors should have experience with investments in fixed income investments and be able to accept short-term losses; thus, the Fund is only suitable for investors who can afford to accept the risks associated with investing for a shorter investment horizon.

INVESTMENT OBJECTIVES, POLICIES AND GUIDELINES

The assets of a Fund will be invested separately in accordance with the investment objective(s), policies and guidelines set out in the Fund's Supplement to this Prospectus. Any Fund may invest in another Fund provided it is in accordance with its investment objective(s) and policies or where the investment is believed by the Investment Advisor to be in the interests of Unitholders in any Fund and subject to the restrictions in the Regulations.

The investment return to Unitholders of a particular Fund is related to the Net Asset Value of that Fund, which in turn is primarily determined by the performance of the portfolio of assets held by that Fund.

Pending investment of the proceeds of a placing or offer of Units or where market or other factors so warrant, a Fund's assets may be invested in money market instruments and a Fund may hold ancillary liquid assets denominated in U.S. Dollars or such other currency or currencies as the Manager may determine having consulted with the Investment Advisor.

Each Fund shall not make any change to the investment objective or any material change to the investment policy, each as disclosed in the relevant Supplement, unless Unitholders have, in advance, on the basis of a simple majority of votes cast at a general meeting or with the prior written approval of all Unitholders of the relevant Fund, approved the relevant change(s). The Manager shall provide all Unitholders of the relevant Fund with reasonable notice of the change(s) in the event of any change to the investment objective or any material change to the investment policy, each as disclosed in the relevant Supplement.

Unless otherwise indicated in the relevant Supplement for a Fund, investments underlying a particular Fund do not take into account the EU criteria for environmentally sustainable activities.

BORROWING POWERS

A Fund may only borrow on a temporary basis and the aggregate amount of such borrowings may not exceed 10% of the Net Asset Value of each Fund. Subject to this limit, the Manager may exercise all borrowing powers on behalf of each Fund. In accordance with the provisions of the Regulations, the Manager may instruct the Depository to give a charge over the assets of each Fund as security for such borrowings. A Fund may acquire foreign currency by means of

a “**back-to-back**” loan agreement. Foreign currency obtained in this manner which exceeds the value of the back-to-back deposit will be classified as borrowing for the purposes of Regulation 103(1) of the Regulations.

RESTRICTIONS ON LENDING

A Fund may not, save as set out above, mortgage, hypothecate or in any manner transfer as security for indebtedness, any securities owned or held by the Fund. The purchase or sale of securities on a when-issued or delayed-delivery basis, and margin paid with respect to the writing of options or the purchase or sale of forward or futures or other derivatives contracts, is not deemed to be a pledge of the assets.

Without prejudice to the powers of a Fund to invest in transferable securities, a Fund may not lend or act as guarantor on behalf of third parties.

CROSS-INVESTMENT

Where specified in the relevant Supplement, each of the Funds may invest in the other Funds of the Trust in accordance with the Central Bank Requirements. Notwithstanding the limits set out under the “Investment Restrictions” section, no more than 10% of the Net Asset Value of each Fund (except a Fund that is established as a Fund of Funds) may be invested in other collective investment schemes. A Fund that is established as a Fund of Funds may invest in collective investment schemes in accordance with Paragraphs 3.1 – 3.5. under the heading “Investment Restrictions”. Investment by a Fund in another Fund of the Trust is subject to the following additional provisions:

- investment must not be made in a Fund that itself holds units in other Funds of the Trust; and
- the investing Fund may not charge an annual management fee in respect of that portion of its assets invested in other Funds within the Trust (or, if agreed with the Central Bank, the underlying Fund will not charge an annual management fee with respect to such portion of the investing Fund’s assets invested in the underlying Fund). This provision is also applicable to the annual fee charged by the investment advisor where such fee is paid directly out of the assets of the Fund.

BENCHMARKS / USE OF INDICES

Unless otherwise disclosed in a Fund’s Supplement, investors should note the Funds are actively managed by the Investment Advisor, meaning that the issuers and securities in which a Fund invests will not be selected by reference to an index, but rather will be determined using the Investment Advisor’s investment process as described in each Supplement.

However, certain Funds may use indices as “comparator benchmarks” against which a Fund compares performance. Such comparator benchmarks are not used to constrain portfolio composition or as a target for the performance of the relevant Fund. Where a comparator benchmark is used, the relevant comparator benchmark will be identified in the relevant Supplement.

The Investment Advisor may at any time change such comparator benchmark where, for reasons outside of its control, that comparator benchmark has been replaced, or another comparator benchmark may reasonably be considered by the Investment Advisor to have become a more appropriate standard. Details and past performance of any comparator

benchmarks which are used for the purposes outlined above will be included in the Key Investor Information Documents of the relevant Fund.

Separately, in circumstances where the Funds are using benchmarks in accordance with Regulation (EU) 2016/1011 of the European Parliament and of the Council (the “Benchmark Regulation”), the Manager is required to ensure that the benchmark is either provided by a benchmark administrator included in the register maintained by ESMA or is a benchmark which is included in the register maintained by ESMA. The Benchmark Regulation contains transitional provisions in respect of all critical benchmarks and third-country benchmarks allowing existing benchmark administrators a period of time to apply for authorisation or registration under the Benchmark Regulation. During that period of time, the Funds are permitted to use such benchmarks in accordance with the Benchmark Regulation.

SHANGHAI-HONG KONG STOCK CONNECT SCHEME AND SHENZHEN-HONG KONG STOCK CONNECT SCHEME

If so stated in the relevant Supplement, a Fund may invest in China A shares through the Shanghai-Hong Kong Stock Connect scheme and/or the Shenzhen-Hong Kong Stock Connect scheme (collectively, the “Connect Scheme”).

The Shanghai-Hong Kong Stock Connect scheme is a securities trading and clearing links program developed by Hong Kong Exchanges and Clearing Limited (“HKEx”), Shanghai Stock Exchange (“SSE”) and China Securities Depository and Clearing Corporation Limited (“ChinaClear”) and the Shenzhen-Hong Kong Stock Connect scheme is a securities trading and clearing links programme developed by HKEx, Shenzhen Stock Exchange (“SZSE”) and ChinaClear. The aim of the Connect Scheme is to achieve mutual stock market access between mainland China and Hong Kong.

The Shanghai-Hong Kong Stock Connect scheme enables Hong Kong and overseas investors (including the relevant Fund) to invest in certain eligible China A shares listed on the SSE (“SSE Securities”) through their Hong Kong brokers and a securities trading service company established by The Stock Exchange of Hong Kong Limited (“SEHK”) under the Northbound Trading Link, subject to the rules of the Shanghai-Hong Kong Stock Connect scheme.

The Shenzhen-Hong Kong Stock Connect scheme enables Hong Kong and overseas investors (including the relevant Fund) to invest in certain eligible China A shares listed on the SZSE (“SZSE Securities”) through their Hong Kong brokers and a securities trading service company established by SEHK under the Northbound Trading Link, subject to the rules of the Shenzhen-Hong Kong Stock Connect scheme.

Eligible Securities

(i) Shanghai-Hong Kong Stock Connect scheme

SSE Securities, as of the date of this Prospectus, include all the constituent stocks from time to time of the SSE 180 Index and SSE 380 Index, and all the SSE-listed China A shares that are not included as constituent stocks of the relevant indices but which have corresponding H shares listed on SEHK, except the following:

- (a) SSE-listed shares which are not traded in Renminbi (“RMB”); and
- (b) SSE-listed shares which are included in the “risk alert board” (as described in the listing rules of the SSE).

(ii) Shenzhen-Hong Kong Stock Connect scheme

SZSE Securities, as of the date of this Prospectus, include all the constituent stocks from time to time of the SZSE Component Index and SZSE Small/Mid Cap Innovation Index which have a market capitalisation of not less than RMB 6 billion, and all the SZSE-listed China A shares which have corresponding H Shares listed on SEHK, except the following:

- (a) SZSE-listed shares which are not traded in RMB; and
- (b) SZSE-listed shares which are included in the “risk alert board” or under delisting arrangement.

At the initial stage of the Shenzhen-Hong Kong Stock Connect scheme, investors eligible to trade shares that are listed on the ChiNext Board of the SZSE (“ChiNext Board”) under Northbound trading will be limited to institutional professional investors (which a Fund will qualify as such) as defined in the relevant Hong Kong rules and regulations.

It is expected that the list of eligible securities will be subject to review.

Trading Quota

Trading under the Shanghai-Hong Kong Stock Connect scheme and the Shenzhen-Hong Kong Stock Connect scheme is subject to a daily quota (“Daily Quota”). Northbound Shanghai Trading Link under the Shanghai-Hong Kong Stock Connect scheme, Northbound Shenzhen Trading Link under the Shenzhen-Hong Kong Stock Connect scheme, Southbound Hong Kong Trading Link under the Shanghai-Hong Kong Stock Connect scheme and Southbound Hong Kong Trading Link under the Shenzhen-Hong Kong Stock Connect are respectively subject to a separate set of Daily Quota.

The Daily Quota limits the maximum net buy value of cross-boundary trades under each of the Shanghai-Hong Kong Stock Connect scheme and the Shenzhen-Hong Kong Stock Connect scheme each day. The Northbound Daily Quota is currently set at RMB13 billion for each of the Shanghai-Hong Kong Stock Connect scheme and the Shenzhen-Hong Kong Stock Connect scheme.

The Daily Quota may be increased or reduced subject to the review and approval by the relevant PRC regulators from time to time.

SEHK monitors the quota and publishes the remaining balance of the Northbound Daily Quota at scheduled times on the HKEx’s website.

Settlement and Custody

Under the Connect Scheme, The Hong Kong Securities Clearing Company Limited (“HKSCC”), a wholly-owned subsidiary of HKEx, is responsible for the clearing, settlement and the provision of depository, nominee and other related services of the trades executed by Hong Kong market participants and investors.

The China A shares traded through the Connect Scheme are issued in scripless form, so investors will not hold any physical China A shares. Hong Kong and overseas investors who have acquired SSE Securities or SZSE Securities through Northbound trading should maintain the SSE Securities or SZSE Securities with their brokers’ or custodians’ stock accounts with

CCASS (the Central Clearing and Settlement System operated by HKSCC for the clearing securities listed or traded on SEHK).

Corporate Actions and Shareholders' Meetings

Notwithstanding the fact that HKSCC does not claim proprietary interests in the SSE Securities and SZSE Securities held in its omnibus stock account in ChinaClear, ChinaClear as the share registrar for SSE and SZSE listed companies will still treat HKSCC as one of the shareholders when it handles corporate actions in respect of such SSE Securities and SZSE Securities.

HKSCC will monitor the corporate actions affecting SSE Securities and SZSE Securities and keep the relevant brokers or custodians participating in CCASS ("CCASS participants") informed of all such corporate actions that require CCASS participants to take steps in order to participate in them.

SSE-/SZSE-listed companies usually announce their annual general meeting/extraordinary general meeting information about two to three weeks before the meeting date. A poll is called on all resolutions for all votes. HKSCC will advise CCASS participants of all general meeting details such as meeting date, time, venue and the number of resolutions.

Currency

Hong Kong and overseas investors will trade and settle SSE Securities and SZSE Securities in RMB only. Hence, a Fund will need to use RMB to trade and settle SSE Securities and SZSE Securities.

Further information about the Connect Scheme is available online at the website:

<http://www.hkex.com.hk/eng/csm/chinaConnect.asp?LangCode=en>

If so stated in the relevant Supplement, a Fund shall be allowed to trade SSE Securities and SZSE Securities through the Northbound Trading Link of the Connect Scheme, subject to applicable rules and regulations issued from time to time.

RISK FACTORS AND SPECIAL CONSIDERATIONS

Potential investors should be aware of the following risks associated with investing in any Fund. There can be no assurance that any Fund will be able to achieve its investment objective(s).

GENERAL

It should be remembered that the price of Units and the income from them may fall as well as rise, and that investors may not get back the amount they have invested. In addition to market factors, changes in exchange rates may cause the value of Units to go up or down.

Persons interested in purchasing Units should inform themselves as to (a) the legal requirements within their own countries for the purchase of Units, (b) any foreign exchange restrictions that may be applicable, and (c) the income and other tax consequences of purchase, switching and redemption of Units.

Investment in certain securities markets involves a greater degree of risk than usually associated with investment in the securities of other major securities markets. Potential investors should consider the following risks, which relate to the different Funds' investment objectives before investing in any of the Funds.

Unitholders should also be aware that because the Investment Advisor purchases and sells portfolio securities at various times throughout the day, the Fund may purchase or sell portfolio securities at a price that differs from that applied to the portfolio security at the Pricing Time when calculating the Net Asset Value of a Fund. Large purchases and redemptions of Units of the Funds may cause this price difference for portfolio securities to be greater. In such cases, the remaining Unitholders may be advantaged or disadvantaged by the difference between Net Asset Value and trading prices realised.

EQUITY FUNDS

Common stocks

Common stock represents an ownership interest in a company. The value of a company's stock may fall as a result of factors directly relating to that company, such as decisions made by its management or lower demand for the company's products or services. A stock's value may also fall because of factors affecting not just the company, but also other companies in the same industry or in a number of different industries, such as increases in production costs. From time to time, a Fund may invest a significant portion of its assets in companies in one or more related industries or sectors, which would make the Fund more vulnerable to adverse developments affecting those industries or sectors. The value of a company's stock may also be affected by changes in financial markets that are relatively unrelated to the company or its industry, such as changes in interest rates or currency exchange rates. In addition, a company's stock generally pays dividends only after the company invests in its own business and/or makes required payments to holders of its bonds and other debt. For this reason, the value of the stock will usually react more strongly than bonds and other debt to actual or perceived changes in the company's financial condition or prospects. Stocks of smaller companies may be more vulnerable to adverse developments than those of larger companies, as noted below. In addition to common stocks, certain Funds may also purchase preferred stocks, convertible securities, warrants and other similar equity-type securities that carry these risks among others.

Value stocks

These are stocks of companies that are not expected to experience significant earnings growth, but whose stock is undervalued by the market in the opinion of the Investment Advisor. These companies may have experienced adverse business developments or may be subject to special risks that have caused their stocks to be out of favour. If the Investment Advisor's assessment of a company's prospects is wrong, or if other investors do not come to recognise the value of the company, then the price of the company's stock may fall or may not approach the value anticipated for it.

Growth stocks

Certain Funds may invest in stocks of companies that the Investment Advisor believes are likely to have earnings that will grow faster than other companies. These growth stocks typically trade at higher multiples of current earnings than other stocks. Therefore, the values

of growth stocks may be more sensitive to changes in current or expected earnings than the values of other stocks. If the Investment Advisor's assessment of the prospects for the company's earnings growth is wrong, or if its judgement of how other investors will value the company's earnings growth is wrong, then the price of the company's stock may fall or not approach the value anticipated for it. Seeking earnings growth may result in significant investments in certain sectors, such as the technology sector, which may be subject to greater volatility than other sectors of the economy.

Smaller companies

Certain Funds may invest in small and medium-sized companies. Investing in securities of smaller, less well-known companies may present greater opportunities for capital appreciation but may also involve greater risks. These companies may have limited product lines, markets or financial resources, or may depend on a limited and less experienced management group. These securities may trade less frequently and in limited volume and may trade only on an over-the-counter market or a regional securities exchange. Stocks of smaller companies may also be more vulnerable to adverse developments than those of larger companies. As a result, their prices may fluctuate more than securities of larger, more established companies.

BOND FUNDS

Interest rate risk

The values of bonds and other debt securities generally fluctuate in response to changes in interest rates. Declining interest rates generally raise the value of existing debt instruments, and rising interest rates generally lower the value of existing debt instruments. Changes in a debt instrument's value usually will not affect the amount of income the Fund receives from it but will affect the value of the Fund's Units. Interest rate risk is generally greater for investments with longer maturities.

Some investments give the issuer the option to "call" or redeem these investments before their maturity date. If an issuer "calls" its investment during a time of declining interest rates, the Investment Advisor or its delegate might have to reinvest the proceeds in an investment offering a lower yield, and therefore might not benefit from any increase in value as a result of declining interest rates. Securities with floating interest rates generally are less sensitive to interest rate changes but may decline in value if their interest rates do not rise as much, or as quickly, as interest rates in general. Conversely, floating rate instruments will not generally increase in value if interest rates decline. Changes in interest rates will also affect the amount of interest income the fund earns on its floating rate investments.

"Premium" investments offer interest rates higher than prevailing market rates. However, they involve a greater risk of loss, because their values tend to decline over time.

Credit and Default risk

Investors normally expect to be compensated in proportion to the risk they are assuming. Thus, debt of issuers with poorer credit prospects usually offers higher yields than debt of issuers with more secure credit. Higher-rated investments generally offer lower credit risk, but not necessarily lower interest rate risk. The values of higher-rated investments still fluctuate in response to changes in interest rates.

A Fund will not necessarily sell an investment if its rating is reduced after the Investment

Advisor or its delegate purchases it. To the extent that a security is assigned a different rating by one or more of the various rating agencies, the Fund will use the highest rating assigned by any agency.

Debt securities rated below BBB or its equivalent and comparable unrated securities are considered below investment grade and are commonly known as “junk bonds”. They are considered to be of poor standing and mainly speculative, and those in the lowest rating category may be in default and are generally regarded by the rating agency as having extremely poor prospects of ever attaining any real investment standing. They reflect a greater possibility that the issuers may be unable to make timely payments of interest and principal. If this happens, or is perceived as likely to happen, the values of those investments will usually be more volatile. A default or expected default could also make it difficult for the Investment Advisor or its delegate to sell the investments at prices approximating the values the Investment Advisor or its delegate had placed on them. Because lower rated bonds are traded mainly by institutions, they usually have a limited market, which may at times make it difficult for the Fund to establish their fair value. The potential credit risk and price fluctuations are greater for investments that are issued at less than their face value and make payments of interest only at maturity rather than at intervals during the life of the investment. Although investment-grade investments generally have lower credit risk, they may share some of the risks of lower-rated investments.

Credit ratings are based largely on the issuing company’s historical financial condition and the rating agencies’ investment analysis at the time of purchase. The rating assigned to any particular investment does not necessarily reflect the issuing company’s current financial condition and does not reflect an assessment of an investment’s volatility or liquidity.

Although the Investment Advisor considers credit ratings in making investment decisions, it performs its own investment analysis and does not rely only on ratings assigned by the rating agencies. The Investment Advisor seeks to minimise the risks of debt securities through careful analysis of such factors as a company’s experience, managerial strength, financial condition, borrowing requirements and debt maturity schedule. When a Fund buys debt securities of a company with poor credit, the achievement of its objectives depends more on the Investment Advisor’s ability to analyse credit risks than would be the case if the Fund were buying debt securities of a company with better credit.

Because the likelihood of default is higher for the lower-rated debt securities, if a Fund mainly invests in these instruments, that Fund is more likely to have to participate in various legal proceedings or to take possession of and manage assets that secure the issuing company’s obligations. This could increase that Fund’s operating expenses and decrease its Net Asset Value.

At times a Fund, either by itself or together with other Funds and accounts managed by the Investment Advisor or its affiliates, may own all or most of the debt securities of a particular issuing company. This concentration of ownership may make it more difficult to sell, or set a fair value on, these debt securities.

Although they are generally thought to have lower credit risk, a Fund’s investment-grade debt securities may share some of the risks of lower-rated debt securities.

Zero-coupon bonds are issued at less than their face value and make payments of interest only at maturity rather than at intervals during the life of the bond. Payment-in-kind bonds give the issuing company the option to make interest payments in additional bonds of the same kind

rather than cash. Both kinds of bonds allow a company to avoid generating cash to make current interest payments. These bonds therefore involve greater credit risk and are subject to greater price fluctuations than bonds that pay current interest in cash.

Mortgage-backed (MBS) and asset-backed (ABS) securities and prepayment risk

Traditional debt securities typically pay a fixed rate of interest until maturity, when the entire principal amount is due. By contrast, payments on mortgage-backed securities (MBS) typically include both interest and partial payment of principal. Principal may also be prepaid voluntarily, or as a result of refinancing or foreclosure. The Fund may have to invest the proceeds from prepaid investments under less attractive terms and yields. Compared to other debt, MBS are less likely to increase in value during periods of declining interest rates and have a higher risk of decline in value during periods of rising interest rates. They can increase the volatility of a Fund. Some MBS receive only portions of payments of either interest or principal of the underlying mortgages. The yields and values of these investments are extremely sensitive to changes in interest rates and in the rate of principal payments on the underlying mortgages. The market for these investments may be volatile and limited, which may make it difficult to buy or sell them.

Asset-backed securities (ABS) are structured like MBS, but instead of mortgage loans or interests in mortgage loans, the underlying assets may include such items as motor vehicle instalment sales or instalment loan contracts, leases of various types of real estate and personal property and receivables from credit card agreements. Because ABS generally do not have the benefit of a security interest in the underlying assets that is comparable to a mortgage, ABS present certain additional risks that are not present with MBS. For example, the ability of an issuer of ABS to enforce its security interest in the underlying assets may be limited.

MBS and ABS are generally issued in multiple classes, each having different maturities, interest rates and payment schedules, and with the principal and interest on the underlying mortgages or other assets allocated among the several classes in various ways. Payment of interest or principal on some classes may be subject to contingencies or some classes or series may bear some or all of the risk of default on the underlying mortgages or other assets. In some cases, the complexity of the payment, credit quality and other terms of such securities may create a risk that terms of the security are not fully transparent. In addition, the complexity of MBS and ABS may make valuation of such securities at an appropriate price more difficult, particularly where the security is customised. In determining the average maturity or duration of an MBS or ABS, the Investment Advisor must apply certain assumptions and projections about the maturity and prepayment of such security; actual prepayment rates may differ. If the life of a security is inaccurately predicted, the Fund may not be able to realise the expected rate of return. In addition, many MBS and ABS are subject to heightened liquidity risk. The number of investors that are willing and able to buy such instruments in the secondary market may be smaller than that for more traditional debt securities.

Structured Securities

Where specified in the relevant Supplement, Funds may invest in structured securities. The types of structured securities in which a Fund may invest are freely transferable, typically over-the-counter debt instruments created by a financial intermediary to provide access to domestically issued securities in certain countries. The financial intermediary or a special purpose vehicle established by the financial intermediary, purchases domestically issued securities and in turn issues back to back securities to foreign investors. Structured securities transfer all interest payments and other economic effects attaching to the underlying

domestically issued securities to the purchasers thereof. The purchaser of a structured security will not, however, have recourse to the financial intermediary if the issuer of the underlying securities defaults on payments of interest or repayments of principal. Other types of structured securities the Funds may invest in include securities whose cash flow characteristics depend upon one or more indices or that have embedded forwards or options or securities where an investor's investment return and the issuer's payment obligations are contingent on, or highly sensitive to, changes in the value of underlying assets, indices, interest rates or cash flows. They include index- and equity-linked notes, term notes, and units generally consisting of a contract to purchase equity and/or debt securities at a specific time.

Specific Risks Related to Collateralised Mortgage Obligations (CMOs) and Collateralised Debt Obligations (CDOs)

Certain Funds may invest in collateralised mortgage obligations (CMOs), which generally represent a participation in, or are secured by, a pool of mortgage loans. CMOs are issued in separate classes with different stated maturities that may have different credit and investment profiles. As the mortgage pool experiences prepayments, the pool pays off investors in classes with shorter maturities first. Prepayments may cause the actual maturity of a CMO to be substantially shorter than its stated maturity. Conversely, slower than anticipated prepayments can extend the effective maturities of CMOs, subjecting them to a greater risk of decline in market value in response to rising interest rates than traditional debt securities, and, therefore, potentially increasing their volatility.

CMOs and other instruments with complex or highly variable prepayment terms generally entail greater market, prepayment and liquidity risks than other mortgage-backed securities. For example, their prices are more volatile and their trading market may be more limited. The market value of securities issued by CMOs generally will fluctuate with, among other things, the financial condition of the obligors on or issuers of such CMOs or, with respect to synthetic securities included in the CMO's collateral, of the obligors on or issuers of the reference obligations, the remaining term thereof to maturity, general economic conditions, the condition of certain financial markets, political events, developments or trends in any particular industry and changes in prevailing interest rates.

Certain Funds may also invest in collateralised debt obligations (CDOs), which are tranchised securities that involve risks similar to those of CMOs, but are collateralised not by pools of mortgage loans, but pools of other debt obligations (such as corporate debt obligations). The risks of an investment in a CDO depend largely on the type of the collateral securities and the class of the CDO in which the Fund invests.

Both CMOs and CDOs are generally subject to each of the risks discussed under "Mortgage-backed (MBS) and asset-backed (ABS) securities and prepayment risk" above. In addition, CDOs and CMOs carry additional risks including the risks that: (i) the distributions from collateral securities will not be adequate to make interest or other payments; (ii) the quality of the collateral may decline in value or default; (iii) the Fund may invest in tranches of CDOs or CMOs that are subordinate to other tranches; (iv) the complex structure of the security may not be fully transparent and, if not understood at the time of investment, may produce disputes with the issuer or unexpected investment results; and (v) the CDO or CMO's manager may perform poorly or defalcate.

Participations

Certain Funds may invest in unleveraged freely transferable loan participations, securitised and

traded on a Recognised Exchange made by financial institutions to governmental or corporate borrowers. In addition to other risks associated with investments in debt securities, unleveraged freely transferable securitised loan participations involve the risk that the institution's insolvency could delay or prevent the flow of payments on the underlying loan to the Fund. The liquidity of unleveraged freely transferable securitised loan participations may be limited.

The Fund may invest in unleveraged freely transferable loan participation interests, which involve certain risks, including credit and liquidity risks. Loan participation interests that are "securitised" are capable of free sale and transfer to other investors and only those that are securitised and purchased through recognised regulated dealers are deemed to be "transferable securities" traded on Recognised Exchanges.

EQUITY AND BOND FUNDS

Large Unitholder risk

Units of certain Funds may be held by a smaller number of institutional or other large Unitholders with larger investment amounts as compared with other investment funds. A Fund is subject to the risk that these Unitholders will purchase or redeem large quantities of Units of a Fund rapidly or unexpectedly, including as a result of asset allocation decisions. These transactions could adversely affect a Fund's performance if it is forced to sell portfolio securities to satisfy redemption requests or purchase portfolio securities to invest cash when the Fund would otherwise not do so, and at unfavourable prices. Redemptions of a large number of Units may affect the liquidity of a Fund's portfolio and increase a Fund's transaction costs. Large redemptions may be more likely during times of market stress or reduced liquidity, exacerbating the potential impact on a Fund. In addition, fund returns may be adversely affected if a Fund holds a portion of its assets in liquid, cash-like investments in connection with or in anticipation of Unitholder redemptions. These risks are more pronounced to the extent that a smaller number of Unitholders own substantial portions of a Fund.

Global investments

Certain Funds may invest in securities issued in a number of different countries. Investments in these countries may involve certain special risks, including:

Unfavourable changes in currency exchange rates: The Fund's investments may be issued and traded in many foreign currencies. As a result, their values may be affected by changes in the exchange rates between particular currencies and the Base Currency of the Fund.

Political and economic developments: In certain countries, investments may be subject to the risks of seizure by the local government, imposition of restrictions on the exchange or transport of currency, and tax increases.

Unreliable or untimely information: There may be less information publicly available about companies in certain countries, and companies in certain countries may be subject to less stringent accounting, auditing and financial reporting standards and practices.

Limited legal recourse: Legal remedies for investors such as the Fund may be limited in certain countries.

Liquidity Risk/Limited markets: Investments in some countries may be less liquid (harder to buy and sell) and more volatile than in other countries. This means certain Funds may at times

be unable to sell these investments at desirable prices. For the same reason, certain Funds may at times find it difficult to value some of these investments. Not all securities or instruments, including sub-investment grade bonds, invested in by a Fund will be listed or rated and consequently liquidity may be low. Moreover, the accumulation and disposal of holdings in some investments may be time consuming and may need to be conducted at unfavourable prices. A Fund may also encounter difficulties in disposing of assets at their fair price due to adverse market conditions leading to limited liquidity.

Trading practices: Brokerage commissions and other fees vary in different markets. The procedures and rules for settling transactions in some countries may also involve delays in payment, delivery or recovery of money or investments.

Sovereign issuers: The willingness and ability of sovereign issuers of debt securities to pay principal and interest on government securities depends on various economic factors, including the issuer's balance of payments, overall debt level, and cash flow from tax or other revenues.

Interest rates: Debt securities from an issuer in one country may fluctuate in value in response to changes in interest rates in another country.

Lower yield: Withholding taxes may reduce the amount of income available to distribute to Unitholders of certain Funds.

Certain of these risks may also apply to some extent to investments that are denominated in certain foreign currencies, investments in companies that are traded in certain foreign markets, or to investments in companies located in one country that have significant operations in other countries.

Emerging markets

The risks described above are typically increased in less developed and developing countries, which are sometimes referred to as emerging markets. Emerging markets countries may have less developed markets and legal and regulatory systems and may be susceptible to greater political and economic instability. These countries are also more likely to experience high levels of inflation, deflation or currency devaluation, which could hurt their economies and securities markets. For these and other reasons, investments in emerging markets, or in securities denominated in an emerging market's currency, are often considered speculative. In addition, please note the following:

Accounting, Auditing and Financial Reporting Standards Risk: Investors' attention is drawn to the fact that the accounting and financial reporting standards, practices and disclosure requirements applicable to some of the countries in whose markets certain Funds may invest do not necessarily provide the same degree of Unitholder protection and information to investors as would generally apply in more developed markets.

Settlement Risk: The reliability of the trading and settlement systems in such markets and the liquidity of such markets may also not be equal to that available in more developed markets, which may increase settlement risk and/or result in delays in realising investments made by the Fund.

Political Risk: Investments may be made in markets located in countries that are exposed to the risks of political change or periods of political uncertainty, which could also adversely affect the assets of each Fund.

Liquidity Risk: Investments in emerging markets tend to be highly volatile and can suffer from partial or total illiquidity, which could result in a large decline in capital value or an inability to redeem the Fund's investments.

Custody Risk: Certain Funds may invest in economies of emerging markets that may differ favourably or unfavourably from the economies of industrialised countries and where custodial and/or settlement systems are not fully developed. Such economies may be adversely affected by trade barriers, exchange controls, managed adjustments in relative currency values and other protectionist measures imposed or negotiated by the countries with which they trade. Investment in emerging markets entails risks that include the possibility of political or social instability, adverse changes in investment or exchange control regulations, nationalisation, expropriation and withholding of dividends at source. In addition, such securities may trade with less frequency and volume than securities of companies and governments of developed stable nations. There is also a possibility that redemption of Units following a redemption request may be delayed due to the illiquid nature of the assets.

Currency Risk

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

A Fund may enter into currency exchange transactions and/or use techniques and instruments to seek to protect against fluctuation in the relative value of its portfolio positions as a result of changes in currency exchange rates or interest rates between the trade and settlement dates of specific securities transactions or anticipated securities transactions. Although these transactions are intended to minimise the risk of loss due to a decline in the value of hedged currency, they also limit any potential gain that might be realised should the value of the hedged currency increase. The precise matching of the relevant contract amounts and the value of the securities involved will not generally be possible because the future value of such securities will change as a consequence of market movements in the value of such securities between the date when the relevant contract is entered into and the date when it matures. The successful execution of a hedging strategy that matches exactly the profile of the investments of the Fund cannot be assured. It may not be possible to hedge against generally anticipated exchange or interest rate fluctuations at a price sufficient to protect the assets from the anticipated decline in value of the portfolio positions as a result of such fluctuations. Performance of the Fund may be strongly influenced by movements in foreign exchange rates because currency positions held by the Fund may not correspond with the securities positions held.

Political and Economic Risk: Russia

Investments in companies organised in or who principally do business in the independent states that were once part of the Soviet Union, including the Russian Federation, pose special risks, including economic and political unrest and may lack a transparent and reliable legal system for enforcing the rights of creditors and unitholders of the Fund. Furthermore, the standard of corporate governance and investor protection in Russia may not be equivalent to that provided in other jurisdictions. Uncertainty remains with regard to the Russian Federation's structural reforms (*e.g.*, banking sector, land reform, property rights), the economy's heavy reliance on oil, unfavourable political developments and/or government policies, and other economic issues.

Evidence of legal title to shares in a Russian company is maintained in book entry form. In order to register an interest of a Fund's shares an individual must travel to the company's registrar and open an account with the registrar. The individual will be provided with an extract of the share register detailing his interests but the only document recognised as conclusive evidence of title is the register itself. Registrars are not subject to effective government supervision. There is a possibility that the Fund could lose its registration through fraud, negligence, oversight or catastrophe such as a fire. Registrars are not required to maintain insurance against these occurrences and are unlikely to have sufficient assets to compensate the Fund in the event of loss. In other circumstances such as the insolvency of a sub-custodian or registrar, or retroactive application of legislation, the Fund may not be able to establish title to investments made and may suffer loss as a result. In such circumstances, the Fund may find it impossible to enforce its right against third parties. None of the Funds, the Manager, the Investment Advisor, the Depositary or any of their agents make any representation or warranty in respect of, or in guarantee of, the operations or performance of any registrar.

Investment Advisor Risk

The Manager may consult the Investment Advisor with respect to the valuation of unlisted investments. There is an inherent conflict of interest between the involvement of the Investment Advisor in determining the valuation price of each Fund's investments and the Investment Advisor's other responsibilities. The Investment Advisor's remuneration is directly linked to the valuation of the Fund's net assets.

Unit Currency Designation Risk

A Class of Unit of a Fund may be designated in a currency other than the Base Currency of the Fund and/or the designated currencies in which the Fund's assets are denominated. Redemption proceeds and any distributions to Unitholders will normally be made in the currency of denomination of the relevant Class. Changes in the exchange rate between the Base Currency and such designated currency may lead to a depreciation of the value of such Units as expressed in the designated currency. Where a Class of a Fund is designated as "hedged" in the relevant Supplement, the Fund's Investment Advisor will try to mitigate this risk by using any of the techniques and instruments within the relevant Fund's investments, including currency options and forward currency exchange contracts, set out in Appendix II and within the conditions and limits imposed by the Central Bank. Investors should be aware that this strategy may substantially limit Unitholders of the relevant Class of Unit from benefiting if the designated currency falls against the Base Currency and/or the currency/currencies in which the assets of the Fund are denominated. In such circumstances, Unitholders of the Class of Unit of the Fund may be exposed to fluctuations in the Net Asset Value per Unit reflecting the gains/losses on and the costs of the relevant financial instruments. Financial instruments used to implement such strategies shall be assets/liabilities of the Fund as a whole. However, the gains/losses on and the costs of the relevant financial instruments will accrue solely to the relevant Class of Units of the Fund.

Unitholders should note that generally there is no segregation of assets and liabilities between Classes in a Fund and therefore a counterparty to a derivative overlay entered into in respect of a hedged Class may have recourse to the assets of the relevant Fund attributable to other Classes of that Fund where there are insufficient assets attributable to the hedged Class to discharge its liabilities. While the Manager has taken steps to ensure that the risk of contagion between Classes is mitigated in order to ensure that the additional risk introduced to the Fund through the use of a derivative overlay is only borne by the Unitholders in the relevant Class, this risk cannot be fully eliminated.

Currency hedging transactions in relation to one Class of Unit involves a potential risk that liabilities arising from currency hedging transactions may affect the Net Asset Value of the other Classes of Unit in the same Fund.

Taxation Risk

Prospective investors and Unitholders should be aware that they may be required to pay taxes related to unitholdings, such as income tax, withholding tax, capital gains tax, wealth tax, stamp taxes or any other kind of tax on distributions or deemed distributions from the Trust or any Fund, or capital gains within the Trust or any Fund whether or not income is realised, received or accrued or deemed received within the Trust or Fund. The requirement to pay such taxes will be according to the laws and practices of the country where the Units are purchased, sold, held or redeemed and in the country of residence or nationality of the Unitholder, and such laws and practices may change from time to time.

Any change in the taxation legislation in Ireland, or elsewhere, could affect (i) the Trust or any Fund's ability to achieve its investment objective, (ii) the value of the Trust or any Fund's investments or (iii) the ability to pay returns to Unitholders or alter such returns. Any such changes, which could also be retroactive, could have an effect on the validity of the information stated herein based on current tax law and practice. Potential investors and Unitholders should note that the statements on taxation that are set out herein and in this Prospectus are based on advice that has been received by the Directors regarding the law and practice in force in the relevant jurisdiction as at the date of this Prospectus. As is the case with any investment, there can be no guarantee that the tax position or proposed tax position prevailing at the time an investment is made in the Trust will endure indefinitely. Prospective investors and Unitholders should consult their tax advisors with respect to their particular tax situations and the tax consequences of an investment in a particular Fund.

Finally, if the Trust or a Fund becomes liable to account for tax, in any jurisdiction, including any interest or penalties thereon if an event giving rise to a tax liability occurs, the Trust or the Fund shall be entitled to deduct such amount from the payment arising on such event or to compulsorily redeem or cancel such number of Units held by the Unitholder or the beneficial owner of the Units as have a value sufficient after the deduction of any redemption charges to discharge any such liability. The relevant Unitholder shall indemnify and keep the Trust or the Fund indemnified against any loss arising to the Trust or the Fund by reason of the Trust or the Fund becoming liable to account for tax and any interest or penalties thereon on the happening of an event giving rise to a tax liability including if no such deduction, appropriation or cancellation has been made.

Potential investors' attention is drawn to the taxation risks associated with investing in any Fund of the Trust. Please see the section headed "Taxation".

Foreign Account Tax Compliance Act

The foreign account tax compliance provisions ("FATCA") of the U.S. Hiring Incentives to Restore Employment Act 2010 that apply to certain payments are essentially designed to require reporting of Specified U.S. Person's direct and indirect ownership of non-U.S. accounts and non-U.S. entities to the U.S. Internal Revenue Service, with any failure to provide the required information resulting in a 30% U.S. withholding tax on direct U.S. investments (and possibly indirect U.S. investments). In order to avoid being subject to U.S. withholding tax, both U.S. investors and non-U.S. investors are likely to be required to provide information regarding themselves and their investors. In this regard the Irish and U.S. Governments signed an intergovernmental agreement with respect to the implementation of FATCA (see section entitled "*Compliance with U.S. Reporting and Withholding Requirements*" for further detail) on 21 December 2012.

Under the IGA (and the relevant Irish regulations and legislation implementing same), foreign financial institutions (such as the Trust) should generally not be required to apply 30% withholding tax. To the extent the Trust nonetheless suffers U.S. withholding tax on its investments as a result of FATCA, or is not in a position to comply with any requirement of FATCA, the Administrator acting on behalf of the Trust may take any action in relation to a Unitholder's investment in the Trust to redress such non-compliance and/or to ensure that such withholding is economically borne by the relevant Unitholder whose failure to provide the necessary information or to become a participating foreign financial institution or other action or inaction gave rise to the withholding or non-compliance, including compulsory redemption of some or all of such Unitholder's holding of units in the Trust.

Prospective investors should consult their own tax advisor with regard to U.S. federal, state, local and non-U.S. tax reporting and certification requirements associated with an investment in the Trust.

Investment in other Funds of the Trust

Each Fund may from time to time invest as part of a cash management strategy, or for other permitted purposes, in other Funds of the Trust.

Derivatives Risks

General: The prices of derivative instruments, including futures and options prices, are highly volatile. Price movements of forward contracts, futures contracts and other derivative contracts are influenced by, among other things, interest rates, changing supply and demand relationships, trade, fiscal, monetary and exchange control programs and policies of governments, and national and international political and economic events and policies. In addition, governments from time to time intervene, directly and by regulation, in certain markets, particularly markets in currencies and interest rate related futures and options. Such intervention often is intended directly to influence prices and may, together with other factors, cause all of such markets to move rapidly in the same direction because of, among other things, interest rate fluctuations.

The use of techniques and instruments also involves certain special risks, including (1) dependence on the ability to predict movements in the prices of securities being hedged and movements in interest rates, (2) imperfect correlation between the price movements of the derivatives and price movements of related investments, (3) the fact that skills needed to use these instruments are different from those needed to select the Fund's securities, (4) the possible absence of a liquid market for any particular instrument at any particular time, (5) possible impediments to effective portfolio management or the ability to meet redemption and (6) possible issues arising from an unexpected application of law or regulation or arising as a result of the unenforceability of a contract.

The Funds may be invested in certain derivative instruments that involve the assumption of obligations as well as rights and assets. Assets deposited as margin with brokers may not be held in segregated accounts by the brokers and may therefore become available to the creditors of such brokers in the event of their insolvency or bankruptcy. The Funds may from time to time utilise both exchange-traded and over-the-counter credit derivatives, such as collateralised debt obligations or credit default swaps as part of their investment policy and for hedging purposes. These instruments may be volatile, involve certain special risks and expose investors to a high risk of loss. The low initial margin deposits normally required to establish a position in such instruments permit a high degree of leverage. As a result, a relatively small movement in the price of a contract may result in a profit or a loss that is high in proportion to the amount of funds actually placed as initial margin and may result in further loss exceeding any margin deposited. The risk of loss from certain short derivatives positions is theoretically unlimited. Furthermore, when used for hedging purposes there may be an imperfect correlation between these instruments and the investments or market sectors being hedged. Transactions in over-the-counter derivatives, such as credit derivatives, may involve additional risk as there is no exchange market on which to close out an open position.

Settlement Risk: The trading and settlement practices of some of the stock exchanges or markets on which the Fund may trade derivatives may not be the same as those in more developed markets, which may increase settlement risk and/or result in delays in realising investments made by the Fund.

Swaps: A Fund may enter into swap agreements (including total return swaps) with respect to currencies, interest rates, securities or other underlying measures such as volatility or variance. A Fund may use these techniques to protect against changes in interest rates and currency exchange rates. A Fund may also use these techniques to take positions in or protect against changes in securities indices, specific securities prices or other assets. Swap agreements could have a negative impact on Fund performance and involve the risk of counterparty default as described below.

In respect of currencies, a Fund may utilise currency swap contracts where the Fund may exchange currencies at a fixed rate of exchange for currencies at a floating rate of exchange or currencies at a floating rate of exchange for currencies at a fixed rate of exchange (although there may also be fixed-fixed and floating-floating arrangements). These contracts allow a Fund to gain or manage exposures to various currencies. For these instruments the Fund's return is based on the movement of currency exchange rates relative to a fixed currency amount, or other assets, as agreed by the parties.

In respect of interest rates, a Fund may utilise interest rate swap contracts where the Fund may exchange floating interest rate cash flows for fixed interest rate cash flows or fixed interest rate cash flows for floating interest rate cash flows (although there may also be fixed-fixed and floating-floating arrangements). These contracts allow a Fund to manage its interest rate exposures. For these instruments the Fund's return is based on the movement of interest rates relative to a fixed rate agreed by the parties.

In respect of securities and securities indices a Fund may utilise total return swap contracts where the Fund may exchange floating interest rate cash flows for fixed cash flows based on the total return of an equity or fixed income instrument or a securities index or fixed cash flow based on total return of an equity or fixed income instrument or a securities index for floating interest rate cash flows. These contracts allow a Fund to manage its exposures to certain securities or securities indexes. For these instruments the Fund's return is based on the movement of interest rates relative to the return on the relevant security or index.

Options: Each Fund may seek to increase its current return by writing covered call and put options on securities it owns or in which it may invest and on non-base currencies for hedging and/or for investment purposes. A Fund receives a premium from writing a call or put option, which increases the return if the option expires unexercised or is closed out at a net profit.

When a Fund writes a call option, it gives up the opportunity to profit from any increase in the price of a security or currency above the exercise price of the option; when it writes a put option, a Fund takes the risk that it will be required to purchase a security or currency from the option holder at a price above the current market price of the security or currency. A Fund may terminate an option that it has written prior to its expiration by entering into a closing purchase transaction in which it purchases an option having the same terms as the option written.

Each Fund may also buy and sell put and call options for hedging purposes and/or investment purposes. From time to time, a Fund may also buy and sell combinations of put and call options on the same underlying security or currency to earn additional income. The use of options strategies may be limited by applicable law.

Forward foreign exchange contracts: A Fund may enter from time to time into currency exchange transactions by buying currency exchange forward contracts for hedging and/or for investment purposes. Forward currency exchange contracts do not eliminate fluctuations in the prices of a Fund's securities or in foreign exchange rates, or prevent loss if the prices of these securities should decline. Performance may be strongly influenced by movements in FX rates because currency positions held by the Fund may not correspond with securities positions held. Forward currency transactions shall generally only be entered into in the currencies in which a Fund normally transacts business.

A Fund may enter into forward contracts to hedge against a change in such currency exchange rates that would cause a decline in the value of existing investments denominated or principally

traded in a currency other than the Base Currency of that Fund or for investment purposes. To do this, a Fund may enter into a forward contract to sell the currency in which the investment is denominated or principally traded in exchange for the Base Currency of a Fund. Although many such transactions are intended to minimise the risk of loss due to a decline in the value of hedged currency, at the same time they limit any potential gain that might be realised should the value of the hedged currency increase. The precise matching of the forward contract amounts and the value of the securities involved will not generally be possible because the future value of such securities will change as a consequence of market movements in the value of such securities between the date when the forward contract is entered into and the date when it matures. The successful execution of a hedging strategy that matches exactly the profile of the investments of any Fund cannot be assured.

Management Risk: Derivative products are highly specialised instruments that require investment techniques and risk analyses different from those associated with stocks and bonds. The use of a derivative requires an understanding not only of the underlying instrument but also of the derivative itself, without the benefit of observing the performance of the derivative under all possible market conditions.

Credit Risk: The use of a derivative instrument involves the risk that a loss may be sustained as a result of the failure of another party to the contract (usually referred to as a “counterparty”) to make required payments or otherwise comply with the contract’s terms. Additionally, credit default swaps could result in losses if a Fund does not correctly evaluate the creditworthiness of the company on which the credit default swap is based.

Liquidity Risk: Liquidity risk exists when a particular derivative instrument is difficult to purchase or sell. If a derivative transaction is particularly large or if the relevant market is illiquid (as is the case with many privately negotiated derivatives), it may not be possible to initiate a transaction or liquidate a position at an advantageous time or price.

Exposure Risk: Certain transactions may give rise to a form of exposure. Such transactions may include, among others, reverse repurchase agreements, and the use of when-issued, delayed delivery or forward commitment transactions.

Lack of Availability: Because the markets for certain derivative instruments are relatively new and still developing, suitable derivatives transactions may not be available in all circumstances for risk management or other purposes. Upon the expiration of a particular contract, the Investment Advisor may wish to retain the Fund’s position in the derivative instrument by entering into a similar contract, but may be unable to do so if the counterparty to the original contract is unwilling to enter into the new contract and no other suitable counterparty can be found. There is no assurance that a Fund will engage in derivatives transactions at any time or from time to time. A Fund’s ability to use derivatives may also be limited by certain regulatory and tax considerations.

Counterparty Risks: In general, there is less government regulation and supervision of transactions in the OTC markets (in which currencies, spot and option contracts, certain options on currencies and swaps are generally traded) than of transactions entered into on regulated exchanges. In addition, many of the protections afforded to participants on some regulated exchanges, such as the performance guarantee of an exchange clearing house, might not be available in connection with OTC transactions. OTC options are not regulated. OTC options are non-exchange traded option agreements, which are specifically tailored to the needs of an individual investor. These options enable the user to structure precisely the date, market level and amount of a given position.

The counterparty for an OTC transaction will be the specific firm involved in the transaction rather than a regulated exchange and, accordingly, the bankruptcy or default of the counterparty could result in substantial losses to the transacting Fund. In addition, a counterparty may not settle a transaction in accordance with its terms and conditions because the contract is not legally enforceable or because it does not accurately reflect the intention of the parties or because of a dispute over the terms of the contract (whether or not bona fide) or because of a credit or liquidity problem, thus causing the Fund to suffer a loss. To the extent that a counterparty defaults on its obligation and the Fund is delayed or prevented from exercising its rights with respect to the investments in its portfolio, it may experience a decline in the value of its position, lose income and incur costs associated with asserting its rights.

It is not possible to list comprehensively all of the counterparties that the Funds may have, as they will change from time to time. Counterparty exposure will be in accordance with the applicable Fund's investment restrictions. In the case of an OTC derivative counterparty that is not (i) a credit institution that meets the criteria in Regulation 7 of the Central Bank UCITS Regulations, (ii) an investment firm authorised in accordance with the Markets in Financial Instruments Directive in an EEA Member State, or (iii) is a group company of an entity issued with a bank holding company licence from the Federal Reserve of the United States of America where that group company is subject to bank holding company consolidated supervision by that Federal Reserve, the Manager shall carry out an appropriate credit assessment on the relevant counterparty, to include, amongst other considerations, external credit ratings of the counterparty, regulatory supervision applied to the relevant counterparty, industry sector risk and concentration risk. Where the counterparty is subject to a credit rating by an agency registered and supervised by ESMA that rating shall be taken into account by the Manager in the credit assessment process; and where a counterparty is downgraded to A-2 or below (or comparable rating) by the credit rating agency referred to in subparagraph (a) of Regulation 8(4) of the Central Bank UCITS Regulations this shall result in a new credit assessment being conducted of the counterparty by the Manager without delay. The Investment Advisor only trades derivatives with approved U.S. broker/dealers and approved banks/credit institutions with which, where applicable, an International Swaps and Derivatives Association ("ISDA") master agreement is in place. Regardless of the measures a Fund and the Investment Advisor may implement to reduce counterparty credit risk, however, there can be no assurance that a counterparty will not default or that the Fund will not sustain losses on the transactions as a result.

Market, Legal and Other Risks: Like most other investments, derivative instruments are subject to the risk that the market value of the instrument will change in a way detrimental to a Fund's interest. If the Investment Advisor incorrectly forecasts the values of securities, currencies or interest rates or other economic factors in using derivatives for a Fund, the Fund might have been in a better position if it had not entered into the transaction at all. While some strategies involving derivative instruments can reduce the risk of loss, they can also reduce the opportunity for gain or even result in losses by offsetting favourable price movements in other Fund investments. A Fund may also have to buy or sell a security at a disadvantageous time or price because the Fund is legally required to maintain offsetting positions or asset coverage in connection with certain derivatives transactions. There may also be a risk of loss due to the unexpected application of a law or regulation or because contracts are not legally enforceable or documented correctly.

Risks of Unitholders' Data Protection

Under the GDPR, data controllers are subject to additional obligations including, amongst

others, accountability and transparency requirements whereby the data controller is responsible for, and must be able to demonstrate compliance with, the rules set down in the GDPR relating to data processing and must provide data subjects with more detailed information regarding the processing of their personal data. Other obligations imposed on data controllers include more enhanced data consent requirements and the obligation to report any personal data breach to the relevant supervisory authority without undue delay. Under the GDPR, data subjects are afforded additional rights, including the right to rectify inaccurate personal information, the right to have personal data held by a data controller erased in certain circumstances and the right to restrict or object to processing in a number of circumstances.

The implementation of GDPR may result in increased operational and compliance costs being borne directly or indirectly by the Trust. Furthermore, there is a risk that the measures will not be implemented correctly by the Trust or the various service providers. If there are breaches of these measures by the Manager or any of its service providers, the Manager or its service providers could face significant administrative fines and/or be required to compensate any data subject who has suffered material or non-material damage as a result, as well as the Trust suffering reputational damage which may have a material adverse effect on its operations and financial conditions.

Risks associated with Investments in the PRC

Political and/or Regulatory Risk

The value of the Fund's assets may be affected by political and regulatory uncertainties such as international and Chinese political developments and changes in governmental policies in areas including taxation, foreign investment, currency repatriation, currency fluctuation and foreign exchange control. In addition, there is a greater degree of governmental involvement in and control over the economy in mainland China than in more developed markets. The Chinese Government exerts considerable influence on the development of the Chinese stock market. From time to time, official measures may be taken that affect listed companies and their market prices in China and overseas (such as measures discussed in the third paragraph under the heading of “Developmental State of the Chinese Stock Markets” below).

The fiscal and monetary system of China is underdeveloped relative to Western countries and this may affect the stability of the economy and its financial markets.

Legal and/or Accounting Risk

The legal system in mainland China is still in a developmental stage. Although a legal framework is in place to govern companies and the securities markets, the interpretation and enforcement of laws involve significant uncertainty. It should be noted that the legal infrastructure and accounting, auditing and reporting standards in China and other markets in which the Fund may invest may not provide the same degree of investor protection or information to investors as would generally apply in more developed countries. In particular, the laws governing insolvency and shareholder protection in mainland China are significantly less developed than in established jurisdictions.

Liquidity Risk

The substantially smaller size and lower trading volumes of the markets for Chinese equity and debt securities compared to equity and debt securities in companies on more developed securities markets may result in a potential lack of liquidity and increased volatility.

This may affect the price at which the Fund may liquidate positions to meet redemption requests or other funding requirements. In particular, investors should expect that investment in Chinese companies registered with the SSE and the SZSE may be highly volatile.

Market Risk

Investors should be aware of the risks associated with investing in emerging markets such as mainland China. The securities of companies in which the Fund may invest are exposed to the risks of high rates of inflation, high interest rates, currency depreciation and fluctuation and also changes in taxation legislation and interpretation that may affect the Fund's income and the value of investments.

Specifically, investors should be aware that the Chinese economy is in transition from a centrally planned economy to a more market-oriented economy. Over the course of the past two decades and following China's accession to WTO in December 2001, the PRC government has been reforming the economic and political systems of the PRC. It is likely that the reform will continue to be uneven across regions and industry sectors. There is no assurance that all of the companies whose securities are held by the Fund will benefit consistently from such

reforms, that economic activity will continue to grow at recent rates or that the economic policies adopted by the Chinese government will be conducive to long-term economic growth. China's opening of markets will result in increased competition, which may have an adverse effect on the performance of these companies.

Many of the PRC economic reforms are unprecedented or experimental and are subject to adjustment and modification, and such adjustment and modification may not always have a positive effect on foreign investment.

PRC Tax

As a result of investing in securities of Chinese companies, the Fund may be subject to withholding and other taxes imposed by the PRC government. Under the prevailing PRC tax policy, there are certain tax incentives available to foreign investment. There can be no assurance, however, that the aforesaid tax incentives will not be abolished in the future.

Investors should be aware that changes in the PRC taxation legislation could affect the amount of income which may be derived, and the amount of capital returned, from the investments of the Fund. Laws governing taxation will also continue to change and may contain conflicts and ambiguities.

It is possible that the current tax laws, regulations and practice in the PRC will change, including the possibility of taxes being applied retrospectively, and that such changes may result in higher or lower taxation on PRC investments than currently contemplated. Various tax reform policies have been implemented by the PRC government in recent years, and existing tax laws and regulations may be revised or amended in the future. There is a possibility that the current tax laws, regulations and practice in the PRC will be changed with retrospective effect in the future and any such change may have either an adverse or a positive effect on the asset value of the Fund. Moreover, there is no assurance that tax incentives currently offered to foreign companies, if any, will not be abolished and the existing tax laws and regulations will not be revised or amended in the future. Any changes in tax policies may reduce the after-tax profits of the companies in the PRC which the Fund may invest in, thereby reducing the income from, and/or value of the Units. Investors may be advantaged or disadvantaged depending on the final rules of the relevant PRC tax authorities, the level of tax provision accrued by the Fund and when they subscribed and/or redeemed their Units in/from the Fund.

Developmental State of the Chinese Stock Markets

China A shares are securities that are listed and traded on the SSE and/or the Shenzhen Stock Exchange and are denominated and traded in RMB. The Shenzhen and Shanghai stock markets were established in April 1991 and July 1991 respectively and should be regarded as developing stock markets. The Shanghai stock market may be subject to periods of high price volatility, illiquidity, settlement problems and changes in government policy or regulation.

The Chinese government has issued rules allowing qualified foreign institutional investors to invest in China A shares, government bonds, convertible bonds, corporate bonds that are listed on the stock exchanges in the PRC and other financial instruments approved by the China Securities Regulatory Commission. Due to regulatory restraints, the Fund is not currently permitted to invest in China A shares (other than via the Connect Scheme) but it may invest indirectly in the China A share market by purchasing equity-related instruments, participation notes and participatory certificates. Indirect investments in China A shares markets by purchasing equity-related instruments will usually be made in U.S. Dollars and not in RMB.

The Fund will be exposed to fluctuations in the exchange rate between U.S. Dollars and RMB.

Accuracy of Information

Whilst reasonable care has been taken to check the accuracy of the information contained in this Prospectus, the quality and limited availability of official data published by the PRC government and government agencies and information on PRC businesses and industries are generally not equivalent to that of more developed countries. Given the inherent uncertainty of the source material, investors should be aware that the accuracy and completeness of statistical data and other factual statements relevant to the PRC contained in this Prospectus, including information concerning actual and proposed macro-economic, fiscal, legal and other matters, cannot be guaranteed.

Currency Risk

The Net Asset Value per Share will be computed in U.S. Dollars, whereas the Fund will invest some of its assets in securities denominated in RMB. The Net Asset Value of the Fund as expressed in U.S. Dollars will fluctuate in accordance with the changes in the foreign exchange rate between the U.S. Dollar and the RMB. It may not be possible or practicable to hedge against the consequent currency risk exposure and in most instances the Fund will not hedge against such risk. It is not the present intention of the Fund to hedge the currency exposure of the Fund but the Fund reserves the right to do so in the future if it is desirable or practicable.

The value of RMB against the U.S. Dollar or any other foreign currency may fluctuate and is affected by, among other things, changes in the political and economic conditions of the PRC. RMB can be converted into the U.S. Dollar or any other foreign currency based on the rates set by the PRC. There can be no assurance that the value of the RMB against the U.S. Dollar or any other foreign currency is on any appreciation trend. Further, any revaluation of the RMB may adversely affect the value of, and the dividends payable on, securities held by the Fund.

Custody Risk in respect of Chinese Securities

The custodial and/or settlement systems of some of the Chinese markets or exchanges on which the Fund may invest may not be fully developed, and therefore the assets of a Fund which are traded in such markets and which have been entrusted to sub-custodians, in circumstances where the use of such sub-custodians is necessary, may be exposed to risks in circumstances whereby the Depository will have no liability. Such risks include (but are not limited to): (a) a non-true delivery versus payment settlement; (b) a physical market, and as a consequence the circulation of forged securities; (c) poor information in regards to corporate actions; (d) registration process that impacts the availability of the securities; (e) lack of appropriate legal/fiscal infrastructure devices; and (f) lack of compensation/risk fund with the central depository.

As mentioned above, custodians or sub-custodians may be appointed in the Chinese market for the purpose of safekeeping assets in the market. The assets of the Fund may be exposed to custodial risk. For example, in case of the liquidation, bankruptcy or insolvency of a custodian or sub-custodian, the Fund may take a longer time to recover its assets. In circumstances such as the retroactive application of legislation of and fraud or improper registration of title, the Fund may even be unable to recover all of its assets. The costs borne by the Fund in investing and holding investments in such markets will be generally higher than in organised securities markets.

Risks associated with the Connect Scheme

Certain Funds may invest in China A shares via the Connect Scheme. The Connect Scheme is subject to quota limitations which may restrict the Company's ability to invest in China A shares through the Connect Scheme on a timely basis and as a result, the Company's ability to access the China A share market (and hence to pursue its investment strategy) may be adversely affected.

Trading under the Connect Scheme is subject to the Daily Quota. The Daily Quota may change and consequently affect the number of permitted buy trades on the Northbound Trading Link. A Fund does not have exclusive use of the Daily Quota and such quota is utilised on a "first come – first served" basis. Therefore, quota limitations may restrict a Fund's ability to invest in or dispose of SSE Securities and SZSE Securities (together "China Connect Securities") through the Connect Scheme on a timely basis.

Clearing and Settlement Risk

The HKSCC and ChinaClear have established the clearing links and each becomes a participant of each other to facilitate clearing and settlement of cross-border trades. For cross-border trades initiated in a market, the clearing house of that market will on one hand clear and settle with its own clearing participants, and on the other hand undertake to fulfil the clearing and settlement obligations of its clearing participants with the counterparty clearing house.

A Fund's rights and interests in China Connect Securities will be exercised through HKSCC exercising its rights as the nominee holder of China Connect Securities credited to HKSCC's omnibus account with ChinaClear. The relevant measures and rules in relation to the Connect Scheme generally provide for the concept of a "nominee holder" and recognise the investors including a Fund as the "beneficial owners" of China Connect Securities.

However, the precise nature and rights of an investor as the beneficial owner of China Connect Securities through HKSCC as nominee are less well defined under PRC law. There is lack of a clear definition of, and distinction between, "legal ownership" and "beneficial ownership" under PRC law. Therefore, a Fund's assets held by HKSCC as nominee (via any relevant brokers' or custodians' accounts in CCASS) may not be as well protected as they would be if it were possible for them to be registered and held solely in the name of a Fund.

In connection to this, in the event of a default, insolvency or bankruptcy of a custodian or broker, a Fund may be delayed or prevented from recovering its assets from the custodian or broker, or its estate, and may have only a general unsecured claim against the custodian or broker for those assets.

In the remote event of any settlement default by HKSCC, and a failure by HKSCC to designate securities or sufficient securities in an amount equal to the default such that there is a shortfall of securities to settle any China Connect Securities trades, ChinaClear may deduct the amount of that shortfall from HKSCC's omnibus account with ChinaClear, such that a Fund may share in any such shortfall.

As previously discussed, HKSCC is the nominee holder of the China Connect Securities acquired by investors. As a result, in the remote event of a bankruptcy or liquidation of HKSCC, the China Connect Securities may not be regarded as the general assets of HKSCC under the laws of Hong Kong and will not be available to the general creditors of HKSCC on its insolvency. In addition, as a Hong Kong incorporated company, any insolvency or

bankruptcy proceedings against HKSCC will be initiated in Hong Kong and be subject to Hong Kong law. In such circumstances, ChinaClear and the courts of mainland China will regard the liquidator of HKSCC appointed under Hong Kong law as the entity with the power to deal with the China Connect Securities in place of HKSCC.

Should the remote event of ChinaClear default occur and ChinaClear be declared as a defaulter, HKSCC's liabilities in Northbound trades under its market contracts with clearing participants will be limited to assisting clearing participants in pursuing their claims against ChinaClear. HKSCC will in good faith seek recovery of the outstanding China Connect Securities and monies from ChinaClear through available legal channels or through ChinaClear's liquidation. In that event, a Fund may suffer delay in the recovery process or may not be able to fully recover its losses from ChinaClear.

No Protection by Hong Kong Investor Compensation Fund

A Fund's investments through the Connect Scheme will not be covered by Hong Kong's Investor Compensation Fund. Therefore, a Fund is exposed to the risks of default of the broker(s) it engages in its trading in China Connect Securities through the Connect Scheme.

Short Swing Profit Rule

According to the PRC Securities Law, a shareholder of 5% or more of the total issued shares of a PRC listed company ("major shareholder") has to return any profits obtained from the purchase and sale of shares of such PRC listed company if both transactions occur within a six-month period. In the unlikely event that a Fund becomes a major shareholder of a PRC listed company by investing in China Connect Securities via the Connect Scheme, the profits that a Fund may derive from such investments may be limited, and thus the performance of a Fund may be adversely affected depending on a Fund's size of investment in China Connect Securities through the Connect Scheme.

Participation in Corporate Actions and Shareholders' Meetings

HKSCC will keep CCASS participants informed of corporate actions of China Connect Securities. Hong Kong and overseas investors (including a Fund) will need to comply with the arrangement and deadline specified by their respective brokers or custodians (*i.e.*, CCASS participants). The time for them to take actions for some types of corporate actions of China Connect Securities may be as short as one business day only. Therefore, a Fund may not be able to participate in some corporate actions in a timely manner.

Hong Kong and overseas investors (including a Fund) may hold China Connect Securities traded via the Connect Scheme through their brokers or custodians. Where the appointment of proxy/multiple proxies by a shareholder is prohibited by the articles of association of the China Connect Securities, a Fund may not be able to appoint a proxy/multiple proxies to attend or participate in shareholders' meetings in respect of China Connect Securities

Regulatory Risk and Other China Specific Investment Requirements

Any investments of a Fund through the Connect Scheme will be subject to rules and regulations promulgated by regulatory authorities and implementation rules made by the stock exchanges in the PRC and Hong Kong as well as other regulations applicable to the Connect Scheme including but not limited to trading restrictions, disclosure requirements and foreign ownership limits. A Fund may also be impacted by the right to suspend Northbound Trading Link if necessary for ensuring an orderly and fair market and that risks are managed prudently.

Further, new regulations may be promulgated from time to time by the regulators in connection with operations and cross-border legal enforcement in connection with cross-border trades under the Connect Scheme, which may affect a Fund's investments in China Connect Securities.

The rules and regulations, in connection with the Connect Scheme, including the taxation of transactions involving China Connect Securities (see the section entitled "PRC Tax" above), are subject to change which may have potential retrospective effect. There can be no assurance that the Connect Scheme will not be abolished. A Fund investing in the PRC markets through the Connect Scheme may be adversely affected as a result of such changes.

Front-End Monitoring

PRC regulations require that before an investor sells any shares, there should be sufficient shares in the investor's account; otherwise SSE or SZSE will reject the sell order concerned. SEHK will carry out pre-trade checking on China Connect Securities sell orders of its exchange participants (*i.e.*, the stock brokers) to ensure there is no over-selling. If a Fund desires to sell China Connect Securities it holds, it will be required to transfer those China Connect Securities to the respective accounts of its brokers before the market opens on the day of selling ("trading day") unless its brokers can otherwise confirm that a Fund has sufficient shares in its account. If it fails to meet this deadline, it will not be able to sell those shares on the trading day. Because of this requirement, a Fund may not be able to dispose of its holdings of China Connect Securities in a timely manner.

Alternatively, if a Fund maintains its China A shares with a custodian which is a custodian participant or general clearing participant participating in the CCASS, such Fund may request such custodian to open a special segregated account ("SPSA") in CCASS to maintain its holdings in China A shares under the enhanced pre-trade checking model. Each SPSA will be assigned a unique "Investor ID" by CCASS for the purpose of facilitating the Connect Scheme system to verify the holdings of an investor such as a Fund. Provided that there is sufficient holding in the SPSA when a broker inputs a Fund's sell order, a Fund will only need to transfer China A shares from its SPSA to its broker's account after execution and not before placing the sell order and a Fund will not be subject to the risk of being unable to dispose of its holdings of China A shares in a timely manner due to failure to transfer China A shares to its brokers in a timely manner.

Differences in Trading Day

The Connect Scheme only operates on days when both the PRC and the Hong Kong stock markets are open for trading and when banks in both markets are open on the corresponding settlement days. It is therefore possible that there are occasions when it is a normal trading day for the PRC stock markets but a Fund cannot carry out any trading of the China Connect Securities. A Fund may be subject to a risk of price fluctuations in China Connect Securities during the time when the Connect Scheme is not trading as a result.

Recalling of Eligible Stocks

When a stock is recalled from the scope of eligible stocks for trading via the Connect Scheme, the stock can only be sold but will be restricted from being bought. This may affect the investment portfolio or strategies of a Fund, for example, when a Fund wishes to purchase a stock which has been recalled from the scope of eligible stocks.

Risks associated with the Small and Medium Enterprise Board of the SZSE ("SME Board") and/or the ChiNext Board

A Fund investing through the Connect Scheme may invest in the SME Board and/or the ChiNext Board via the Shenzhen-Hong Kong Stock Connect scheme. Investments in the SME board and/or ChiNext Board may result in significant losses for the relevant Fund and its investors. The following additional risks apply:

Higher fluctuation on stock prices - Listed companies on the SME Board and/or ChiNext Board are usually of emerging nature with smaller operating scale. Hence, they are subject to higher fluctuation in stock prices and liquidity and have higher risks and turnover ratios than

companies listed on the Main Board of the SZSE (“Main Board”).

Over-valuation risk - Stocks listed on SME Board and/or ChiNext Board may be overvalued and such exceptionally high valuation may not be sustainable. Stock price may be more susceptible to manipulation due to fewer circulating shares.

Differences in regulation - The rules and regulations regarding companies listed on ChiNext Board are less stringent in terms of profitability and share capital than those in the Main Board and SME Board.

Delisting risk - It may be more common and faster for companies listed on the SME Board and/or ChiNext Board to delist. This may have an adverse impact on a Fund if the companies that it invests in are delisted.

Legal and Operational Risks linked to Management of Collateral

OTC derivatives are generally entered into pursuant to contracts based on the standards set by the International Swaps and Derivatives Association for derivatives master agreements which are negotiated by the parties. The use of such contracts may expose a fund to legal risks such as that the contract may not accurately reflect the intention of the parties or the contract may not be enforceable against the counterparty in its jurisdiction of incorporation.

The use of OTC derivatives and the management of collateral received are subject to the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events. Where cash collateral is re-invested, in accordance with the conditions imposed by the Central Bank, a fund will be exposed to the risk of a failure or default of the issuer of the relevant security in which the cash collateral has been invested, or the risk of failure of a custodian bank that is holding collateral on behalf of the parties.

Frequent trading

Certain Funds may buy and sell investments relatively often, which involves higher brokerage commissions and other expenses.

Other investments

In addition to the main investment strategies described above, certain Funds may also make other types of investments, such as investments in preferred stocks, convertible securities or debt securities, and therefore may be subject to other risks as described in the Fund’s Supplement.

Alternative strategies

At times the Investment Advisor may judge that market conditions make pursuing certain Funds’ investment strategies inconsistent with the best interests of Unitholders. The Investment Advisor then may temporarily use alternative strategies that are mainly designed to limit the Fund’s losses. Although the Investment Advisor has the flexibility to use these strategies, it may choose not to for a variety of reasons, even in very volatile market conditions. These strategies may cause certain Funds to miss out on investment opportunities, and may prevent a Fund from achieving its goal.

Other investment practices

Each Fund may purchase or sell securities on a when-issued basis for investment and efficient portfolio management purposes. Securities purchased or sold on a when-issued basis may decline or appreciate in market value prior to delivery.

Securities loans, reverse repurchase agreements and forward commitments

Each Fund may lend portfolio securities to brokers and may enter into reverse repurchase agreements for the purposes of efficient portfolio management and investment purposes. These transactions must be fully collateralised at all times. Each Fund may also purchase securities for future delivery for investment and efficient portfolio management purposes, which may increase its overall investment exposure and involves a risk of loss if the value of the securities declines prior to the settlement date. These transactions involve some risk to a Fund if the other party should default on its obligations and the Fund is delayed or prevented from recovering the collateral or completing the transaction.

As with any extensions of credit, there are risks of delay and recovery. Should the borrower of securities fail financially or default in any of its obligations under any securities lending transaction, the collateral provided in connection with such transaction will be called upon. The value of the collateral will be maintained to equal or exceed the value of the securities transferred. However, there is a risk that the value of the collateral may fall below the value of the securities transferred. In addition, as a Fund may invest cash collateral received, subject to the conditions and within the limits laid down by the Central Bank, a Fund investing collateral will be exposed to the risk associated with such investments, such as failure or default of the issuer of the relevant security.

See Appendix II for more information on these security arrangements and collateral.

Restricted Securities

Each Fund may invest in securities purchased in private placements or pursuant to U.S. Securities Act Rule 144A (if available) and subject to the limits set out in the relevant Fund Supplement. Rule 144A Securities (“144A securities”) are securities that are not registered under the 1933 Act but can be sold to institutional investors in accordance with Rule 144A under the 1933 Act. These securities may be subject to limitations on resale or transfer as a matter of law or contract. They are normally resold only to institutional investors. There can be no assurance that the Funds will be able to dispose of such securities readily.

Cyber Security Risk

The Trust, the Manager and their service providers (including the Investment Advisor, the Administrator, the Depositary and any distributors) (“Affected Persons”) may be susceptible to operational and information security and related risks of cyber security incidents. In general, cyber incidents can result from deliberate attacks or unintentional events. Cyber security attacks include, but are not limited to, gaining unauthorised access to digital systems (e.g., through “hacking” or malicious software coding) for purposes of misappropriating assets or sensitive information, corrupting data or causing operational disruption. Cyber-attacks also may be carried out in a manner that does not require gaining unauthorised access, such as causing denial-of-service attacks on websites (i.e., efforts to make services unavailable to intended users). Cyber security incidents affecting the Affected Persons have the ability to cause disruptions and impact business operations, potentially resulting in financial losses, including by: interference with a Fund’s ability to calculate its Net Asset Value; impediments

to trading for a Fund's portfolio; the inability of Unitholders to transact business with the Trust; causing violations of applicable privacy, data security or other laws; the resulting regulatory fines and penalties; the resulting reputational damage; or any reimbursement or other compensation or remediation costs or legal fees or additional compliance costs. Similar adverse consequences could result from cyber security incidents affecting issuers of securities in which a Fund invests, counterparties with which a Fund engages in transactions, governmental and other regulatory authorities, exchange and other financial market operators, banks, brokers, dealers, insurance companies and other financial institutions and other parties. While information risk management systems and business continuity plans have been developed, which are designed to reduce the risks associated with cyber security, there are inherent limitations in any cyber security risk management systems or business continuity plans, including the possibility that certain risks have not been identified.

Operation of Umbrella Cash Accounts

The Manager on behalf of the Trust has established cash accounts designated in different currencies at umbrella level in the name of the Trust. All subscriptions, redemptions or dividends payable to or from the relevant Fund will be channelled and managed through such umbrella cash accounts (together the “Umbrella Cash Accounts”).

In addition, investors should note that in the event of the insolvency of another Fund of the Trust, recovery of any amounts to which a relevant Fund is entitled, but which may have transferred to such other insolvent Fund as a result of the operation of the Umbrella Cash Account(s) will be subject to the principles of Irish trust law. There may be delays in effecting and/or disputes as to the recovery of such amounts, and the insolvent Fund may have insufficient funds to repay the amounts due to the relevant Fund.

In circumstances where subscription monies are received from an investor in advance of a Dealing Day in respect of which an application for Units has been, or expected to be, received and are held in an Umbrella Cash Account, any such investor shall rank as a general unsecured creditor of the Trust until such time as Units are issued as of the relevant Dealing Day. Therefore in the event that such monies are lost prior to the issue of Units as of the relevant Dealing Day to the relevant investor, the Manager on behalf of the relevant Fund may be obliged to make good any losses which the Fund incurs in connection with the loss of such monies to the investor (in its capacity as a general unsecured creditor of the Fund), in which case such loss will need to be discharged out of the assets of the relevant Fund and therefore will represent a diminution in the Net Asset Value per Unit for existing Unitholders of the relevant Fund.

The Directors of the Manager, on behalf of the Trust, have power under the Trust Deed to compulsorily redeem and/or cancel any Units held or beneficially owned in contravention of any restrictions imposed by them or in breach of any law or regulation. Where an investor fails to pay subscription proceeds within the relevant settlement period the Manager on behalf of the Trust may charge the applicant for any expense incurred by it or the Fund or for any loss to the Fund arising out of such non-receipt or non-clearance. In circumstances where an investors fails to pay subscription proceeds within the relevant settlement period, there is a risk that the Manager on behalf of the Trust may not be able to recover such costs from such investor and such loss and any relevant credit charges may have to be discharged out of the assets of the relevant Fund and therefore will represent a diminution in the Net Asset Value per Unit for existing Unitholders of the relevant Fund.

United Kingdom’s Withdrawal from the European Union

The United Kingdom withdrew from the EU and the EEA on 31 January 2020.

Following withdrawal from the EU, the UK entered a transition period, during which EU law continued to apply in the UK. New EU legislation that took effect before the end of the transition period also applies to the UK. The transition period ended on 31 December 2020. On 30 December 2020, the EU and the UK signed an agreement on the terms governing certain aspects of the EU's and the UK's relationship following the end of the transition period, the EU-UK Trade and Cooperation Agreement (the "TCA") which formally entered into force on 1 May 2021. Notwithstanding the TCA, there is likely to be uncertainty as to the UK's post-transition framework, and in particular as to the arrangements which will apply to the UK's relationships with the EU and with other countries, which are likely to continue to develop.

This uncertainty may, at any stage, adversely affect the Trust and its investments. There may be detrimental implications for the value of the Trust's investments and/or its ability to implement its investment policy. This may be due to, among other things:

- (i) increased uncertainty and volatility in UK, EU and other financial markets;
- (ii) fluctuations in asset values;
- (iii) fluctuations in exchange rates;
- (iv) increased illiquidity of investments located, listed or traded within the UK, the EU or elsewhere;
- (v) changes in the willingness or ability of financial and other counterparties to enter into transactions, or the price at which and terms on which they are prepared to transact; and/or
- (vi) changes in legal and regulatory regimes to which the Manager, the Trust, certain of its assets and/or service providers are or become subject.

The UK's vote to leave the EU has created a degree of political uncertainty, as well as uncertainty in monetary and fiscal policy, which is expected to continue during the transition period. It may have a destabilising effect on some of the remaining members of the EU, the effects of which may be felt particularly acutely by Member States within the Eurozone.

The withdrawal of the UK from the EU could have a material impact on the UK's economy and its future growth, impacting adversely the Trust's investments in the UK. It could also result in prolonged uncertainty regarding aspects of the UK economy and damage customers' and investors' confidence. Any of these events could have a material adverse effect on the Trust.

London Interbank Offered Rate (LIBOR)

The London Interbank Offered Rate ("LIBOR") was the offered rate for short-term Eurodollar deposits between major international banks. The terms of investments, financings or other transactions (including certain derivatives transactions) to which the fund may be a party have historically been tied to LIBOR. In connection with the global transition away from LIBOR led by regulators and market participants, LIBOR was last published on a representative basis at the end of June 2023. Alternative reference rates to LIBOR have been established in most major currencies and markets in these new rates are continuing to develop. The transition away from LIBOR to the use of replacement rates has gone relatively smoothly but the full impact of the transition on the fund or the financial instruments in which the fund invests cannot yet be fully determined.

Securitisation Regulation

Where disclosed in its investment policy, a Fund may invest in securitisations. Under Regulation (EU) 2017/2402 (the “Securitisation Regulation”), the Manager must comply with certain due diligence and ongoing monitoring requirements relating to investment in securitisations. The Securitisation Regulation requires parties involved in an EU securitisation to make certain information on the securitisation available to investors which should allow the Manager to conduct the necessary due diligence and ongoing monitoring required under the Securitisation Regulation. To the extent that the requirements of the Securitisation Regulation are not met by issuers that would otherwise be eligible for consideration for investment by a Fund (*e.g.*, a non-EU securitisation), this would restrict the investment universe for the Manager. This in turn may have a negative impact on the performance of the Fund.

Under the Securitisation Regulation, the Manager is obliged to conduct due diligence on both the parties to a securitisation and the due diligence itself. Where the Manager engages professional advisors in connection with the completion of such due diligence, this may result in additional costs being borne by the Fund.

COVID-19

Beginning in January 2020, global financial markets have experienced, and may continue to experience, significant volatility, reduced liquidity, and other adverse impacts resulting from the spread of a novel coronavirus that can cause a disease known as COVID-19. The pandemic and efforts to contain its spread have resulted in, among other things, international, national, and local border closings and other significant travel restrictions and disruptions, significant disruptions to business operations, supply chains, and customer activity, event cancellations and restrictions, individual and community quarantines, lower consumer demand, significant challenges to healthcare services, and general market uncertainty. The effects of the pandemic (which may be short-term or last for an extended period of time) have adversely affected, and may continue to adversely affect, the global economy, the economies of certain nations, and individual issuers, all of which may negatively impact the Funds’ performance.

Securities and financial markets may be susceptible to market manipulation or other fraudulent trade practices, which could disrupt the orderly functioning of these markets, contribute to overall market volatility and adversely affect the values of each Fund’s investments.

Sustainability Risks

The Investment Advisor seeks to integrate considerations of material sustainability elements, including sustainability risks (“sustainability considerations”), in its investment research and decision-making process where those elements are considered to be financially material. It focuses on understanding how sustainability considerations may influence performance, alpha, and risk in the Funds, including how relevant sustainability risks might have a material negative impact on the financial return of a Fund’s investments. A sustainability risk is an environmental, social or governance event or condition that, if it occurs, could cause an actual or potential material negative impact on the value of the investment.

The Funds do not limit their investment universe or exclude investments in any company, industry, or country based on sustainability criteria, unless otherwise disclosed in any Fund Supplement. Rather, the Investment Advisor seeks to incorporate sustainability considerations as components of the research and investment decision-making processes that are used in selecting investments. Both the mix of relevant sustainability issues and the level of their fundamental importance will vary depending on issuer context and the investment strategy of

a particular Fund, as noted in each Fund's Supplement, and, for some asset classes, issuers, and Funds, sustainability considerations are not a material component of the approach.

By taking sustainability risks into consideration during its investment research and decision making process, the Investment Advisor generally seeks to manage such risks in a way that they do not have a material impact on the performance of the Funds over and above the risks outlined throughout "Risk Factors and Special Considerations." To the extent that the Investment Advisor concludes that there is a material sustainability risk associated with an investment, it will seek to assess the likelihood of that sustainability risk occurring and its potential impact based on reasonably available data, alongside other material investment risks and investment considerations, against the potential or expected pecuniary advantage to the Fund of making the investment. Depending on this analysis, the Investment Advisor may proceed with certain investments that are subject to sustainability risks. The consideration of sustainability risks and any impact on the value of a Fund is part of the ongoing assessment and management of investments carried out by the Investment Advisor for the full life cycle of the Fund. For each of the Funds, the Investment Advisor does not currently consider adverse impacts of investment decisions on sustainability factors – *i.e.*, the sustainability "outputs" of investment decisions – for their own sake as part of the investment process, because these elements are not part of the Funds' stated goals and strategies, and a focus on impacts, rather than material risks and returns, could be inconsistent with those goals and strategies.

The investment risks set out in this Prospectus are not purported to be exhaustive.

ADMINISTRATION OF THE TRUST

DESCRIPTION OF UNITS

Units of each Fund may be designated and specified as separate Classes of Units in each Fund, which are all freely transferable except to: (i) U.S. Persons (unless such transfer is permitted under an exemption from the 1933 Act) or (ii) U.S. Taxpayers (unless such requirement is waived by the Manager in its sole discretion). The Units, which are of no par value and which must be fully paid for upon issue, carry no preferential or pre-emptive rights. The Manager may issue fractional Units. Fractional Units shall not carry voting rights.

Units in each Fund shall be issued to investors as separate Classes of Units.

OPERATION OF CASH ACCOUNTS

The Manager on behalf of the Trust has established cash accounts designated in different currencies at umbrella level in the name of the Trust. All subscriptions, redemptions or dividends payable to or from the relevant Fund will be channelled and managed through such umbrella cash accounts and no such accounts shall be operated at the level of each individual Fund. However, the Manager on behalf of the Fund, will ensure that all monies in any such umbrella fund cash account are recorded in the books and records of the Trust as assets of, and attributable to, the relevant Fund in accordance with the requirements of the Trust Deed.

Further information relating to such accounts is set out in the sections (i) “Application for Units” - “*Operation of Cash Accounts*” (ii) “Redemption of Units” - “*Operation of Cash Accounts*”; and (iii) “Distributions”, respectively. In addition, your attention is drawn to the section of the Prospectus entitled “*Risk Factors and Special Considerations*” – “*Operation of Umbrella Cash Accounts*” above.

HOW TO BUY UNITS

The minimum individual subscription for each Class of Unit in a Fund, if any, is as set out in the Supplement for the relevant Funds. Such minimums are subject to waiver at the discretion of the Manager.

Classes of Units may incur different fees and charges. The fees and charges applicable to each Class of Units of a given Fund are stated below and in the Supplement relevant to that Fund.

Where there are Units of a different class in a Fund, the Net Asset Value per Unit amongst such classes may differ to reflect the fact that there are differing charges of fees and expenses or that they are designated in different currencies or that the gains/losses on and costs of different financial instruments employed for currency hedging between a Base Currency and a designated currency are attributed to them. Save as provided herein, all Units of each class within a Fund will rank *pari passu*.

Each Fund may offer various different Classes of Units the details of which will be set out in each Supplement. An initial sales charge of up to 6.25% of the Net Asset Value per Unit may be charged on certain classes or a contingent deferred sales charge of up to 4% of Net Asset Value per Unit may be charged at the discretion of the Manager. Different management fees may also be payable on each Class of Unit.

Any sub-distributors are generally entitled to the initial sales charge, which can be partly or fully waived at the Manager's discretion.

The Manager reserves the right to amend or waive sales charges in general or for specific dealers or investors and to make arrangements with particular investors, including issuance of additional Units at the expense of the Investment Advisor that have the effect of lowering the expenses of the Fund attributable to their Units. Certain dealers may offer Unitholders the ability to reinvest any distribution in Units of that Fund without payment of a sales charge.

A Unitholder who purchases Class B Units or Class C Units (except for Class C Units and Class C2 Units of Putnam Ultra Short Duration Income Fund) pays no initial sales charge at the time of purchase but a higher ongoing management fee is paid out of assets allocated to the relevant Fund attributable to the Class B Units or Class C Units and Unitholders may incur a contingent deferred sales charge, as described below, if the Class B Units or Class C Units are redeemed within four years or one year, respectively, of purchase (each period on its own hereinafter referred to as the "Contingent Deferred Sales Charge Period").

A contingent deferred sales charge may be imposed if a Class B Unitholder, Class C Unitholder or a Class C2 Unitholder redeems Units within the relevant Contingent Deferred Sales Charge Period set out below, unless otherwise determined by the Manager. The Manager or its delegate may agree to a lesser contingent deferred sales charge or waive the contingent deferred sales charge. The contingent deferred sales charge adjusted Net Asset Value is available from the Transfer Agent. The following types of Units may be redeemed without charge even though acquired within the relevant Contingent Deferred Sales Charge Period set out below:

- (i) Units acquired by reinvestment of distributions;
- (ii) Units otherwise exempt from the contingent deferred sales charge, as described below.

Subject to the foregoing exclusions, the amount of the charge is determined as a percentage of the lesser of the current market value or the cost of the Units being redeemed. No sales charge is imposed on increases in net asset value above the initial purchase price. The amount of the contingent deferred sales charge will depend on the length of time from the date of the initial purchase of Units up until the date of the redemption of such Units and the dollar amount being redeemed, according to the following table:

Unitholders who purchase Class B Units may incur a contingent deferred sales charge as described below if Units are redeemed within four years. The following contingent deferred sales charge may be imposed on Class B Unitholders:

Age of Units Redeemed	Contingent Deferred Sales Charge
Less than one year	4%
One year and above but less than two years	3%
Two years and above but less than three years	2%
Three years and above but less than four years	1%
Four years and above	0%

Unitholders who purchase Class C Units or Class C2 Units may incur a contingent deferred sales charge of up to 1% of Net Asset Value per Unit if the Units are redeemed within one year of purchase.

In determining whether a contingent deferred sales charge is payable on any redemption, the respective Class B Units, Class C Units or Class C2 Units not subject to any charge are redeemed first, followed by Units held longer during the Contingent Deferred Sales Charge Period. The Manager receives the entire amount of any contingent deferred sales charge you pay.

The applicability of a contingent deferred sales charge will be unaffected by switches or transfers of registration.

POLICY ON EXCESSIVE SHORT-TERM TRADING

The Manager encourages investors to invest in the Funds as part of a long-term investment strategy and discourages excessive short-term trading activity. Excessive short-term trading activity may have a detrimental effect on the Funds and Unitholders. For example, depending upon various factors such as the size of the Fund and the amount of its assets maintained in cash, excessive short-term trading by Unitholders may interfere with the efficient management of the Fund's portfolio, increase transaction costs and taxes and harm the performance of the Fund. Funds that invest in non-U.S. securities or in asset classes that may be more difficult to value, such as stocks of smaller companies or below-investment grade bonds, may potentially be more susceptible to such activity.

The Manager seeks to deter and prevent excessive short-term trading and to reduce these risks through several methods, including the following:

- (i) to the extent that there is a delay between a change in the value of a Fund's portfolio holdings and the time when that change is reflected in the Net Asset Value per Unit, a Fund is exposed to the risk that investors may seek to exploit this delay by purchasing or redeeming Units at a Net Asset Value that does not reflect appropriate fair value prices. The Manager seeks to deter and prevent this activity, sometimes referred to as "stale price arbitrage", by the appropriate use of its power to adjust the value of any investment having regard to relevant considerations in order to reflect the fair value of such investment.
- (ii) the Manager may monitor Unitholder account activities in an attempt to detect and prevent excessive and disruptive trading practices and, depending on the size and frequency of trades by an account, reserves the right to exercise its discretion to reject any subscription or switch transaction without assigning any reason therefor and without payment of compensation if, in its judgement, the transaction may adversely affect the interest of a Fund or its Unitholders.

The Manager reserves the right to reject or restrict purchases or switches for any reason. The Manager may determine that an investor's trading activity is excessive or otherwise potentially harmful based on various factors, including an investor's or financial intermediary's trading history in the Fund, other Putnam funds or other investment products, and may aggregate activity in multiple accounts under common ownership or control. If the Manager identifies an investor or intermediary as a potential excessive trader, it may in its discretion, among other things, require further trades to be submitted in a particular form (*e.g.*, by mail rather than by phone), impose limitations on the amount, number, or frequency of future purchases or switches, or temporarily or permanently bar the investor or intermediary from investing in the Fund or other Putnam funds.

Investors should be aware that there can be no assurances that excessive short-term trading

practices can be mitigated or eliminated. For example, omnibus accounts in which purchases and sales of Units by multiple investors may be aggregated for dealing with the Fund on a net basis, conceal the identity of underlying investors in a Fund, which makes it more difficult for the Manager to identify excessive short-term trading practices. In certain circumstances, there are other operational or technological constraints on its ability to enforce the Fund's policies. In addition, even when the Manager has sufficient information, its detection methods may not capture all excessive short-term trading.

APPLICATION FOR UNITS

Application Procedure and General Provisions concerning issue of Units

Initial application for Units shall be made in writing (electronically, by facsimile, or by post) to the Transfer Agent by completing an application form and supporting documentation in relation to anti-money laundering prevention checks in the manner prescribed by the Manager, or in such other form or manner as may be prescribed by the Manager from time to time, provided the signed original is immediately forwarded to the Transfer Agent. Redemption proceeds cannot be released until the original application form and all documentation required by the Manager or its delegate (including any documents in connection with anti-money laundering procedures) has been received by the Transfer Agent and the anti-money laundering procedures have been completed. Redemption proceeds that cannot be released due to incomplete documentation will be held in a non-interest bearing account until such documentation is received by the Transfer Agent and the anti-money laundering procedures have been completed.

All applications must be received by the Transfer Agent at its registered office no later than the Pricing Time (as defined below) on the relevant Dealing Day, except that if an application for the purchase of Units is likely to be deemed by the Manager or its delegate to be greater than 3% of the Net Asset Value of the relevant Fund, the application must be received by the Transfer Agent at its registered office no later than the Pricing Time (as defined below) on the Dealing Day immediately preceding the relevant Dealing Day unless the Manager otherwise agrees. Any application received after the Pricing Time shall be deemed to be made in respect of the Dealing Day following such relevant Dealing Day.

Subsequent applications may be made electronically or by fax without a requirement to submit original documentation provided that the investor has opted for the use of the privilege on his/her original application form and has not subsequently disclaimed in writing the use of the privilege.

None of the Manager, the Administrator, the Depositary, the Transfer Agent, or the Distributor will be responsible for the authenticity of instructions received, provided that reasonable procedures to confirm that instructions are genuine have been followed.

Unless otherwise disclosed in a Supplement, settlement should be made within three (3) Business Days from the relevant Dealing Day in respect of which an application has been received. Settlement may be made within four (4) Business Days from the relevant Dealing Day in respect of certain purchases of Fund units made by a feeder fund that has an established master-feeder arrangement with that Fund.

Alternatively, for certain Funds, settlement for subscriptions may be cleared through NSCC FundSERV (for U.S. Dollar denominated classes of Units only), Euroclear, Clearstream or Fundsettle in which case, the Units will be delivered to a NSCC FundSERV, Euroclear,

Clearstream or Fundsettle participant against receipt of the settlement amount.

The Manager or its delegate reserves the right to cancel any allotment where cleared funds are not received when due and to charge the applicant for any losses accruing. The Manager reserves the right not to process any transactions for a Unitholder when full settlement for the purchase of the applicable Units has not been made.

Under the terms of the application form, Unitholders accept responsibility and liability for any failure by them to provide subscription monies in accordance with the settlement procedures and deadlines. Each Unitholder agrees that any costs for which such Unitholder becomes liable as a result of his or her failure to provide subscription monies in accordance with the settlement procedures and deadlines, authorises the Manager or its delegate to redeem such number of units held by such Unitholder in the Trust in order to satisfy any such liability to the Trust and agrees that the proceeds of any such redemption shall be paid into the assets of the Trust.

The Manager or its delegate reserves the right to reject an application, for any reason, in whole or in part in which event the application monies or any balance thereof will be returned to the applicant by transfer to the applicant's designated account or by post at the applicant's risk. The Manager or its delegate also reserves the right not to accept an application unless it is accompanied by cleared monies sufficient for purchase of Units, in which case the order will be deemed to have been made upon receipt of clear monies. Under the Trust Deed, the Manager or its delegate has been given the right to effect, for the account of the Trust, the issue of Units.

Ownership of Units will be evidenced by entry in a register of Unitholders, which will be maintained by the Transfer Agent.

Units may not be issued during any period when the calculation of the issue or repurchase price of Units in any Fund is suspended in the manner described under "Temporary Suspension of Calculation of Net Asset Value and of Issues and Redemptions" below. Applicants for Units of that Fund will be notified of such suspension and, unless withdrawn, their applications will be considered as at the next Dealing Day following the ending of such suspension.

Investors may place orders for Units in any currency freely convertible into the Base Currency of the Fund. Monies received in currencies other than the Base Currency will be converted into the Base Currency at the Unitholder's risk and expense at what the Manager or its delegate consider to be the appropriate exchange rate. The Manager and/or the Transfer Agent reserve the right to reject subscriptions received in freely convertible currencies other than the Base Currency where the Manager and/or Transfer Agent considers it impractical or impossible to convert such monies into the Base Currency.

Payments in cash will not be accepted.

Unitholders will be issued an ownership confirmation by the Transfer Agent, which will be issued within twenty-one (21) Business Days of receipt by the Transfer Agent of cleared subscription monies. Title to Units will be evidenced by entering the investor's name on the register of Unitholders and no certificates will be issued.

Dealing is carried out at forward pricing basis, *i.e.*, the Net Asset Value next computed after receipt of subscription requests.

Following the initial offer period of a Fund, any issue of Units shall only be made by the Manager on a Dealing Day.

U.S. Persons and U.S. Taxpayers may not purchase Units of any Fund in the Trust and applicants will be required to certify that they (i) are not acquiring Units for, directly or indirectly, U.S. Persons or U.S. Taxpayers and (ii) will not sell or offer to sell or transfer such Units to U.S. Persons or U.S. Taxpayers. Notwithstanding the foregoing, an offer, sale, or transfer to a U.S. Person may be permitted if the Manager in its sole discretion is satisfied that such offer, sale or transfer is permitted under an exemption from the 1933 Act. Notwithstanding the foregoing, an offer, sale, or transfer to a U.S. Taxpayer may be permitted by the Manager in its sole discretion.

Investors may also subscribe to a Fund by contributing investments. No Units shall be issued until the investments have been vested in the Trust to the Depositary's satisfaction and the Depositary is satisfied that the terms of such exchange shall not be such as are likely to result in any material prejudice to the existing Unitholders. The nature of the investments to be transferred into a Fund must be such that the investment would qualify as an investment under the investment objective(s), policies and restrictions of the particular Fund. The number of Units to be issued shall be that number that would have been issued for cash at the current price against payment of a sum equal to the value of the investments transferred less such sum as the Manager may consider represents any fiscal or other expenses as aforesaid to be paid out of the assets of the relevant Fund in connection with the vesting of the investments.

Beneficial Ownership Regulations

The Manager may request such information (including by means of statutory notices) as may be required for the establishment and maintenance of the Trust's beneficial ownership register in accordance with the Beneficial Ownership Regulations. It should be noted that a beneficial owner, as defined in the Beneficial Ownership Regulations (a "Beneficial Owner") has, in certain circumstances, obligations to notify the Manager in writing of relevant information as to his/her status as a Beneficial Owner and any changes thereto (including where a Beneficial Owner has ceased to be a Beneficial Owner).

Applicants should note that it is an offence under the Beneficial Ownership Regulations for a Beneficial Owner to (i) fail to comply with the terms of a beneficial ownership notice received from or on behalf of the Trust or (ii) provide materially false information in response to such a notice or (iii) fail to comply with his/her obligations to provide relevant information to the Manager as to his/her status as a Beneficial Owner or changes thereto in certain circumstances or in purporting to comply, provide materially false information.

Operation of Cash Accounts

Subscription monies received from an investor in advance of a Dealing Day in respect of which an application for Units has been, or is expected to be, received will be held in a cash account in the name of the Trust and will be treated as an asset of the relevant Fund upon receipt and will not benefit from the application of any investor money protection rules (*i.e.*, the subscription monies in such circumstance will not be held in trust as investor monies for the relevant investor). In such circumstance, the investor will be an unsecured creditor of the relevant Fund with respect to the amount subscribed and held by the Trust until such Units are issued as of the relevant Dealing Day. In the event of an insolvency of the Fund or the Trust, there is no guarantee that the Fund or the Trust, respectively, will have sufficient funds to pay unsecured creditors in full. Your attention is drawn to the section of the Prospectus entitled "*Risk Factors and Special Considerations – Operation of Umbrella Cash Accounts*" above.

Anti-Money Laundering Procedures and Countering Terrorist Financing Measures

As part of the Manager's and its delegates' responsibilities for the prevention of money laundering, the Manager and or its delegate will require detailed verification of each applicant's identity, address and source of funds (and where applicable the beneficial owner) and ongoing monitoring of the business relationship. Politically exposed persons ("PEPs"), an individual who is or has, at any time in the preceding year, been entrusted with prominent public functions, an immediate family member, or persons known to close associates of such persons, must also be identified.

The Manager or its delegates reserve the right to request such information as is necessary to verify the identity of an applicant and the source of the payment in accordance with prevailing Irish requirements. In the event of delay or failure by the applicant to produce any information required for verification purposes, the Manager or its delegates may refuse to accept the application and subscription monies may be returned without interest to the account from which the monies were originally debited.

The Directors may compulsorily redeem such Unitholder's Units and/or payment of Redemption Proceeds may be delayed and none of the Directors, the Investment Manager, the Depositary, Administrator or Transfer Agent shall be liable to the subscriber or Unitholder where an application for Units is not processed or Units are compulsorily redeemed in such

circumstances. If an application is rejected, the Manager or its delegates will return the application monies or the balance thereof by telegraphic transfer in accordance with any applicable laws to the account from which it was paid at the cost and risk of the applicant. The Manager or its delegates may refuse to pay or delay Redemption Proceeds where the requisite information for verification purposes has not been produced by a Unitholder. Monies that cannot be released due to incomplete documentation will be held in a non-interest bearing account until such documentation is received and approved by the Manager and or its delegates.

Data Protection Information

Prospective investors should note that by completing the application form they are providing personal information to the Manager, which may constitute personal data within the meaning of the GDPR. This data will be used by or on behalf of the Manager for the purposes of client identification and the subscription process, management and administration of your hold in the Trust, statistical analysis, market research and to comply with any applicable legal, taxation or regulatory requirements and, if an applicant's consent is given, for direct marketing purposes. Data may be disclosed and/or transferred to third parties including regulatory bodies, tax authorities, delegates, advisers and service providers appointed by the Manager and their or the Manager's duly authorised agents and any of their respective related, associated or affiliated companies wherever located (including to countries outside the EEA which may not have the same data protection laws as in Ireland) for the purposes specified. By signing the application form, investors consent to the obtaining, holding, use, disclosure and processing of data for any one or more of the purposes set out in the application form.

Investors have a right to obtain a copy of their personal data kept by the Manager, the right to rectify any inaccuracies in personal data held by the Manager.

The Manager and its appointed service providers will retain all documentation provided by a Unitholder in relation to its investment in the Trust for such period of time as may be required by Irish legal and regulatory requirements, but for at least six years after the period of investment has ended or the date on which a Unitholder has had its last transaction with the Trust.

A copy of the data privacy statement of the Manager is available at <http://www.carnegroup.com/policies-and-procedures/> and upon request from the Manager or applicable Transfer Agent.

ISSUE PRICE OF UNITS

During the initial offer period of a Fund the Manager and the Depositary shall, before the issue of any Units in the Fund, determine the initial price thereof. The time at which, the terms upon which, and the initial issue price per Unit of the initial issue of Units of a Fund shall be specified in the relevant Supplement to this Prospectus.

Units shall be issued in registered form and at a price equal to the Net Asset Value per Unit calculated as of the time in Dublin that represents the close of regular trading on the New York Stock Exchange (the "Pricing Time") on the relevant Dealing Day on which the Units are to be issued plus any applicable sales charge. A minimum initial subscription level may apply to certain Classes of Units as set out in the relevant Supplement in respect of each Fund. The Manager may at its discretion waive such minimum amounts. In the case of an unhedged Class of Unit, a currency conversion will take place on subscriptions at prevailing exchange rates, at the expense of the investor.

Units are deemed issued on such Dealing Day, subject to rescission if the applicant(s) fails to deliver cleared monies and/or provide any information requested.

Applicants should be aware that the Manager or its delegate may monitor subscription, redemption and switch transactions on an on-going basis identifying those transactions that may be causing dilution and that the Manager or its delegate has discretion to impose an anti-dilution levy where it is determined that dilution is occurring. The Manager may on any Dealing Day when there are net subscriptions/redemptions (as relevant) adjust the subscription/redemption price for a Unitholder transaction that is causing dilution by imposing an anti-dilution levy on that Unitholder to cover dealing costs and to preserve the value of the underlying assets of the Fund. This levy may be payable for the benefit of the Fund, if the Manager or its delegate is of the view that, where there are net subscriptions/redemptions, certain large transactions may be causing dilution taking into account the Fund's investment mandate and Fund size and it believes that such a levy is in the best interests of the Unitholders to preserve the value of the underlying assets of the Fund. The levy shall be a sum representing a provision for market spreads (*i.e.*, the difference between mid and offer prices) and duties and charges relating to the acquisition and/or disposal of investments and other dealing costs relating to the acquisition or disposal of assets relating to the specific transaction. Any such provision may be deducted from the subscription amount received from an investor in the case of subscriptions or deducted from the redemption proceeds to be paid to such Unitholder in the case of redemption proceeds to be paid to such Unitholder in the case of a redemption. The Manager may also apply a provision for market spreads and duties and charges in any other case where it considers such a provision to be in the best interests of a Fund. Any such sum will be paid into the account of the relevant Fund. Notwithstanding the foregoing, the levy with respect to Putnam Global High Yield Bond Fund will not exceed 1% of the Net Asset Value of that Fund under normal market conditions.

REDEMPTION OF UNITS

The Manager shall at any time during the term of a Fund on receipt by it or by the Transfer Agent of a request in writing by a Unitholder redeem on any Dealing Day all or any part of such Unitholder's holding of Units in the relevant Fund at a price per Unit equal to the Net Asset Value per Unit of that Fund or that Class (less any applicable contingent deferred sales charge) on the relevant Dealing Day. Redeeming Unitholders should be aware that an anti-dilution levy may be imposed. Any anti-dilution levy imposed shall be in line with the wording above under "Issue Price of Units." Redemptions may be processed on receipt of electronic or faxed instructions only where payment is made to the account of record. Amendments to an investor's registration details and payment instructions will only be effected on receipt of original documentation. Where an investor has not notified the Transfer Agent of a change of registration details and payment instructions before submitting a redemption request, this may result in the investor's redemption being processed and withheld in a non-interest bearing account until such amendment notification is received in original form to the satisfaction of the Transfer Agent. The same procedure may apply in connection with certain other redemptions or changes to the Funds that are not initiated by the Unitholder (such as the liquidation or merger of a Fund or a compulsory redemption as noted below). It is a Unitholder's responsibility to ensure that the Transfer Agent has current contact information.

The Manager shall have power to impose such restrictions (other than a restriction on transfer that is not expressly referred to herein) as it may deem appropriate or necessary so that no Units are acquired or held by any person who does not supply any information or declarations required by the Manager from such investor or its financial intermediary within seven days of

a request to do so.

In the case of an unhedged Class of Unit, a currency conversion will take place on redemptions at prevailing exchange rates, at the expense of the investor.

All redemption requests must be received by the Transfer Agent (electronically, by facsimile, or by post) at its registered office prior to the Pricing Time on the relevant Dealing Day except that if a redemption is likely to be deemed by the Manager or its delegate to be greater than 3% of the Net Asset Value of the relevant Fund, such redemption request must be received by the Transfer Agent at its registered office no later than the Pricing Time on the Dealing Day preceding the relevant Dealing Day unless the Manager otherwise agrees (in which case the normal Pricing Time deadline applies). Any request received after the time aforesaid shall be deemed to be made in respect of the Dealing Day next following such relevant Dealing Day. No redemption payment will be made from a Unitholder's account until the original subscription application form and all documentation required by or on behalf of the Manager (including any documents in connection with anti-money laundering procedures) has been received from the Unitholder and the anti-money laundering procedures have been completed. Redemption proceeds that cannot be released due to incomplete documentation will be held in a non-interest bearing account until such documentation is received by the Transfer Agent and the anti-money laundering procedures have been completed.

Unless otherwise stated in a Fund's Supplement, the redemption proceeds (less any applicable charge or levies) typically will be payable to the Unitholder within three Business Days after the relevant Dealing Day on which the redemption is to be effected subject to the receipt of such verification of identity as the Manager or Transfer Agent may reasonably request, in respect of the Units. However, it is possible that payment of redemption proceeds may take up to seven days. Under unusual circumstances, the Manager may suspend redemptions, or postpone payment for more than seven days, as permitted by law and as outlined in the section entitled "Temporary Suspension of Calculation of Net Asset Value and of Issues and Redemptions." Unless otherwise requested by the payee, the redemption proceeds payable to the Unitholder will be paid in the Base Currency of the relevant Class of Unit by bank transfer to the account on record at the expense of the Unitholder. Every such bank transfer shall be made payable to the order of such Unitholder, or in the case of joint Unitholders, made payable to the order of the joint Unitholder who has requested such redemption at the risk of such Unitholder or joint Unitholders. Any amendment to a Unitholder's registration details and payment details shall only be effected upon receipt of original documents.

Alternatively, for certain Funds, settlement for redemptions may be cleared through NSCC FundSERV (for U.S. Dollar denominated classes of Units only), Euroclear, Clearstream or Fundsettle in which case, the redemption proceeds will be paid to a NSCC FundSERV, Euroclear, Clearstream or Fundsettle participant, against receipt of Units.

The Manager may, with the consent of the individual Unitholder where required, satisfy any request for redemption of Units by the transfer in specie to a Unitholder requesting redemption of assets of the relevant Fund having a value equal to the price for the Units redeemed as if the redemption proceeds were paid in cash less any redemption charge and other expenses of the transfer as the Manager may determine provided that asset allocation is subject to the approval of the Depositary. A determination to provide redemption in specie may be solely at the discretion of the Manager where the redeeming Unitholders request redemption of a number of Units that represents 5% or more of the Net Asset Value of the Fund. In this event, the Manager will, if requested, sell any asset or assets proposed to be distributed in specie and distribute to such Unitholder the cash proceeds less the costs of such sale that shall be borne

by the relevant Unitholder.

If the number of Units in a Fund falling to be redeemed on any Dealing Day is equal to 10% or more of the total number of Units in issue or deemed to be in issue in that Fund on such Dealing Day, the Manager may in its discretion refuse to redeem any Units in that Fund in excess of 10% of the total number of Units in issue or deemed to be in issue in that Fund as aforesaid and, if the Manager so refuses, upon notification to the relevant Unitholders, the requests for redemption of Units in that Fund on such Dealing Day shall be reduced rateably and the Units in that Fund to which each request relates that are not redeemed by reason of such refusal shall be treated as if a request for redemption had been made in respect of each subsequent Dealing Day until all the Units in that Fund to which the original request related have been redeemed provided, however, that the Manager may at its discretion, redeem in full the Units of smaller redemption requests (that represent 1% or less of Units in issue or deemed to be in issue) rather than including them in the pro rata calculation with the larger redemption requests received on such Dealing Day. Redemption requests will be dealt with fairly in accordance with the above.

Dealing is carried out at forward pricing basis, *i.e.*, the Net Asset Value next computed after receipt of redemption requests.

Operation of Cash Accounts

Redemption monies payable to an investor subsequent to a Dealing Day of a Fund as of which Units of that investor were redeemed (and consequently the investor is no longer a Unitholder of the relevant Fund as of the relevant Dealing Day) will be held in a cash account in the name of the Trust and will be treated as an asset of the relevant Fund until paid to that investor and will not benefit from the application of any investor money protection rules (*i.e.*, the redemption monies in such circumstance will not be held on trust for the relevant investor). In such circumstance, the investor will be an unsecured creditor of the relevant Fund with respect to the redemption amount held by the Trust until paid to the investor. In the event of an insolvency of the Fund or the Trust, there is no guarantee that the Fund or the Trust, respectively, will have sufficient funds to pay unsecured creditors in full.

In the event that redemption proceeds cannot be paid out to an investor, for example where anti-money laundering documentation is not provided or an investor cannot be contacted, it is the responsibility of the investor to ensure all necessary documentation and information required to resolve the issue is provided promptly and is complete and accurate, so that the redemption proceeds may be released in a timely manner.

Your attention is drawn to the section of the Prospectus entitled “*Risk Factors and Special Considerations – Operation of Umbrella Cash Accounts*” above.

COMPULSORY REDEMPTION OF UNITS

The Manager or its delegate may at any time redeem, or request the transfer of, Units acquired or held by:

- a) a U.S. Person other than pursuant to an exemption available under the Securities Act;
- b) a U.S. Taxpayer;

- c) any person whose holding would cause or be likely to cause the Trust or any Fund or Class to be required to register as an “investment company” under the United States Investment Company Act of 1940 or to register any Fund or Class under the 1933 Act or similar statute;
- d) any person in breach of the law or requirements of any country or governmental authority by virtue of which such person is not qualified to hold Units including without limitation any exchange control regulations;
- e) any person or person in circumstances that in the opinion of the Manager might result in the Trust or its Unitholders as a whole incurring any liability to taxation or suffer legal, pecuniary, regulatory or material administrative disadvantages that the Trust or its Unitholders as a whole might not otherwise have incurred or suffered;
- f) any person who does not supply any information or declarations required by the Manager and requested from such investor or its financial intermediary within seven days of a request to do so;
- g) any person who holds less than the Minimum Holding as may be specified; and
- h) where the value of a Unitholder’s account is less than US\$250 or its equivalent in another currency, the Manager may, at any time, at its discretion, choose to redeem Units and remit the proceeds to the Unitholder of record.

Any such redemption will be made on a Dealing Day at a price equal to the Net Asset Value per Unit on the relevant Dealing Day on which the Units are to be redeemed.

If it shall come to the notice of the Directors of the Manager or if the Directors of the Manager shall have reason to believe that any Units are owned directly or beneficially by any person or persons in breach of restrictions imposed by the Directors of the Manager or any declarations or information is outstanding (including inter alia any declarations or information required pursuant to anti-money laundering or counter terrorist financing requirements), the Directors of the Manager shall be entitled to give notice (in such form as the Directors of the Manager deem appropriate) of their intention to compulsorily redeem that person's Units. The Directors of the Manager may charge any such Unitholder, any legal, accounting or administration costs associated with such compulsory redemption. In the event of a compulsory redemption, the redemption price will be determined as of the Pricing Time in respect of the relevant Dealing Day specified by the Directors of the Manager in their notice to the Unitholder. The proceeds of a compulsory redemption shall be paid in accordance with the redemption provisions outlined above.

SWITCHING

Subject to the Units being in issue and being offered for sale and provided that the issue and redemption of Units has not been suspended, Unitholders may, in respect of Units held in one or more Funds (the "Original Units"), apply to switch some or all of such Original Units into Units in one or more other Funds (the "New Units"). Switches may only be made for Units of the same Class as the Original Units. Applications for switching can be made in writing (electronically, by facsimile, or by post) to the Transfer Agent by completing the switching form, which should be delivered to the Transfer Agent in respect of the Units. Applications must be received by the Transfer Agent or its delegate at its registered office no later than the Pricing Time on the relevant Dealing Day.

On the Dealing Day following the receipt of the switching form, or on such earlier day as the Transfer Agent in its absolute discretion may agree, the Original Units to be switched shall ipso facto be switched into the appropriate number of New Units. The Original Units shall on that Dealing Day have the same value (the "Switched Amount") as if they were being redeemed by the Transfer Agent from the Unitholder. The appropriate number of New Units shall be equal to the number of Units in that Fund or Funds that would be issued on that Dealing Day if the Switched Amount were invested in that Fund or Funds. In the case of an unhedged Class of Unit, a currency conversion will take place on switches at prevailing exchange rates. Any currency conversion costs will be at the Unitholder's risk and expense.

Upon any such switch, there shall be reallocated from the Fund or Funds to which the Original Units belonged, cash equal in value to the Switched Amount to the Fund or Funds to which the New Units belong.

Upon any such switch, the Transfer Agent shall procure that the relevant entry in the register is amended accordingly.

The switching privilege is not intended as a vehicle for short-term trading. Excessive switching may have an adverse effect on all Unitholders. To limit excessive switching and to protect the best interests of the Funds, the Manager reserves the right to revise or terminate the switching provisions, to limit the amount or number of switches or to reject any application to switch in its discretion. These decisions may be made with respect to one or more Funds or certain

investors in a Fund.

Other Funds may also be unavailable for switches, as indicated in the applicable Supplement(s).

Anti-dilution levies (see above) may be applied to purchases and sales that occur as a result of switches.

TRANSFER OF UNITS

Units in each Fund will be transferable by instrument in writing signed by the transferor and the transferor shall be deemed to remain the holder of the Units until the name of the transferee is entered in the relevant register in respect thereof. The instrument of transfer must be accompanied by a declaration from the transferee that it is not, nor is it acquiring such Units on behalf of or for the benefit of, a U.S. Taxpayer (unless such requirement is waived by the Manager in its sole discretion) or a U.S. Person (unless such requirement is waived by the Manager in its sole discretion based on its determination that acquisition is permitted under an exemption from the 1933 Act). Further, any transferee of Units must on transfer hold the minimum level of Units in a Fund as set out in the relevant Supplement. In the case of the death of one of the joint Unitholders, the survivor or survivors will be the only person or persons recognised by the Manager as having any title to or interest in the Units registered in the names of such joint Unitholders.

A transfer of Units will not be registered unless the Transferee has completed all necessary documentation including anti-money laundering documentation to the satisfaction of the Transfer Agent.

Units may not be transferred to any person whereby the holding of Units by such a person would have adverse pecuniary, legal, regulatory, taxation or material administrative disadvantage to any Fund or its Unitholders as a whole.

None of the Manager, the Depositary, the Administrator or the Transfer Agent will be responsible or liable for the authenticity of subsequent subscription, redemption and switching orders received electronically, by facsimile, or other written communication that the Manager, Depositary, Administrator or Transfer Agent reasonably believes to be genuine from any Unitholder or from any person whom the Manager, Depositary, Administrator or Transfer Agent reasonably believes to be an authorised person. The Manager, the Depositary, the Administrator or the Transfer Agent will not be liable for any losses, costs or expenses arising out of or in connection with an unauthorised or fraudulent instruction that the Manager, the Depositary, the Administrator or the Transfer Agent reasonably believed to be genuine.

Confirmation of any transaction will normally be dispatched by the Transfer Agent on the Business Day following the Dealing Day. The Unitholder should check the confirmation to ensure that it is correct in every detail.

CALCULATION OF NET ASSET VALUE

The Net Asset Value of a Fund shall be determined as at the Pricing Time and expressed in the Base Currency of the relevant Fund and shall be calculated with respect to each Dealing Day by ascertaining the value of the assets of the Fund on such Dealing Day and deducting from such amount the liabilities of the Fund. The Net Asset Value attributable to a Class shall be determined as at the Pricing Time for the relevant Dealing Day by calculating that portion of the Net Asset Value of the relevant Fund attributable to the relevant Class as at the Pricing

Time by reference to the number of Units in issue or deemed to be in issue in each Class with respect to the relevant Dealing Day subject to adjustment to take account of assets and/or liabilities attributable to the Class.

The Net Asset Value per Unit shall be calculated as at the Pricing Time on or with respect to each Dealing Day by dividing the Net Asset Value of the relevant Fund or attributable to a Class by the total number of Units in issue or deemed to be in issue in the Fund or Class at the relevant Pricing Time and rounding the result to the nearest unit of currency.

The assets of a Fund will be valued as follows:

- (a) assets quoted, listed or traded on a stock exchange or regulated market for which market quotations are readily available shall be valued at the last quoted trade price (for listed equities) or the closing mid price (for fixed income securities) as at the Pricing Time with respect to the relevant Dealing Day provided that the value of any investment listed on a stock exchange or regulated market but acquired or traded at a premium or at a discount outside or off the relevant stock exchange or regulated market may be valued taking into account the level of premium or discount as at the date of valuation of the investment and the Depositary must ensure the adoption of such procedure is justifiable in the context of establishing the probable realisation value of the securities.

If for specific assets the prices as at the Pricing Time do not, in the opinion of the Manager or its delegate, reflect their fair value or are not available, the value shall be calculated with care and in good faith by the Manager or its delegate, approved for such purpose by the Depositary, in consultation with the Investment Advisor with a view to establishing the probable realisation value for such assets as at the Pricing Time with respect to the relevant Dealing Day;

- (b) if the assets are listed or traded on several stock exchanges or regulated markets, the price as at the Pricing Time on the stock exchange or regulated market that, in the opinion of the Manager or its delegate, constitutes the main market for such assets, will be used;
- (c) in the event that any of the investments on the relevant Dealing Day are not quoted, listed or traded on any stock exchange or regulated market or that are so quoted, listed or dealt in but for which no such quotation or value is available or the available quotation or value is not representative of the fair market value, such securities shall be valued at their probable realisation value estimated with care and in good faith and determined by (i) the Manager or (ii) a competent person, firm or corporation (including the Investment Advisor) appointed by the Manager and approved for the purpose by the Depositary or (iii) any other means provided the value is approved by the Depositary;

Alternatively, the Manager or its delegate, in consultation with the Investment Advisor, may use such probable realisation value, estimated with care and in good faith by a competent professional appointed by the Manager or the Investment Advisor and approved for such purpose by the Depositary. Due to the nature of such unquoted securities and the difficulty in obtaining a valuation from other sources, such competent professional may be related to the Investment Advisor. Where reliable market quotations are not available for fixed income securities, the value of such securities may be determined using matrix methodology compiled by the Manager whereby such securities are valued by reference to the valuation of other securities that are comparable

in rating, yield, due date and other characteristics;

- (d) cash (in hand or deposit) and other liquid assets will be valued at their face value with interest accrued, where applicable;
- (e) units or shares in collective investment schemes will be valued at the latest available net asset value or, if listed or traded on a stock exchange or regulated market at the latest quoted trade price or, a bid quotation;
- (f) prices of securities traded on a regulated market and/or premiums or discounts thereon valued in accordance with paragraph (a) above shall be provided by an independent broker or market maker or if such prices are unavailable, by the Investment Advisor approved for such purpose by the Depositary and such securities shall be valued at the probable realisation value thereof estimated with care and in good faith. However, the Manager or its delegate may adjust the value of such investments if it considers such adjustment is required to reflect the fair value thereof;
- (g) any value expressed otherwise than in the Base Currency of the relevant Fund (whether of an investment or cash) and any non-Base Currency borrowing shall be converted into the Base Currency at the rate (whether official or otherwise) that the Manager or its delegate deems appropriate in the circumstances;
- (h) exchange traded derivative instruments (including index futures) will be valued at the settlement price for such instruments on such market and if such price is not available such value shall be the probable realisation value estimated with care and in good faith by the Manager, or a competent person appointed by the Manager and approved for such purpose by the Depositary. Derivative contracts which are not traded on a regulated market and are not cleared by a clearing counterparty will be valued on the basis of the mark-to-market value of the derivative contract or if market conditions prevent marking-to-market, reliable and prudent marking to model may be used. Over-the-counter derivative instruments (including, without limitation, swap contracts) which are not traded on a regulated market and which are cleared by a clearing counterparty may be valued either using the counterparty valuation or an alternative valuation such as a valuation calculated by the Investment Advisor or by an independent pricing vendor. The Fund must value an OTC derivative on a daily basis. Where the Fund values an OTC derivative using an alternative valuation, the Fund will follow international best practice and adhere to the principles on valuation of OTC instruments established by bodies such as IOSCO and AIMA, the alternative valuation methodology must be approved in advance by the Depositary and the alternative must be fully reconciled to the counterparty valuation on a monthly basis. Where significant differences arise these will be promptly investigated and explained. Where the Fund values an OTC derivative using the counterparty valuation, the valuation must be approved or verified by a party who is approved for the purpose by the Depositary and who is independent of the counterparty and the independent verification must be carried out at least weekly. The reference to an independent party may include the Investment Advisor. It can also include a party related to the counterparty provided the related party constitutes an independent unit within the counterparty's group that does not rely on the same pricing models employed by the counterparty and the relationship between the parties and attendant risks are disclosed in the Prospectus. Where the independent party is related to the OTC counterparty and the risk exposure to the counterparty may be reduced through the provision of collateral, the position must also be subject to verification by an unrelated party to the counterparty on a six month basis;

- (i) forward foreign exchange contracts and interest rate swap contracts shall be valued in the same manner as OTC derivative instruments above or alternatively by reference to freely available market prices;
- (j) in the case of a Fund that is a Short-Term Money Market Fund, the Manager may value any security that (i) has a maturity at issuance of up to and including 397 days; or (ii) has a residual maturity until the legal redemption date of up to and including 397 days using the amortised cost method of valuation whereby the security is valued at its acquisition cost adjusted for amortisation of premium or accretion of discount on the securities. The Manager or its delegate shall review or cause a review to take place of deviations between the amortised method of valuation and the market value of securities, in accordance with the Central Bank's guidelines;
- (k) for non-money market funds, the Manager may value securities having a residual maturity not exceeding three months using the amortised cost method of valuation where these instruments have no specific sensitivity to market parameters, including credit risk;
- (l) the Manager may, with the approval of the Depositary, adjust the value of any investment if, having regard to its currency, marketability, applicable interest rates, anticipated rates of dividend, maturity, liquidity or any other relevant considerations, it considers that such adjustment is required to reflect the fair value thereof;
- (m) any value expressed otherwise than in the Base Currency of the relevant Fund shall be converted into the Base Currency of the relevant Fund at the exchange rate (whether official or otherwise) that the Manager shall determine to be appropriate.

In the event of it being impossible, impracticable, incorrect or inadvisable to carry out a valuation of a specific investment in accordance with the valuation rules set out in paragraphs (a) to (m) above, the Manager or its delegate is entitled to use an alternative method approved by the Depositary in order to reach a proper valuation of that specific investment.

Many securities markets and exchanges outside the U.S. close prior to the Pricing Time, and, therefore, the closing prices for securities in such markets or on such exchanges may not fully reflect events that occur after such close but before the Pricing Time. As a result, each Fund has adopted fair value pricing procedures that, among other things, require each Fund to fair value non-U.S. equity securities if there has been a movement in the U.S. market that exceeds a specified threshold. Although the threshold may be revised from time to time and the number of days on which fair value prices will be used will vary, it is possible that fair value prices will be used by the Funds to a significant extent.

In calculating the value of the assets of each Fund or any part thereof and in dividing such value by the number of Units in issue in each Fund account will be taken of the provisions of Clause 23.00 of the Trust Deed.

Notwithstanding subscription monies, redemption monies and dividend amounts will be held in cash accounts in the name of the Trust and treated as assets of and attributable to a Fund:

- i. any subscription monies received from an investor prior to the Dealing Day of a Fund in respect of which an application for Units has been, or is expected to be, received will not be taken into account as an asset of the Fund for the purpose of

- determining the Net Asset Value of that Fund until subsequent to the valuation point in respect of the Dealing Day as of which Units of the Fund are agreed to be issued to that investor;
- ii. any redemption monies payable to an investor subsequent to the Dealing Day of a Fund as of which Units of that investor were redeemed will not be taken into account as an asset of the Fund for the purpose of determining the Net Asset Value of that Fund; and
 - iii. any dividend amount payable to a Unitholder will not be taken into account as an asset of the Fund for the purpose of determining the Net Asset Value of that Fund.

In order that the Manager continues to provide an equivalent level of service to Unitholders in different time zones, an indicative Net Asset Value will be calculated prior to the definitive Net Asset Value being calculated by the Administrator.

The Manager or the Administrator will monitor and update all activity on the assets of the Trust up until the close of business (Irish time) on each Business Day. The Administrator will prepare and update all the elements required to calculate the Net Asset Value of each Fund excluding the actual market value of assets (the “Test Price”). State Street Bank and Trust Company will at Pricing Time then calculate an indicative Net Asset Value using the Test Price and the pricing methodology described above. This indicative Net Asset Value will be available for potential investors.

The Administrator will at 12:00 noon (GMT) on the following Business Day consider this indicative Net Asset Value and if it is confirmed by the Administrator it will be used as the definitive Net Asset Value for dealing purposes. The Manager or the Administrator may override the indicative Net Asset Value for any reason at their discretion.

All applications, switches, redemptions for Units will be dealt with at the definitive Net Asset Value confirmed by the Manager or the Administrator.

PUBLICATION OF NET ASSET VALUE PER UNIT

Except where the determination of the Net Asset Value of a Fund, the Net Asset Value per Unit and the Net Asset Value per Unit per Class and the issue and redemption of Units has been suspended in the circumstances described below, the most recently available Net Asset Value per Unit and the Net Asset Value per Unit per Class on each Dealing Day will be made public at the registered office of the Administrator and at the following website addresses: www.fundinfo.com for investors in Switzerland or www.putnam.com/ucits (for all other investors) and/or in such other publication that the Manager may from time to time determine. Investors should note that the Trust and the Manager are not responsible for any other content (other than Net Asset Value) provided on the foregoing non-Putnam website, and do not guarantee or assume responsibility for its contents. Where the Net Asset Value per Unit is published in a newspaper of a particular jurisdiction, this will be disclosed in the information section for the relevant jurisdiction.

TAX LIABILITY OF THE TRUST

If the Trust becomes liable to account for tax in any jurisdiction in the event that a Unitholder or beneficial owner of a Unit were to receive a distribution in respect of his/her Units or to dispose (or deemed to have disposed) of his/her Units in any way (“chargeable event”), the Manager shall be entitled to deduct from the payment arising on a chargeable event an amount equal to the appropriate tax and/or where applicable, to appropriate, cancel or compulsorily

repurchase such number of Units held by the Unitholder or such beneficial owner as are required to meet the amount of tax. The relevant Unitholder shall indemnify and keep the Trust indemnified against loss arising to the Trust by reason of the Trust becoming liable to account for tax in any jurisdiction on the happening of a chargeable event if no such deduction, appropriation, cancellation or compulsory repurchase has been made.

MANAGEMENT AND TRUST CHARGES

The fees of the Manager, the Administrator, the Investment Advisor, the Transfer Agent and the Depositary shall be borne individually by each of the Funds. The fees accrue daily and are payable monthly in arrears exclusive of value added tax, if any, thereon. The expenses and the reasonable out-of-pocket expenses of the Manager, the Administrator, the Transfer Agent, the Investment Advisor and the Depositary shall be similarly borne by each of the Funds.

THE MANAGER

The Manager shall be paid a fee out of the assets of the Funds, calculated and accrued on each Dealing Day and payable monthly in arrears, up to a maximum of 0.05% of the Net Asset Value of the relevant Fund (plus VAT, if any), subject to a monthly minimum fee up to €2,250 per Fund (plus VAT, if any). The Manager is also entitled to receive out of the assets of the Funds reasonable and properly vouched expenses.

THE INVESTMENT ADVISOR

For its services rendered to the Trust, the Investment Advisor shall be entitled to receive out of the assets of each Fund an annual fee up to the maximum amount set forth with respect to each Fund and Class below, out of which the Investment Advisor will reimburse the Distributor its fee for the services provided by the Distributor. Such fee shall accrue daily and be payable monthly in arrears.

Fund	Institutional																							
	Class A	Class A2	Class B	Class C	Class C2	Class M	Class T	Class D	Class E	Class E2	Class E3	Class E4	Class I	Class I2	Class I3	Class I4	Class NK	Class S	Class S2	Class S3	Class S4	Class SK	Class Y	
Putnam Global High Yield Bond Fund	1.35%	N/A	1.85%	1.75%	N/A	1.35%	1.35%	N/A	0.50%	0.50%	N/A	N/A	0.50%	N/A	N/A	N/A	N/A	0.50%	0.50%	0.50%	0.50%	N/A	0.50%	0.50%
Putnam U.S. Large Cap Growth Fund	1.50%	N/A	N/A	N/A	N/A	1.50%	N/A	N/A	0.55%	N/A	N/A	N/A	0.55%	N/A	N/A	N/A	N/A	0.55%	N/A	N/A	N/A	N/A	N/A	N/A
Putnam Ultra Short	0.55%	0.55%	N/A	0.80%	0.80%	0.55%	0.55%	0.30%	0.30%	N/A	N/A	N/A	0.30%	0.30%	N/A	N/A	N/A	0.30%	N/A	N/A	N/A	N/A	N/A	N/A

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The Investment Advisor may voluntarily from time to time agree to take a reduced fee from the Funds or may agree to cap certain expenses of a Fund and will pay any excess expenses over and above the agreed cap. The existence of any such subsidy or cap will be disclosed in the Trust’s annual and semi-annual reports, which disclose information relating to total expense ratios and performance data.

The Investment Advisor may differentiate between Unitholders of the Fund by waiving or reducing the investment advisory fee charged to certain Unitholders. Any such waiver may be effected by way of a rebate to the relevant Unitholder’s account and/or by fixing the investment advisory fee for all Unitholders in a given Class of Units at a lower level than the maximum rate stated in this section. The Investment Advisor may also restrict access to a given Class of Units based on an investor’s country of domicile, platform or channel of distribution, strategic or overall business relationship, or status as an affiliate of the Investment Advisor.

REMUNERATION POLICY OF THE MANAGER

The Manager has remuneration policies and practices in place consistent with the requirements of the Regulations and the ESMA Guidelines on sound remuneration policies under the UCITS Directive (“ESMA Remuneration Guidelines”). The Manager will procure that any delegate, including the Investment Advisor, to whom such requirements also apply pursuant to the ESMA Remuneration Guidelines will have equivalent remuneration policies and practices in place.

The remuneration policy reflects the Manager's objective for good corporate governance, promotes sound and effective risk management and does not encourage risk-taking which is inconsistent with the risk profile of the Funds or the Trust Deed. It is also aligned with the investment objectives of each Fund and includes measures to avoid conflicts of interest. The remuneration policy is reviewed on an annual basis (or more frequently, if required) by the board of directors of the Manager, to ensure that the overall remuneration system operates as intended and that the remuneration pay-outs are appropriate. This review will also ensure that the remuneration policy reflects best practice guidelines and regulatory requirements, as may be amended from time to time.

Details of the up-to-date remuneration policy of the Manager (including, but not limited to: (i) a description of how remuneration and benefits are calculated; (ii) the identities of persons responsible for awarding the remuneration and benefits; and (iii) the composition of the remuneration committee, where such a committee exists) will be available by means of a website <http://www.carnegroup.com/policies-and-procedures/> and a paper copy will be made available to Unitholders free of charge upon request.

THE ADMINISTRATOR, THE DEPOSITARY AND TRANSFER AGENT

The Administrator, Depositary and Transfer Agent together shall be entitled to receive out of the assets of each Fund an annual fee not to exceed 0.40% of the average Net Asset Value of each Fund calculated on the last Dealing Day of each month (plus VAT if any thereon), subject to a minimum annual fee of US\$70,000 per Fund. The Depositary shall also be entitled to receive out of the assets of each Fund an annual safekeeping (custody) fee not to exceed 0.50% of the average Net Asset Value of each Fund. The Administrator and the Depositary shall also be entitled to be paid any transaction charges and expenses and any sub-custodian fees, which shall be at normal commercial rates.

The Administrator shall also be entitled to an annual fee of US\$10,000 out of the assets of the Trust for general administration services. This shall be apportioned pro rata among the Funds. The “Average Net Asset Value” shall refer to the average monthly Net Asset Value of each Fund.

GENERAL

Each Fund is responsible for the expenses incurred by it in connection with litigation. A Fund shall indemnify the Depositary and the Manager in certain circumstances including costs and expenses incurred in litigation by or on behalf of the Fund in the absence of the Depositary's unjustifiable failure to perform its obligations or its improper performance of them or the Manager's bad faith, negligence, fraud, wilful default or material failure to perform its obligations. The Manager is entitled to recover from a Fund the costs and expenses incurred by it in litigation by or on behalf of that Fund.

Each Fund pays out of its assets all fees, costs and expenses, including administration expenses and disbursements, of or incurred by the Manager, the Investment Advisor, the Administrator, the Transfer Agent, the Distributor and the Depositary for the Trust and its Funds in connection with the ongoing management, administration and operation of the Trust and its Funds. Such fees, costs expenses and disbursements payable by the relevant Fund include, but are not limited to:

- (a) auditors' and accountants' fees;
 - (b) lawyers' fees and other professional fees;
 - (c) commissions, fees and reasonable out-of-pocket expenses payable to any placing agent, structuring agent, paying agent, correspondent bank or distributor of the Units;
 - (d) merchant banking, stockbroking or corporate finance fees including interest on borrowings;
 - (e) taxes or duties imposed by any fiscal authority;
 - (f) costs of preparation, translation and distribution of all prospectuses (including Key Investor Information Documents), reports, confirmations of purchase of Units and notices to Unitholders;
 - (g) fees and expenses incurred in connection with the listing or proposed listing of Units on any stock exchange and in complying with the listing rules thereof;
 - (h) custody and transfer expenses;
 - (i) expenses of Unitholders' meetings;
 - (j) insurance premia;
 - (k) any other expenses, including clerical costs of issue or redemption of Units;
 - (l) the cost of preparing, translating, printing and/or filing in any language the Trust Deed and all other documents relating to the Trust or to the relevant Fund including registration statements, prospectuses, Key Investor Information Documents, listing particulars, explanatory memoranda, annual, half-yearly and extraordinary reports with all authorities (including local securities dealers associations) having jurisdiction over the Trust or any of the Funds or the offer of Units of the relevant Fund and the cost of delivering any of the foregoing to the Unitholders;
 - (m) advertising expenses relating to the distribution of Units of the Fund;
 - (n) the cost of publication of notices in local newspapers in any relevant jurisdiction; in each case plus any applicable VAT;
- and
- (o) all other fees and all expenses incurred in connection with the Trust's operation and management.

The initial costs of establishing the Trust have been borne by the Funds. Unless otherwise stated in the Supplements, organisational costs have been paid by the Trust and Funds.

All expenses shall be paid out of the income of the Fund.

DISTRIBUTIONS

The specific distribution policy as determined by the Manager for each Fund is set out in the Supplement to this Prospectus for each Fund. If the Manager decides to make a distribution, it will be paid at its discretion as set out in the relevant Supplement for the Fund. The amount (if any) available for distribution to Unitholders shall be the net income (whether in the form of dividends, interest or otherwise) during the distribution period in relation to such Fund, subject to such adjustments as may be appropriate. Certain Funds seek to maintain U.K. reporting fund status.

For Funds and Classes whose Supplement indicates that distributions will be made, the Manager will distribute all or substantially all net income of a Fund or Class as specified in the relevant Supplement.

In the case of an unhedged Class of Unit, a currency conversion will take place on distributions at prevailing exchange rates.

Distributions will be reinvested automatically in additional Units of the Classes of the Fund to which such distributions relate unless otherwise requested by the Unitholder. No sales charge will be payable on the reinvestment. Distributions are payable to Unitholders who have elected to receive distributions in cash by transfer of funds (any charges being at the expense of the Unitholder) unless the amount of such distribution is US\$50 or less or such other amount as is determined by the Manager from time to time. Such amount shall not be distributed but shall be retained and reinvested automatically in additional Units of the Class of the Fund to which such distributions relate.

An equalisation account may (if set out in the relevant Supplement) be maintained for each Fund. A sum equal to that part of the issue price of the Unit that reflects income (if any) accrued but undistributed up to the date of issue will be deemed to be an equalisation payment. Equalisation then forms part of the next distribution and is repaid to the Unitholders in the relevant Fund. Equalisation is only a component of the distribution for Units that were purchased during the period since last distribution.

Distributions shall be made to the Unitholders of record on the date of distribution rateably in accordance with the number of Units held in that particular Fund/Class.

Distributions not claimed within five years from their distribution date will lapse and revert to the relevant Fund.

The Depositary may, and therefore the Manager may also, whether or not expressly authorised to do so by any provision of the Trust Deed, make from any distribution or any other payment in respect of any Unit such other deductions as by law the Manager or Depositary is required or entitled to make in respect of any duties and charges or other taxes, charges or other assessments whatsoever.

Pending payment to the relevant Unitholder, distribution payments will be held in an account in the name of the Trust and will be treated as an asset of the relevant Fund until paid to that

Unitholder and will not benefit from the application of any investor money protection rules (*i.e.*, the distribution monies in such circumstance will not be held in trust for the relevant Unitholder). In such circumstance, the Unitholder will be an unsecured creditor of the relevant Fund with respect to the distribution amount held by the Trust until paid to the Unitholder and the Unitholder entitled to such distribution amount will be an unsecured creditor of the relevant Fund. In the event of an insolvency of the relevant Fund or the Trust, there is no guarantee that the Fund or the Trust, respectively, will have sufficient funds to pay unsecured creditors in full.

In the event that distributions payable cannot be paid out to an investor, for example where anti-money laundering documentation is not provided or an investor cannot be contacted, it is the responsibility of the investor to ensure all necessary documentation and information required to resolve the issue is provided promptly and is complete and accurate, so that the distributions payable may be released in a timely manner.

Your attention is drawn to the section of the Prospectus entitled “*Risk Factors and Special Considerations*” – “*Operation of Umbrella Cash Accounts*” above.

BORROWINGS

Any borrowings other than those permitted under “Borrowing Powers” will not be conducted.

TEMPORARY SUSPENSION OF CALCULATION OF NET ASSET VALUE AND OF ISSUES AND REDEMPTIONS

The Manager may, with the consent of the Depositary, temporarily suspend the calculation of the Net Asset Value of each or any Fund, the Net Asset Value per Unit and the Net Asset Value per Unit per Class of each such Fund and the issue and redemption of Units of such Funds to and from Unitholders when:

- (a) a market that is the basis for the valuation of a major part of the assets of the relevant Fund is closed (except for the purposes of a public/bank holiday), or when trading on such a market is unusually limited or suspended;
- (b) a political, economic, military, monetary or other emergency beyond the control, liability and influence of the Manager makes the disposal of the assets of the relevant Fund impossible or impracticable under normal conditions or such disposal would be detrimental to the interests of the Unitholders;
- (c) the disruption of any relevant communications network or any other reason makes it impossible or impracticable to determine the value of a major portion of the assets of the relevant Fund;
- (d) the relevant Fund is unable to repatriate funds for the purpose of making payments on the redemption of Units from Unitholders or any transfer of funds involved in the realisation or acquisition of investments or when payments due on redemption of Units from Unitholders cannot in the reasonable opinion of the Manager be effected at normal rates of exchange;
- (e) upon mutual agreement between the Manager and Depositary for the purposes of winding up the Trust or terminating any Fund or Class;
- (f) during the whole or any part of any period when for any reason the value of the

investments of the relevant Fund cannot be reasonably, promptly or accurately ascertained; or

- (g) any other reason makes it impossible or impracticable to determine the value of a substantial portion of the assets of the Fund.

Any such suspension will be notified immediately to the Central Bank and shall be notified to Unitholders if in the opinion of the Manager it is likely to exceed fourteen (14) days and will be notified to investors or Unitholders requesting issue or redemption of Units by the Manager at the time of application for such issue or filing of the written request for such redemption. Where possible all reasonable steps will be taken to bring any period of suspension to an end as soon as possible.

SETTLEMENT

The Units will be registered on issue by entry in the register or by the Global Unit Certificate, which will be exchangeable for definitive Units in registered form in the limited circumstances set out in the Global Unit Certificate.

Classes of Units of certain Funds, the Base Currency of which is the U.S. Dollar, can be purchased by NSCC FundSERV participants via FundSERV, unless otherwise indicated in the relevant Supplement.

Units held through Euroclear or Clearstream are freely transferable and no ownership or transfer restrictions will be monitored by Euroclear, Clearstream, the Depositary or the Transfer Agent. The Transfer Agent will register Units held through Euroclear or Clearstream. Units held in Euroclear or Clearstream may only be redeemed by the Transfer Agent upon the instructions of Euroclear or Clearstream, as appropriate. All such requests received by Euroclear or Clearstream will be forwarded to the Transfer Agent and settled on an actual basis, delivery versus payment.

TAXATION

General

The information given is not exhaustive and does not constitute legal or tax advice. Unitholders and potential investors should consult their own professional advisers as to the implications of their subscribing for, purchasing, holding, switching or disposing of Units under the laws of the jurisdictions in which they may be subject to tax.

The following is a brief summary of certain aspects of Irish taxation law and practice relevant to the transactions contemplated in this Prospectus. It is based on the law and practice and official interpretation currently in effect, all of which are subject to change.

Dividends, interest and capital gains (if any) that the Trust receives with respect to its investments (other than securities of Irish issuers) may be subject to taxes, including withholding taxes, in the countries in which the issuers of investments are located. It is anticipated that the Trust may not be able to benefit from reduced rates of withholding tax in double taxation agreements between Ireland and such countries. If this position changes in the future and the application of a lower rate results in a repayment to the Trust the Net Asset Value will not be re-stated and the benefit will be allocated to the existing Unitholders rateably at the time of the repayment.

Irish Taxation

The Manager has been advised that on the basis that the Trust is resident in Ireland for tax purposes the taxation position of the Trust and the Unitholders is as set out below:

The Trust

The Manager has been advised that, under current Irish law and practice, the Trust qualifies as an investment undertaking as defined in Section 739B of the Taxes Act, so long as the Trust is resident in Ireland. Accordingly, the Trust is not chargeable to Irish tax on its income and gains.

However, tax can arise on the happening of a “chargeable event” in the Trust. A chargeable event includes any distribution payments to Unitholders or any encashment, redemption, cancellation, transfer or deemed disposal (a deemed disposal will occur at the expiration of a Relevant Period) of Units or the appropriation or cancellation of Units of a Unitholder by the Trust for the purposes of meeting the amount of tax payable on a gain arising on a transfer. No tax will arise on the Trust in respect of chargeable events in respect of a Unitholder who is neither Irish Resident nor Ordinarily Resident in Ireland at the time of the chargeable event provided that a Relevant Declaration is in place and the Trust is not in possession of any information that would reasonably suggest the information contained therein is no longer materially correct. In the absence of either a Relevant Declaration or the Trust satisfying and availing of equivalent measures (see paragraph headed “*Equivalent Measures*” below) there is a presumption that the investor is Irish Resident or Ordinarily Resident in Ireland. A chargeable event does not include:

- An exchange by a Unitholder, effected by way of an arm’s length bargain where no payment is made to the Unitholder, of Units in the Trust for other Units in the Trust;
- Any transactions (which might otherwise be a chargeable event) in relation to units held in a recognised clearing system as designated by order of the Irish Revenue Commissioners;

- A transfer by a Unitholder of the entitlement to Units where the transfer is between spouses and former spouses, subject to certain conditions; or
- An exchange of Units arising on a qualifying amalgamation or reconstruction (within the meaning of Section 739H of the Taxes Act) of the Trust with another investment undertaking.

If the Trust becomes liable to account for tax if a chargeable event occurs, the Trust shall be entitled to deduct from the payment arising on a chargeable event an amount equal to the appropriate tax and/or where applicable, to appropriate or cancel such number of Units held by the Unitholder or the beneficial owner of the Units as are required to meet the amount of tax. The relevant Unitholder shall indemnify and keep the Trust indemnified against loss arising to the Trust by reason of the Trust becoming liable to account for tax on the happening of a chargeable event if no such deduction, appropriation or cancellation has been made.

Dividends received by the Trust from investment in Irish equities may be subject to Irish dividend withholding tax at the standard rate of income tax (currently 20%). However, the Trust can make a declaration to the payer that it is a collective investment undertaking beneficially entitled to the dividends, which will entitle the Trust to receive such dividends without deduction of Irish dividend withholding tax.

Unitholders Tax

Units that are held in a Recognised Clearing System

Any payments to a Unitholder or any encashment, redemption, cancellation or transfer of Units held in a Recognised Clearing System will not give rise to a chargeable event in the Trust (there is, however, ambiguity in the legislation as to whether the rules outlined in this paragraph with regard to Units held in a Recognised Clearing System apply in the case of chargeable events arising on a deemed disposal; therefore, as previously advised, Unitholders should seek their own tax advice in this regard). Thus the Trust will not have to deduct any Irish taxes on such payments regardless of whether they are held by Unitholders who are Irish Residents or Ordinarily Resident in Ireland, or whether a non-resident Unitholder has made a Relevant Declaration. However, Unitholders who are Irish Resident or Ordinarily Resident in Ireland or who are not Irish Resident or Ordinarily Resident in Ireland but whose Units are attributable to a branch or agency in Ireland may still have a liability to account for Irish tax on a distribution or encashment, redemption or transfer of their Units.

To the extent any Units are not held in a Recognised Clearing System at the time of a chargeable event (and subject to the discussion in the previous paragraph relating to a chargeable event arising on a deemed disposal), the following tax consequences will typically arise on a chargeable event.

Unitholders who are neither Irish Residents nor Ordinarily Resident in Ireland

The Trust will not have to deduct tax on the occasion of a chargeable event in respect of a Unitholder if (a) the Unitholder is neither Irish Resident nor Ordinarily Resident in Ireland, (b) the Unitholder has made a Relevant Declaration on or about the time when the Units are applied for or acquired by the Unitholder and (c) the Trust is not in possession of any information that would reasonably suggest that the information contained therein is no longer materially correct. In the absence of either a Relevant Declaration (provided in a timely manner) or the Trust satisfying and availing of equivalent measures (see paragraph headed “*Equivalent Measures*” below) tax will arise on the happening of a chargeable event in the Trust regardless of the fact

that a Unitholder is neither Irish Resident nor Ordinarily Resident in Ireland. The appropriate tax that will be deducted is as described below.

To the extent that a Unitholder is acting as an Intermediary on behalf of persons who are neither Irish Resident nor Ordinarily Resident in Ireland, no tax will have to be deducted by the Trust on the occasion of a chargeable event provided that either (i) the Trust satisfied and availed of the equivalent measures or (ii) the Intermediary has made a Relevant Declaration that he/she is acting on behalf of such persons and the Trust is not in possession of any information which would reasonably suggest that the information contained therein is no longer materially correct.

Unitholders who are neither Irish Residents nor Ordinarily Resident in Ireland and either (i) the Trust has satisfied and availed of the equivalent measures or (ii) such Unitholders have made Relevant Declarations in respect of which the Trust is not in possession of any information which would reasonably suggest that the information contained therein is no longer materially correct, will not be liable to Irish tax in respect of income from their Units and gains made on the disposal of their Units. However, any corporate Unitholder which is not Irish Resident and which holds Units directly or indirectly by or for a trading branch or agency in Ireland will be liable to Irish tax on income from their Units or gains made on disposals of the Units.

Where tax is withheld by the Trust on the basis that no Relevant Declaration has been filed with the Trust by the Unitholder, Irish legislation provides for a refund of tax only to companies within the charge to Irish corporation tax, to certain incapacitated persons and in certain other limited circumstances.

Unitholders who are Irish Residents or Ordinarily Resident in Ireland

Unless a Unitholder is an Exempt Irish Investor and makes a Relevant Declaration to that effect and the Trust is not in possession of any information which would reasonably suggest that the information contained therein is no longer materially correct or unless the Units are purchased by the Courts Service, tax at the rate of 41% (25% where the Unitholder is a company and an appropriate declaration is in place) will be required to be deducted by the Trust from a distribution (where payments are made annually or at more frequent intervals) to a Unitholder who is Irish Resident or Ordinarily Resident in Ireland. Similarly, tax at the rate of 41% (25% where the Unitholder is a company and an appropriate declaration is in place) will have to be deducted by the Trust on any other distribution or gain arising to the Unitholder (other than an Exempt Irish Investor who has made a Relevant Declaration) on an encashment, redemption, cancellation, transfer or deemed disposal (see below) of Units by a Unitholder who is Irish Resident or Ordinarily Resident in Ireland.

The Finance Act 2006 introduced rules (which were subsequently amended by the Finance Act 2008) in relation to an automatic exit tax for Unitholders who are Irish Resident or Ordinarily Resident in Ireland in respect of Units held by them in the Trust at the ending of a Relevant Period. Such Unitholders (both companies and individuals) will be deemed to have disposed of their Units (“deemed disposal”) at the expiration of that Relevant Period and will be charged to tax at the rate of 41% (25% where the Unitholder is a company and an appropriate declaration is in place) on any deemed gain (calculated without the benefit of indexation relief) accruing to them based on the increased value (if any) of the Units since purchase or since the previous exit tax applied, whichever is later.

For the purposes of calculating if any further tax arises on a subsequent chargeable event (other than chargeable events arising from the ending of a subsequent Relevant Period or where

payments are made annually or at more frequent intervals), the preceding deemed disposal is initially ignored and the appropriate tax calculated as normal. Upon calculation of this tax, credit is immediately given against this tax for any tax paid as a result of the preceding deemed disposal. Where the tax arising on the subsequent chargeable event is greater than that which arose on the preceding deemed disposal, the Trust will have to deduct the difference. Where the tax arising on the subsequent chargeable event is less than that which arose on the preceding deemed disposal, the Trust will refund the Unitholder for the excess (subject to the paragraph headed “15% Threshold” below).

10% Threshold

The Trust will not have to deduct tax (“exit tax”) in respect of this deemed disposal where the value of the chargeable units (*i.e.*, those Units held by Unitholders to whom the declaration procedures do not apply) in the Trust (or Fund being an umbrella scheme) is less than 10% of the value of the total Units in the Trust (or the Fund) and the Trust has made an election to report certain details in respect of each affected Unitholder to Revenue (the “Affected Unitholder”) in each year that the de minimis limit applies. In such a situation the obligation to account for the tax on any gain arising on a deemed disposal will be the responsibility of the Unitholder on a self-assessment basis (“self-assessors”) as opposed to the Trust or Sub-Fund (or their service providers). The Trust is deemed to have made the election to report once it has advised the Affected Unitholders in writing that it will make the required report.

15% Threshold

As previously stated where the tax arising on the subsequent chargeable event is less than that which arose on the preceding deemed disposal (*e.g.*, due to a subsequent loss on an actual disposal), the Trust will refund the Unitholder the excess. Where, however, immediately before the subsequent chargeable event, the value of chargeable units in the Trust (or Fund being an umbrella scheme) does not exceed 15% of the value of the total Units, the Trust may elect to have any excess tax arising repaid directly by Revenue to the Unitholder. The Trust is deemed to have made this election once it notifies the Unitholder in writing that any repayment due will be made directly by Revenue on receipt of a claim by the Unitholder.

Other

To avoid multiple deemed disposal events for multiple units an irrevocable election under Section 739D(5B) can be made by the Trust to value the Units held at the 30th June or 31st December of each year prior to the deemed disposal occurring. While the legislation is ambiguous, it is generally understood that the intention is to permit a fund to group units in six month batches and thereby make it easier to calculate the exit tax by avoiding having to carry out valuations at various dates during the year resulting in a large administrative burden.

The Irish Revenue Commissioners have provided updated investment undertaking guidance notes which deal with the practical aspects of how the above calculations/objectives will be accomplished.

Unitholders (depending on their own personal tax position) who are Irish Resident or Ordinarily Resident in Ireland may still be required to pay tax or further tax on a distribution or gain arising on an encashment, redemption, cancellation, transfer or deemed disposal of their Units. Alternatively, they may be entitled to a refund of all or part of any tax deducted by the Trust on a chargeable event.

Equivalent Measures

The Finance Act 2010 (“Act”) introduced measures commonly referred to as equivalent measures to amend the rules with regard to Relevant Declarations. The position prior to the Act was that no tax would arise on an investment undertaking with regard to chargeable events in respect of a unitholder who was neither Irish Resident nor Ordinarily Resident in Ireland at the time of the chargeable event, provided that a Relevant Declaration was in place and the investment undertaking was not in possession of any information which would reasonably suggest that the information contained therein was no longer materially correct. In the absence of a Relevant Declaration there was a presumption that the investor was Irish Resident or Ordinarily Resident in Ireland. The Act, however, contained provisions that permit the above exemption in respect of unitholders who are not Irish Resident nor Ordinarily Resident in Ireland to apply where the investment undertaking is not actively marketed to such investors and appropriate equivalent measures are put in place by the investment undertaking to ensure that such unitholders are not Irish Resident nor Ordinarily Resident in Ireland and the investment undertaking has received approval from the Revenue Commissioners in this regard.

Personal Portfolio Investment Undertaking

The Finance Act 2007 introduced provisions regarding the taxation of Irish Resident individuals or Ordinarily Resident in Ireland individuals who hold units in investment undertakings. These provisions introduced the concept of a personal portfolio investment undertaking (“PPIU”). Essentially, an investment undertaking will be considered a PPIU in relation to a specific investor where that investor can influence the selection of some or all of the property held by the investment undertaking either directly or through persons acting on behalf of or connected to the investor. Depending on individuals’ circumstances, an investment undertaking may be considered a PPIU in relation to some, none or all individual investors (*i.e.*, it will only be a PPIU in respect of those individuals’ who can “influence” selection). Any gain arising on a chargeable event in relation to an investment undertaking which is a PPIU in respect of an individual on or after 20th February 2007, will be taxed at the rate of 60%. Specific exemptions apply where the property invested in has been widely marketed and made available to the public or for non-property investments entered into by the investment undertaking. Further restrictions may be required in the case of investments in land or unquoted units deriving their value from land.

Stamp Duty

No stamp duty is payable in Ireland on the issue, transfer, repurchase or redemption of Units in the Trust. Where any subscription for or redemption of Units is satisfied by the in specie transfer of securities, property or other types of assets, Irish stamp duty may arise on the transfer of such assets.

No Irish stamp duty will be payable by the Trust on the conveyance or transfer of stock or marketable securities provided that the stock or marketable securities in question have not been issued by a company registered in Ireland and provided that the conveyance or transfer does not relate to any immovable property situated in Ireland or any right over or interest in such property or to any stocks or marketable securities of a company (other than a company which is an investment undertaking within the meaning of Section 739B (1) of the Taxes Act or a “qualifying company” within the meaning of Section 110 of the Taxes Act) which is registered in Ireland.

Capital Acquisitions Tax

The disposal of Units may be subject to Irish gift or inheritance tax (Capital Acquisitions Tax). However, provided that the Trust falls within the definition of investment undertaking (within the meaning of Section 739B(1) of the Taxes Act), the disposal of Units by a Unitholder is not liable to Capital Acquisitions Tax provided that (a) at the date of the gift or inheritance, the donee or successor is neither domiciled nor Ordinarily Resident in Ireland; (b) at the date of the disposition, the Unitholder disposing (“disponer”) of the Units is neither domiciled nor Ordinarily Resident in Ireland; and (c) the Units are comprised in the gift or inheritance at the date of such gift or inheritance and at the valuation date.

With regard to Irish tax residency for Capital Acquisitions Tax purposes, special rules apply for non-Irish domiciled persons. A non-Irish domiciled donee or disponer will not be deemed to be resident or ordinarily resident in Ireland at the relevant date unless;

- i) that person has been resident in Ireland for the 5 consecutive years of assessment immediately preceding the year of assessment in which that date falls; and
- ii) that person is either resident or ordinarily resident in Ireland on that date.

European Union Taxation of Savings Income Directive

On 10 November 2015 the Council of the European Union adopted a Council Directive repealing the Savings Directive from 1 January 2017 in the case of Austria and from 1 January 2016 in the case of all other Member States (subject to ongoing requirements to fulfil administrative obligations such as reporting and exchange of information relating to and account for withholding taxes on payments made before those dates). While there are still a few concluding matters to be resolved (specifically ongoing discussions regarding some of Ireland’s bilateral agreements with certain associated and dependent territories of the United Kingdom and the Kingdom of the Netherland) for the most part the EUSD is now defunct, having been superseded by the Common Reporting Standard and the Revised EU Directive on Administration Cooperation in the Field of Taxation (see section entitled “Compliance with Common Reporting Standard Requirements” below).

Compliance with U.S. Reporting and Withholding Requirements

The foreign account tax compliance provisions (“FATCA”) of the U.S. Hiring Incentives to Restore Employment Act 2010 represent an expansive information reporting regime enacted by the United States aimed at ensuring that Specified U.S. Persons with financial assets outside the U.S. are paying the correct amount of U.S. tax. FATCA will generally impose a withholding tax of up to 30% with respect to certain U.S. source income (including dividends and interest) and gross proceeds from the sale or other disposal of property that can produce U.S. source interest or dividends paid to a foreign financial institution (“FFI”) unless the FFI enters directly into a contract (“FFI agreement”) with the U.S. Internal Revenue Service (“IRS”) or alternatively the FFI is located in a IGA country (please see below). An FFI agreement will impose obligations on the FFI including disclosure of certain information about U.S. investors directly to the IRS and the imposition of withholding tax in the case of non-compliant investors. For these purposes the Fund would fall within the definition of an FFI for the purpose of FATCA.

In recognition of both the fact that the stated policy objective of FATCA is to achieve reporting (as opposed to being solely the collecting of withholding tax) and the difficulties that may arise in certain jurisdictions with respect to compliance with FATCA by FFIs, the U.S. developed

an intergovernmental approach to the implementation of FATCA. In this regard the Irish and U.S. Governments signed an intergovernmental agreement (“Irish IGA”) on the 21 December 2012 and provisions were included in Finance Act 2013 for the implementation of the Irish IGA and also to permit regulations to be made by the Irish Revenue Commissioners with regard to registration and reporting requirements arising from the Irish IGA. In this regard, the Revenue Commissioners (in conjunction with the Department of Finance) have issued Regulations – S.I. No. 292 of 2014, which is effective from 1 July 2014. Supporting Guidance Notes (which will be updated on an ad-hoc basis) were issued by the Irish Revenue Commissioners on 1 October 2014.

The Irish IGA is intended to reduce the burden for Irish FFIs of complying with FATCA by simplifying the compliance process and minimising the risk of withholding tax. Under the Irish IGA, information about relevant U.S. investors will be provided on an annual basis by each Irish FFI (unless the FFI is exempted from the FATCA requirements) directly to the Irish Revenue Commissioners. The Irish Revenue Commissioners will then provide such information to the IRS (by the 30 September of the following year) without the need for the FFI to enter into a FFI agreement with the IRS. Nevertheless, the FFI will generally be required to register with the IRS to obtain a Global Intermediary Identification Number commonly referred to as a GIIN.

Under the Irish IGA, FFIs should generally not be required to apply 30% withholding tax. To the extent the Trust does suffer U.S. withholding tax on its investments as a result of FATCA, the Directors may take any action in relation to an investor’s investment in the Trust to ensure that such withholding is economically borne by the relevant investor whose failure to provide the necessary information or to become a participating FFI gave rise to the withholding.

Each prospective investor should consult their own tax advisor regarding the requirements under FATCA with respect to their own situation.

Compliance with Common Reporting Standards Requirements

On 14 July 2014, the OECD issued the Standard for Automatic Exchange of Financial Account Information (“the Standard”), which therein contains the Common Reporting Standard (“CRS”). The subsequent introduction of the Multilateral Competent Authority Agreement on Automatic Exchange of Financial Account Information and the EU Council Directive 2014/107/EU (amending Council Directive 2011/16/EU) provides the international framework for the implementation of the CRS by Participating Jurisdictions. In this regard, the CRS was implemented into Irish law by the inclusion of relevant provisions in Finance Act 2014 and 2015 and the issuance of Regulation S.I. No. 583 of 2015.

The main objective of the CRS is to provide for the annual automatic exchange of certain financial account information between relevant tax authorities of Participating Jurisdictions. The CRS draws extensively on the intergovernmental approach used for the purposes of implementing FATCA and, as such, there are significant similarities between both reporting mechanisms. However, whereas FATCA essentially only requires reporting of specific information in relation to Specified U.S. Persons to the IRS, the CRS has a significantly wider ambit due to the multiple jurisdictions participating in the regime.

Broadly speaking, the CRS will require Irish Financial Institutions to identify Account Holders resident in other Participating Jurisdictions and to report specific information in relation to these Account Holders to the Irish Revenue Commissioners on an annual basis (which, in turn, will provide this information to the relevant tax authorities where the Account Holder is

resident). In this regard, please note that the Trust will be considered an Irish Financial Institution for the purposes of the CRS.

For further information on the CRS requirements of the Trust, please refer to the below “Customer Information Notice”.

Each prospective investor should consult their own tax advisor regarding the requirements under CRS with respect to their own situation.

Customer Information Notice

The Trust intends to take such steps as may be required to satisfy any obligations imposed by (i) the Standard and, specifically, the CRS therein or (ii) any provisions imposed under Irish law arising from the Standard or any international law implementing the Standard (to include the Multilateral Competent Authority Agreement on Automatic Exchange of Financial Account Information or the EU Council Directive 2014/107/EU (amending Council Directive 2011/16/EU)) so as to ensure compliance or deemed compliance (as the case may be) with the Standard and the CRS therein from 1 January 2016.

Therefore, the Trust is obliged under Section 891F and 891G of the Taxes Act and Regulations made pursuant to those sections to collect certain information about each Unitholder’s tax arrangements.

In certain circumstances the Trust may be legally obliged to share this information and other financial information with respect to a Unitholder’s interests in the Trust with the Irish Revenue Commissioners. In turn, and to the extent the account has been identified as a Reportable Account, the Irish Revenue Commissioners will exchange this information with the country of residence of the Reportable Person(s) in respect of that Reportable Account.

In particular, the following information (which forms the basis of the “Customer Information Notice” as set out in the Application Form) will be reported by the Trust to the Irish Revenue Commissioners in respect of each Reportable Account maintained by the Trust:

- The name, address, jurisdiction of residence, tax identification number and date and place of birth (in the case of an individual) of each Reportable Person that is an Account Holder of the account and, in the case of any Entity that is an Account Holder and that, after application of the due diligence procedures consistent with CRS is identified as having one or more Controlling Persons that is a Reportable Person, the name, address, jurisdiction of residence and tax identification number of the Entity and the name, address, jurisdiction of residence, TIN and date and place of birth of each such Reportable Person.
- The account number (or functional equivalent in the absence of an account number).
- The account balance or value as of the end of the relevant calendar year or other appropriate reporting period or, if the account was closed during such year or period, the closure of the account.
- The total gross amount paid or credited to the Account Holder with respect to the account during the calendar year or other appropriate reporting period with respect to which the Reporting Financial Institution is the obligor or debtor, including the aggregate amount of any redemption payments made to the Account Holder during the calendar year or other appropriate reporting period.
- The currency in which each amount is denominated.

In certain limited circumstances it may not be necessary to report the tax identification number and date of birth of a Reportable Person.

In addition to the above, the Irish Revenue Commissioners and Irish Data Protection Commissioner have confirmed that Irish Financial Institutions (such as the Trust) may adopt the “wider approach” for CRS. This allows the Trust to collect data relating to the country of residence and the tax identification number from all non-Irish resident Unitholders. The Trust can send this data to the Irish Revenue Commissioners who will determine whether the country of origin is a Participating Jurisdiction for CRS purposes and, if so, exchange data with them. The Irish Revenue Commissioners will delete any data for non-Participating Jurisdictions. The Irish Revenue Commissioners and the Irish Data Protection Commissioner have confirmed that this wider approach can be undertaken for a set 2-3 year period pending the resolution of the final CRS list of Participating Jurisdictions.

Unitholders can obtain more information on the Trust’s tax reporting obligations on the website of the Irish Revenue Commissioners (which is available at <http://www.revenue.ie/en/business/aeoi/index.html>) or the following link in the case of CRS only: <http://www.oecd.org/tax/automatic-exchange/>.

All capitalised terms above, unless otherwise defined in this paragraph, shall have the same meaning as they have in the Standard.

People’s Republic of China Taxation (“PRC”)

Unitholders should note that certain Funds of the Trust may invest in PRC securities including China A shares in accordance with their investment objective and investment policy. In particular, certain Funds may invest in China A shares through the Shanghai-Hong Kong Stock Connect scheme and Shenzhen-Hong Kong Stock Connect scheme (together, the “Connect Scheme”). The Connect Scheme is a program for establishing mutual stock market access between mainland China and Hong Kong, which allows Hong Kong and overseas investors to invest in certain eligible China A shares listed on the Shanghai Stock Exchange (“SSE”) and Shenzhen Stock Exchange (“SZSE”) through their Hong Kong brokers and a securities trading service company established by The Stock Exchange of Hong Kong Limited (“SEHK”). Details of the Connect Scheme will be provided in the Supplement for the relevant Fund.

In connection with investment in PRC securities, the Trust or the relevant Funds may be subject to various PRC taxes. The following statements do not constitute tax advice and are intended only as a general guide to the current PRC law as at the date of this document. These statements relate only to certain limited aspects of the PRC taxation treatment of Funds of the Trust. Investors should consult their own tax advisor with regard to PRC tax implications associated with an investment in the Funds. It is possible that the current tax laws, regulations and practice in the PRC will change, including the possibility of taxes being applied retrospectively, and that such changes may result in higher taxation on PRC investments than currently contemplated.

Corporate Income Tax (“CIT”)

If the Trust or the relevant Fund is considered as a tax resident enterprise of the PRC, it will be subject to CIT at 25% on its worldwide taxable income. If the Trust or the relevant Fund is considered as a non-PRC resident enterprise with an establishment or place of business (“PE”) in the PRC, the profits attributable to that PE would be subject to CIT at 25%.

The Manager and/or the Investment Advisor intend to manage and operate the Trust and the relevant Fund in such a manner that the Trust and the relevant Fund should not be treated as tax resident enterprises of the PRC or non-PRC resident enterprises with a PE in the PRC for CIT purposes, although due to uncertainty and potential changes to tax law or policies, this result cannot be guaranteed.

Unless a specific exemption or reduction is available under current PRC tax laws and regulations or under a relevant tax double taxation agreement / arrangement (“DTA”), a non-PRC resident enterprise without a PE in the PRC is subject to CIT on a withholding basis (“WIT”), generally at a rate of 10% on the income derived by it from the investment in PRC securities.

(i) Capital gains

Investments in China A-Shares via the Connect Scheme

On 14 November 2014, the Ministry of Finance, the State Administration of Taxation (“SAT”) and the China Securities Regulatory Commission (“CSRC”) jointly released Caishui 2014 No.81 (“Notice 81”) which stipulates that CIT will be temporarily exempted on capital gains realised by non-PRC investors (including the Funds) on the trading of China A shares through the Connect Scheme with effect from 17 November 2014. Please note that the tax exemption granted under Notice 81 for trading of China A shares through the Connect Scheme is temporary in nature.

Investments in bonds issued by PRC enterprises

In the absence of specific guidance, it is unclear whether gains realised from bonds are considered as PRC-sourced income for WIT purposes. In practice, the PRC tax authorities have taken the position that gains realised from bonds issued by PRC enterprises are not PRC sourced income and thus have not actively enforced the collection of WIT on gains realised by non-PRC resident enterprises from the disposal of bonds issued by PRC enterprises.

Investment in shares in Red Chip companies

Red Chip companies generally refer to companies incorporated outside of the PRC which generate a predominant proportion of their sales and/or profits from the PRC (by having their base in the PRC) and are listed on the Hong Kong Stock Exchange. Red Chip companies should be treated as offshore companies for CIT purposes unless they are confirmed by the PRC tax authorities as PRC tax resident enterprises. In this connection, dividends distributed by a Red Chip company to non-PRC resident enterprises and gains realised by non-PRC resident enterprises from the disposal of shares in a Red Chip company should not be subject to WIT unless the Red Chip company is confirmed by the PRC tax authorities as being a PRC tax resident enterprise. In a case where the shares in Red Chip companies were not purchased and sold by the non-PRC resident enterprise on a public stock exchange, then the non-PRC resident enterprise may be subject to the reporting requirement under Announcement 2015 7 issued by the PRC State Administration of Taxation. The non-PRC resident enterprise should consult its tax adviser on the potential PRC tax implications based on its specific circumstances.

(ii) Dividends

Under the current PRC tax laws and regulations, a 10% WIT (which may be reduced by the relevant DTA) is payable on dividends derived from shares of PRC enterprises (including

China A shares traded via the Connect Scheme, B-Shares, H-Shares and other overseas listed shares of PRC enterprises) by a non-PRC enterprise without PE in the PRC for CIT purposes. The entity distributing such dividend is required to withhold such tax.

(iii) Interest

Unless a specific exemption is applicable, non-PRC resident enterprises are subject to WIT at 10% on interest received from debt instruments issued by PRC enterprises, which may be reduced by the relevant DTA. Interest derived from government bonds issued by the PRC Ministry of Finance and local governments is exempt from WIT under the CIT regime. Local government bonds refer to bonds issued by a government of a province, an autonomous region, a municipality directly under the Central Government, or a municipality separately listed on the PRC's state plan.

In light of the various uncertainties in relation to the PRC taxation of capital gains on PRC securities, the Manager reserves the right to provide for WIT on such gains or income and withhold the tax for the account of the Funds. Unless otherwise specified in the Supplement for the relevant Fund, a Fund does not currently intend to make WIT provision for gross realised and unrealised capital gains derived from trading of China A shares through the Connect Scheme. The Manager will at the inception of the relevant Fund decide whether the investment objective and policy of the relevant Fund would necessitate the making of tax provisions in respect of the relevant Fund for the above tax obligations after taking and considering independent tax advice. Even if provisions are made, the amount of such provisions may not be sufficient to meet the actual tax liabilities. Where any provision is made, the level of the provisioning will be set out in the relevant Supplement. However, due to the uncertainties under the applicable PRC tax laws and the possibility of such laws being changed and taxes being applied retrospectively, any provision for taxation made by the Manager may be excessive or inadequate to meet actual PRC tax liabilities on gains derived from investments held by the relevant Fund. Upon any future resolution of the above-mentioned uncertainty or further changes to tax law or policies, the Manager will, as soon as practicable, make relevant adjustments to the amount of tax provision as it considers necessary. Investors should note that if provision for taxation is made, such provision may be excessive or inadequate to meet actual PRC tax liabilities on investments made by the relevant Fund. As a result, investors may be advantaged or disadvantaged depending on the final rules of the relevant PRC tax authorities. If no provision for potential withholding tax is made and in the event that the PRC tax authorities enforce the imposition of such withholding tax in respect of the relevant Fund's investment, the Net Asset Value of the relevant Fund may be adversely affected. As a result, redemption proceeds or distributions may be paid to the relevant Unitholders without taking full account of tax that may be suffered by the relevant Fund, which tax will subsequently be borne by the relevant Fund and affect the Net Asset Value of the relevant Fund and the remaining Units in the relevant Fund. In this case, the then existing and new Unitholders will be disadvantaged from the shortfall.

On the other hand, if the provision is in excess of the final PRC tax liabilities attributable to the relevant Fund, the excess will be distributed to the Fund and reflected in the value of Units in the Fund. Notwithstanding the foregoing, please note that no Unitholders who have realised their Units in the Fund before the distribution of any excess provision to the relevant Fund shall be entitled to claim in whatsoever form any part of the withholding amounts distributed to that Fund, which amount would be reflected in the value of Units in the Fund. Therefore, Unitholders who have redeemed their Units will be disadvantaged as they would have borne the loss from the overprovision for PRC tax.

Income Tax

Caishui 2014 No. 79 (“Notice 79”) stipulates that, since 17 November 2014, income derived by qualified foreign institutional investors (“QFII”) and RMB qualified foreign institutional investors (“RQFII”) from the transfer of securities in China shall be temporarily exempt from enterprise income tax, provided they do not have an establishment or place of business in the PRC, or the relevant gains through the QFII and RQFII are not connected with their establishment or place of business in the PRC.

Caishui 2014 No. 81 (“Notice 81”) and Caishui 2016 No. 127 (“Notice 127”) stipulate that income tax shall also be temporarily exempted on capital gains derived by non-PRC investors (including enterprises and individuals) on the trading of China A shares through the Shanghai-Hong Kong Connect Scheme and Shenzhen-Hong Kong Connect Scheme.

The duration of the exemption is not stated in these notices and it is subject to termination by the PRC tax authorities with or without notice.

A 10% withholding tax, which is withheld at source, is imposed on PRC-sourced dividends and interest paid to non-PRC investors through the Shanghai-Hong Kong Connect Scheme, Shenzhen-Hong Kong Connect Scheme or QFII program, unless a preferential tax rate applies under a tax treaty.

Business Tax

Trading of China A shares used to be subject to business tax until the implementation of PRC Value-Added Tax (“VAT”) reform. Pursuant to Caishui 2016 No. 36 (“Notice 36”), income derived by taxpayers from transfer of PRC securities shall be subject to VAT instead of business tax effective from 1 May 2016.

VAT

Since 1 May 2016, the transfer of PRC securities (categorised under financial services industry) shall apply to levy VAT at 6% on the difference between the selling and buying prices in accordance with the Notice 36. However, such VAT is temporarily exempted on gains realised from trading of China A shares through the Shanghai-Hong Kong Connect Scheme, Shenzhen-Hong Kong Connect Scheme, or QFII program.

The duration of the exemption is not stated in these notices and it is subject to termination by the PRC tax authorities with or without notice.

Other Taxes

In case VAT is payable, urban maintenance and construction tax (currently at rates ranging from 1%, 5% or 7%), educational surcharge (currently at the rate of 3%) and local educational surcharge (currently at the rate of 2%) are imposed based on the VAT liabilities.

Stamp Duty

PRC stamp duty generally applies to the execution and receipt of all taxable documents listed in the PRC Provisional Rules on Stamp Duty. Stamp duty is levied on the execution or receipt in the PRC of certain documents, including contracts for the sale of China A shares traded on PRC stock exchanges. In the case of contracts for sale of China A shares (including China A

Shares traded via the Connect Scheme), such stamp duty is currently imposed on the seller, but not on the purchaser, at the rate of 0.1%.

General

Various tax reform policies have been implemented by the PRC government in recent years, and existing tax laws and regulations may be revised or amended in the future. There is a possibility that the current tax laws, regulations and practice in the PRC will be changed with retrospective effect in the future and any such change may have an adverse effect on the asset value of the relevant Fund. Moreover, there is no assurance that tax incentives currently offered to foreign companies, if any, will not be abolished and the existing tax laws and regulations will not be revised or amended in the future. Any changes in tax policies may reduce the after-tax profits of the companies in the PRC which the relevant Fund invests in, thereby reducing the income from, and/or value of, the Units.

INVESTMENT RESTRICTIONS

Within each Fund's investment objective(s), policies and guidelines, the following restrictions shall apply:

1	Permitted Investments
	Investments of a UCITS are confined to:
1.1	Transferable securities and money market instruments which are either admitted to official listing on a stock exchange in a Member State or non-Member State or which are dealt on a market which is regulated, operates regularly, is recognised and open to the public in a Member State or non-Member State.
1.2	Recently issued transferable securities which will be admitted to official listing on a stock exchange or other market (as described above) within a year.
1.3	Money market instruments other than those dealt on a regulated market.
1.4	Units of UCITS.
1.5	Units of AIFs.
1.6	Deposits with credit institutions.
1.7	Financial derivative instruments.
2	Investment Restrictions
2.1	A UCITS may invest no more than 10% of net assets in transferable securities and money market instruments other than those referred to in paragraph 1.
2.2	<p>Recently Issued Transferable Securities</p> <p>Subject to paragraph (2) a responsible person shall not invest any more than 10% of assets of a UCITS in securities of the type to which Regulation 68(1)(d) of the UCITS Regulations 2011 apply. Paragraph (1) does not apply to an investment by a responsible person in U.S. Securities known as "Rule 144A securities" provided that;</p> <ul style="list-style-type: none"> (a) the relevant securities have been issued with an undertaking to register the securities with the U.S. Securities and Exchange Commission ("SEC") within 1 year of issue; and (b) the securities are not illiquid securities, <i>i.e.</i>, they may be realised by the UCITS within 7 days at the price, or approximately at the price, which they are valued by the UCITS.
2.3	A UCITS may invest no more than 10% of net assets in transferable securities or money market instruments issued by the same body provided that the total value of transferable securities and money market instruments held in the issuing bodies in each of which it invests more than 5% is less than 40%.
2.4	Subject to the prior approval of the Central Bank, the limit of 10% (in 2.3) is raised to 25% in the case of bonds that are issued by a credit institution which has its registered office in a Member State and is subject by law to special public supervision designed to protect bond-holders. If a UCITS invests more than 5% of its net assets in these bonds issued by one issuer, the total value of these investments may not exceed 80% of the net asset value of the UCITS.
2.5	The limit of 10% (in 2.3) is raised to 35% if the transferable securities or money market instruments are issued or guaranteed by a Member State or its local authorities or by a non-Member State or

	<p>public international body of which one or more Member States are members.</p>
2.6	<p>The transferable securities and money market instruments referred to in 2.4. and 2.5 shall not be taken into account for the purpose of applying the limit of 40% referred to in 2.3.</p>
2.7	<p>Cash booked in accounts and held as ancillary liquidity shall not exceed:</p> <p>(a) 10% of the net assets of the UCITS; or</p> <p>(b) where the cash is booked in an account with the Depositary, 20% of net assets of the UCITS.</p>
2.8	<p>The risk exposure of a UCITS to a counterparty to an OTC derivative may not exceed 5% of net assets.</p> <p>This limit is raised to 10% in the case of a credit institution authorised in the EEA; a credit institution authorised within a signatory state (other than an EEA Member State) to the Basle Capital Convergence Agreement of July 1988; or a credit institution authorised in Jersey, Guernsey, the Isle of Man, Australia or New Zealand.</p>
2.9	<p>Notwithstanding paragraphs 2.3, 2.7 and 2.8 above, a combination of two or more of the following issued by, or made or undertaken with, the same body may not exceed 20% of net assets:</p> <ul style="list-style-type: none"> - investments in transferable securities or money market instruments; - deposits, and/or - counterparty risk exposures arising from OTC derivatives transactions.
2.10	<p>The limits referred to in 2.3, 2.4, 2.5, 2.7, 2.8 and 2.9 above may not be combined, so that exposure to a single body shall not exceed 35% of net assets.</p>
2.11	<p>Group companies are regarded as a single issuer for the purposes of 2.3, 2.4, 2.5, 2.7, 2.8 and 2.9. However, a limit of 20% of net assets may be applied to investment in transferable securities and money market instruments within the same group.</p>
2.12	<p>A UCITS may invest up to 100% of net assets in different transferable securities and money market instruments issued or guaranteed by any Member State, its local authorities, non-Member States or public international body of which one or more Member States are members.</p> <p>The individual issuers must be listed in the Prospectus and may be drawn from the following list: OECD Governments (provided the relevant issues are investment grade), Government of the People’s Republic of China, Government of Brazil (provided the issues are of investment grade), Government of India (provided the issues are of investment grade), Government of Singapore, European Investment Bank, European Bank for Reconstruction and Development, International Finance Corporation, International Monetary Fund, Euratom, The Asian Development Bank, European Central Bank, Council of Europe, Eurofima, African Development Bank, International Bank for Reconstruction and Development (The World Bank), The Inter American Development Bank, European Union, Federal National Mortgage Association (Fannie Mae), Federal Home Loan Mortgage Corporation (Freddie Mac), Government National Mortgage Association (Ginnie Mae), Student Loan Marketing Association (Sallie Mae), Federal Home Loan Bank, Federal Farm Credit Bank, Tennessee Valley Authority, Straight-A Funding LLC, Export-Import Bank.</p> <p>The UCITS must hold securities from at least 6 different issues, with securities from any one issue not exceeding 30% of net assets.</p>
3	<p>Investment in Collective Investment Schemes (“CIS”)</p>

<p>3.1</p> <p>3.2</p> <p>3.3</p> <p>3.4</p> <p>3.5</p>	<p>A UCITS may not invest more than 20% of net assets in any one CIS.</p> <p>Investment in AIFs may not, in aggregate, exceed 30% of net assets.</p> <p>The CIS are prohibited from investing more than 10 per cent of net assets in other open-ended CIS.</p> <p>When a UCITS invests in the units of other CIS that are managed, directly or by delegation, by the UCITS management company or by any other company with which the UCITS management company is linked by common management or control, or by a substantial direct or indirect holding, that management company or other company may not charge subscription, conversion or redemption fees on account of the UCITS investment in the units of such other CIS.</p> <p>Where by virtue of investment in the units of another investment fund, a responsible person, an investment manager or an investment advisor receives a commission on behalf of the UCITS (including a rebated commission), the responsible person shall ensure that the relevant commission is paid into the property of the UCITS.</p>
<p>4</p> <p>4.1</p> <p>4.2</p>	<p>Index Tracking UCITS</p> <p>A UCITS may invest up to 20% of net assets in shares and/or debt securities issued by the same body where the investment policy of the UCITS is to replicate an index which satisfies the criteria set out in the Central Bank UCITS Regulations and is recognised by the Central Bank</p> <p>The limit in 4.1 may be raised to 35%, and applied to a single issuer, where this is justified by exceptional market conditions.</p>
<p>5</p> <p>5.1</p> <p>5.2</p> <p>5.3</p>	<p>General Provisions</p> <p>An investment company, ICAV or management company acting in connection with all of the CIS it manages, may not acquire any shares carrying voting rights which would enable it to exercise significant influence over the management of an issuing body.</p> <p>A UCITS may acquire no more than:</p> <ul style="list-style-type: none"> (i) 10% of the non-voting shares of any single issuing body; (ii) 10% of the debt securities of any single issuing body; (iii) 25% of the units of any single CIS; (iv) 10% of the money market instruments of any single issuing body. <p>NOTE: The limits laid down in (ii), (iii) and (iv) above may be disregarded at the time of acquisition if at that time the gross amount of the debt securities or of the money market instruments, or the net amount of the securities in issue cannot be calculated.</p> <p>5.1 and 5.2 shall not be applicable to:</p> <ul style="list-style-type: none"> (i) transferable securities and money market instruments issued or guaranteed by a Member State or its local authorities; (ii) transferable securities and money market instruments issued or guaranteed by a non-Member State; (iii) transferable securities and money market instruments issued by public international bodies of which one or more Member States are members; (iv) shares held by a UCITS in the capital of a company incorporated in a non-member State which invests its assets mainly in the securities of issuing bodies having their registered offices in that State, where under the legislation of that State such a holding represents the only way in which the UCITS can invest in the securities of issuing bodies of that State. This waiver is applicable only if

	<p>in its investment policies the company from the non-Member State complies with the limits laid down in 2.3 to 2.11, 3.1, 3.2, 5.1, 5.2, 5.4, 5.5 and 5.6, and provided that where these limits are exceeded, paragraphs 5.5 and 5.6 below are observed.</p> <p>(v) Shares held by an investment company or investment companies or ICAV or ICAVs in the capital of subsidiary companies carrying on only the business of management, advice or marketing in the country where the subsidiary is located, in regard to the repurchase of units at unit-holders' request exclusively on their behalf.</p>
5.4	UCITS need not comply with the investment restrictions herein when exercising subscription rights attaching to transferable securities or money market instruments which form part of their assets.
5.5	The Central Bank may allow recently authorised UCITS to derogate from the provisions of 2.3 to 2.12, 3.1, 3.2, 4.1 and 4.2 for six months following the date of their authorisation, provided they observe the principle of risk spreading.
5.6	If the limits laid down herein are exceeded for reasons beyond the control of a UCITS, or as a result of the exercise of subscription rights, the UCITS must adopt as a priority objective for its sales transactions the remedying of that situation, taking due account of the interests of its unitholders.
5.7	<p>Neither an investment company, ICAV nor a management company or a trustee acting on behalf of a unit trust or a management company of a common contractual fund, may carry out uncovered sales of:</p> <ul style="list-style-type: none"> - transferable securities; - money market instruments*; - units of investment funds; or - financial derivative instruments.
5.8	A UCITS may hold ancillary liquid assets.
6	Financial Derivative Instruments ('FDIs')
6.1	The UCITS global exposure relating to FDI must not exceed its total net asset value.
6.2	Position exposure to the underlying assets of FDI, including embedded FDI in transferable securities or money market instruments, when combined where relevant with positions resulting from direct investments, may not exceed the investment limits set out in the Central Bank UCITS Regulations/Guidance. (This provision does not apply in the case of index based FDI provided the underlying index is one which meets with the criteria set out in Central Bank UCITS Regulations.)
6.3	<p>UCITS may invest in FDIs dealt in over-the-counter (OTC) provided that:</p> <ul style="list-style-type: none"> - The counterparties to over-the-counter transactions (OTCs) are institutions subject to prudential supervision and belonging to categories approved by the Central Bank.
6.4	Investment in FDIs are subject to the conditions and limits laid down by the Central Bank.

* Any short selling of money market instruments by UCITS is prohibited

GENERAL

MEETINGS

The Depositary or the Manager may convene a meeting of Unitholders at any time. The Manager must convene such a meeting if requested to do so by the holders of not less than seventy-five percent (75%) in aggregate of the Units in issue (excluding Units held by the Manager).

All business transacted at a meeting of Unitholders duly convened and held shall be by way of extraordinary resolution.

Not less than fourteen (14) days' notice of every meeting must be given to Unitholders. The notice shall specify the place, day and hour of meeting and the terms of the resolution to be proposed. A copy of the notice shall be sent by post to the Depositary unless the meeting shall be convened by the Depositary. A copy of the notice shall be sent by post to the Manager unless the meeting shall be convened by the Manager. The accidental omission to give notice to or the non-receipt of notice by any of the Unitholders shall not invalidate the proceedings at any meeting.

The quorum shall be two Unitholders present in person or by proxy. No business shall be transacted at any meeting unless the requisite quorum is present at the commencement of business.

At any meeting (a) on a show of hands every Unitholder who is present in person or by a proxy shall have one vote and (b) on a poll every Unitholder who is present in person or by proxy shall have one vote for every Unit of which he is the Unitholder.

With regard to the respective rights and interests of Unitholders in different Funds or Classes of Funds the foregoing provisions shall have effect subject to the following modifications:

- (a) a resolution that in the opinion of the Manager affects one Fund or Class of Funds only shall be deemed to have been duly passed if passed at a separate meeting of the Unitholders of that Fund or Class;
- (b) a resolution that in the opinion of the Manager affects more than one Fund or Class but does not give rise to a conflict of interest between the Unitholders of the respective Funds or Classes shall be deemed to have been duly passed at a single meeting of the Unitholders of those Funds or Classes; and
- (c) a resolution that in the opinion of the Manager affects more than one Fund or Class and gives or may give rise to a conflict of interest between the Unitholders of the respective Funds or Classes shall be deemed to have been duly passed only if, in lieu of being passed at a single meeting of the Unitholders of those Funds or Classes, it shall be passed at separate meetings of the Unitholders of those Funds or Classes.

REPORTS

In respect of each Accounting Period the Manager or its delegate shall cause to be audited and certified by the auditors an annual report relating to the management of the Trust and each of its Funds. Such annual report shall contain such information required under the Regulations.

There shall be attached to such annual report a statement by the Depositary in relation to the Trust and each of its Funds and a statement of such additional information as the Central Bank may specify.

The said annual report shall be published not later than four months after the end of the period to which it relates. Each such report shall be prepared for the period to the Trust's fiscal year end, which is 30 June in each year.

The Manager or its delegate shall prepare an unaudited half-yearly report for the six months immediately succeeding the Accounting Date by reference to which the last annual report of the Trust and of each of the Funds was prepared. Such half-yearly report shall be in a form approved by the Central Bank and shall contain such information required under the Regulations.

Copies of the said half-yearly report shall be published not later than two months after the end of the period to which it relates. Each such report shall be prepared for the period to 31 December in each year.

The most recent version of the annual report and half-yearly report are available at www.putnam.com/ucits.

The Manager or its delegate shall provide the Central Bank with any monthly or other reports it may require.

The Trust Deed can be obtained at the respective registered offices of the Manager and the Depositary. In addition, a copy of the Trust Deed will be sent by the Manager or its delegate to Unitholders, upon written request.

NOTICES

Notices may be given to Unitholders as outlined below including by electronic mail subject to the consent of the Unitholder and shall be deemed to have been duly given as follows:

MEANS OF DISPATCH

DEEMED RECEIVED

Delivery by Hand:

The day of delivery or next following Business Day if delivered outside usual business hours.

Post:

48 hours after posting.

Fax:

Positive transmission receipt received.

Publication:

The day of publication in the Financial Times or such other newspaper as the Manager and the Depositary may agree.

Electronic Mail:

Upon transmission if it is reasonable to believe that it is readily available to those to whom it is sent.

MATERIAL CONTRACTS

The following contracts, further details of which are set out in the sections headed “Management of the Trust” not being contracts entered into in the ordinary course of business, have been or will be entered into and are or may be material:

- (i) The Trust Deed pursuant to which the Depositary acts as depositary for the purposes of the Regulations and depositary to the Trust and its Funds. The principal activity of the Depositary is to act as trustee and depositary of the assets of collective investment schemes. The Depositary was initially appointed for an initial term of three years from the date of the Trust Deed and is now serving additional successive periods of one year. The Depositary may be removed by giving 180 days’ notice.
- (ii) The Investment Advisory Agreement pursuant to which the Investment Advisor will manage the investment, realisation and re-investment of the assets of the Trust on a fully discretionary basis.

The Investment Advisory Agreement may be terminated by either party on giving 90 days’ notice in writing to the other party or earlier in certain circumstances specified in the Agreement.

The Manager shall not be held liable for any actions, costs, charges, losses, damages or expenses arising as a result of the acts or omissions of the Investment Advisor or for its own acts or omissions in bona fide following the advice or recommendations of the Investment Advisor.

- (iii) The Administration Agreement pursuant to which the Administrator will act as administrator to the Trust. The Administrator is responsible for performing the day to day administration of the Trust and its Funds and for providing fund accounting including the calculation of the Net Asset Value and the Net Asset Value per Class Unit. The Administrator was appointed for a term ending 31 December 2016 and thereafter for additional successive periods of one year from 31 December 2016, unless either party gives one hundred eighty (180) days’ prior written notice to the other of its intent not to renew. Either party may terminate the Administration Agreement in the event of the other party’s material breach of a material provision of the Administration Agreement that the other party has either (a) failed to cure or (b) failed to establish a remedial plan to cure that is reasonably acceptable, in either case within 60 days’ written notice of such breach, and the Manager may terminate the Administration Agreement with respect to any Fund in the event that the Fund is liquidated or merged into or consolidated with another entity.
- (iv) The Transfer Agency Agreement pursuant to which the Transfer Agent was appointed to act as transfer agent to the relevant Funds of the Trust. The Transfer Agent is responsible for the maintenance of the Unitholders’ register, and shall process all applications for purchases, switches and redemptions of Units.

The Transfer Agency Agreement may be terminated by giving one hundred and twenty (120) days’ written notice to the other parties but may be terminated immediately in the event of: (i) a material breach of the Transfer Agency Agreement that has not been remedied for thirty (30) days following written notice of the breach by the non-breaching party; (ii) a final unappealable judicial, regulatory or administrative ruling or ordering, in which the party to be terminated has been found guilty of criminal or

unethical behaviour in the conduct of its business; or (iii) the winding up or the appointment of an examiner or receiver to one of the other parties, or upon the happening of a like event at the discretion of an appropriate regulatory agency on court of competent jurisdiction.

- (v) The Distribution Agreement between the Manager and Putnam Investments Limited, a corporation registered under the laws of England and Wales, pursuant to which Putnam Investments Limited was appointed as Distributor. The Distributor under the Distribution Agreement agrees to exercise reasonable efforts to find purchasers who are non-U.S. Persons for Units of the Trust. The Distribution Agreement may be terminated by either party without cause upon ten days' written notice. In addition, the Manager may terminate the Distribution Agreement upon the violation by the Distributor of any of its provisions, such termination to become effective five days after the date such notice of termination is received by the Distributor.

TERMINATION

The Trust and its Funds will terminate after one hundred years from its constitution or alternatively may be terminated by the Depositary by notice in writing as hereinafter provided upon the occurrence of any of the following events, namely:

- (i) if the Manager shall go into liquidation (except a voluntary liquidation for the purpose of reconstruction or amalgamation upon terms previously approved in writing by the Depositary) or ceases business or becomes (in the reasonable judgement of the Depositary) subject to the de facto control of some corporation or person of whom the Depositary does not reasonably approve or if a receiver is appointed in respect of any of the assets of the Manager or if an examiner is appointed to the Manager pursuant to the Companies (Amendment) Act, 1990;
- (ii) if in the reasonable opinion of the Depositary the Manager shall be incapable of performing its duties and a replacement manager is not appointed;
- (iii) if any law shall be passed that renders it illegal to continue the Trust or any of its Funds; or
- (iv) if within a period of three months from the date of the Depositary expressing in writing to the Manager its desire to retire the Manager shall have failed to appoint a new Depositary pursuant to the provisions of the Trust Deed.

The Trust or any of its Funds may be terminated by the Manager in its absolute discretion by notice in writing as hereinafter provided in any of the following events, namely:

- (i) if one year from the date of authorisation or on any Dealing Day thereafter the Net Asset Value of all of the Funds or of any Fund shall be less than US\$10 million;
- (ii) if the Trust shall cease to be a Unit Trust under the Regulations or if any of its Funds shall cease to be authorised by the Central Bank;
- (iii) if any law shall be passed that renders it illegal or in the reasonable opinion of the Manager impracticable or inadvisable to continue the Trust or any of its Funds;
- (iv) if within a period of three months from the date of the Manager expressing in writing

to the Depositary its desire to retire, a replacement manager shall not have been appointed;

- (v) if within a period of three months from the date of the Investment Advisor expressing in writing to the Manager its desire to retire the Manager shall have failed to appoint a new Investment Advisor; or
- (vi) if no succession depositary is appointed within ninety days of the service of notice by the Manager of its intention to remove the Depositary in accordance with the Trust Deed.

In addition, all of the Units of any Fund or Class may be redeemed at the discretion of the Manager by giving not less than four weeks nor more than twelve weeks' notice in writing expiring on a Dealing Day to Unitholders where the Manager in its role as Manager of the Trust is of the belief, having consulted with the Depositary and taking all the things into consideration that it is in the best interests of Unitholders.

The party terminating the Trust or a Fund shall give notice thereof to the Unitholders in the manner herein provided and by such notice fix the date on which such termination is to take effect, which date shall not be less than four weeks after the service of such notice.

Any redemptions resulting from a Fund's termination will be subject to the receipt of the original application form and to the prevailing anti-money laundering provisions.

In accordance with the terms of the Trust Deed, any termination proceeds remaining unclaimed after a period of 12 months will be paid into court.

The Trust or any of its Funds may at any time be terminated by extraordinary resolution of a meeting of the Unitholders duly convened and held in accordance with the provisions contained in the Schedule to the Trust Deed and such termination shall take effect from the date on which the said resolution is passed or such later date (if any) as the said resolution may provide.

The termination of the Trust or any Fund shall be in accordance with Clause 46.00 of the Trust Deed.

Notwithstanding any other provision in this Prospectus or the Trust Deed, any monies that represent unclaimed monies (including without limitation monies of those investors who are non-anti-money laundering compliant and monies of investors with no current address details on file with the relevant Fund, etc.) for a period of one year from the Dealing Day in respect of which they were redeemed and which represent a de-minimis amount of US\$500 or less may at the discretion of the Directors be paid back into the relevant Fund or may be paid to such charitable organisation or as otherwise determined by the Directors (including, in the case of a terminated Fund, into and for the benefit of the Trust as a whole on a pro rata basis).

In the event that the Trust or a Fund receives a settlement, tax reclaim, class action award, other ad hoc payment, windfall or similar payment (each a "payment"), the payment shall be deemed to be for to the benefit of the Trust or relevant Fund as a whole, rather than to any particular class of investor, as at the date of receipt of such payment. In the event that a payment is received following the termination of a Fund, and after reasonable efforts by the Directors or their delegate it is neither practical nor feasible to make such payments to the Unitholder(s) on the register for the relevant Fund at the time of termination of such Fund, such payments will

be paid into and for the benefit of the Trust as a whole on a pro rata basis.

For the avoidance of doubt, the above provisions will be deemed to apply to unclaimed monies and outstanding amounts from payments, each as described above, existing as of, or occurring after, the date of this Prospectus.

CONTINUANCE OR RETIREMENT OF MANAGER

The Manager shall, so long as the Trust subsists, continue to act as the Manager thereof in accordance with the terms of the Trust Deed.

The Manager for the time being shall be subject to removal and shall be so removed by (immediate in the case of (i)) (three months (in the case of (ii)) notice in writing given by the Depositary to the Manager in any of the following events:

- (i) if the Manager goes into liquidation (except a voluntary liquidation for the purpose of reconstruction or amalgamation upon terms previously approved in writing by the Depositary) or if a receiver is appointed in respect of any of the assets of the Manager or if an examiner is appointed to the Manager pursuant to the Companies (Amendment) Act, 1990; or
- (ii) if a Meeting of the Unitholders by extraordinary resolution determines that the Manager should retire.

The Manager shall have the power on the giving of three months' written notice to the Depositary to retire in favour of some other corporation approved by the Depositary, the Central Bank upon and subject to such corporation entering into an acceptable deed.

RETIREMENT OF DEPOSITARY

The Depositary shall not be entitled to retire voluntarily except upon the appointment of a new Depositary or the termination of the Trust, including termination of the Trust by the Depositary where the Manager shall have failed to appoint a new Depositary within a period of three months from the date of the Depositary expressing in writing its desire to retire and on revocation of authorisation of the Trust by the Central Bank. In the event of the Depositary desiring to retire, subject to the prior approval of the Central Bank, the Manager may by supplemental deed appoint any duly qualified corporation to be the Depositary in the place of the retiring Depositary.

GENERAL

The Trust is not engaged in any legal or arbitration proceedings and no legal or arbitration proceedings are known to the Directors of the Manager or to the Depositary to be pending or threatened by or against the Trust since its establishment.

At the date of this Prospectus, no Units have been conditionally or unconditionally put under option.

No Director of the Manager, or any connected person, has any interest in the Units of the Trust.

No Director of the Manager has any interest in any transaction that has been effected by the Trust and that is unusual in its nature or conditions or significant to the business of the Trust.

DOCUMENTS AVAILABLE FOR INSPECTION

The following documents are available for inspection on any Business Day at the registered office of the Manager from the date of this Prospectus:

- (a) the material contracts referred to above;
- (b) annual reports, incorporating audited financial statements, and half-yearly reports, incorporating unaudited financial statements, when published;
- (c) European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 (as amended) (S.I. No. 352 of 2011);
- (d) a list of past and current directorships and partnerships held by each Director over the last five years; and
- (e) annual report.

Copies of each of the documents referred to at (b) above can be obtained by Unitholders at the registered office of the Manager or its delegate free of charge on request.

The Manager or Investment Advisor may provide certain additional reports (including in relation to certain performance measures, risk measures, general portfolio information or further information with respect to the investment process pursued for a Fund) and/or accounting materials to any current or prospective Unitholders upon request, and, if deemed necessary by the Manager or Investment Advisor, upon the execution of a confidentiality agreement and/or non-use agreement.

AMENDMENT OF THE TRUST DEED

The Manager and the Depositary shall, subject to the prior approval of the Central Bank, be entitled by supplemental deed to amend the provisions of the Trust Deed in such manner and to such extent as they consider expedient for any purpose other than one that would cause the Trust to cease to be a unit trust authorised under the Regulations; provided that unless the Depositary certifies in writing that in its opinion such amendment does not prejudice the interests of the Unitholders and does not operate to release the Manager or the Depositary from any responsibility to the Unitholders, or unless such modification, alteration or addition shall be required by virtue of any regulation made by the Central Bank, or unless such modification, alteration or addition is made for the purpose of extending the list of Recognised Exchanges, the sanction of an extraordinary resolution of a meeting of Unitholders shall be required and provided further no amendment shall impose upon any Unitholder any obligation to make any further payment in respect of his Units or accept any liability in respect thereof.

Amendment of the material matters prescribed in the Trust Deed shall be published or notified to the Unitholders.

INTERPRETATION

In this Prospectus:

Unless the subject or context otherwise requires, the words and expressions used herein shall have the meaning ascribed to them in the Trust Deed;

all references to “**U.S. dollar**” and the sign “**US\$**” are to the currency of the United States;

all references to a specific time of day are to Irish time;

“**Administration Expenses**” means the sums payable out of the assets of the Trust or Fund necessary to provide for all organisational expenses, costs, charges and expenses including, but not limited to courier’s fees, telecommunication and facsimile costs and expenses, out-of-pocket expenses, legal, marketing and professional expenses that the Manager incurs whether in litigation on behalf of the Trust or any of its Funds or in connection with the establishment of or ongoing administration of the Trust or any of its Funds (including all stamp and other duties, taxes, governmental charges, valuation fees, property management fees, agent’s fees, brokerage fees, bank charges, transfer fees, registration fees and other charges whether in respect of the constitution or increase of the assets or transfer of Units or the purchase or proposed purchase of investments) or otherwise together with the costs, charges and expenses, including translation costs, of any notices including but not limited to reports, prospectus, listing particulars and newspaper notices given to Unitholders in whatever manner plus value added tax (if any) on any such costs, charges and expenses and all properly vouched fees and reasonable out-of-pocket expenses of the Manager (as administrator and as registrar and transfer agent) or any of its delegates, or of any distributor, paying agent and/or correspondent bank incurred pursuant to a contract to which the Manager or the Manager’s delegate and such person are party;

“**Accounting Date**” means the date by reference to which the annual accounts of the Trust and each of its Funds shall be prepared and shall be 30 June in each year. The first Accounting Date of the Trust was 30 June 2000. The Manager and the Depositary with the consent of the Central Bank may agree to change the Accounting Date;

“**Accounting Period**” means a period ending on an Accounting Date and commencing (in the case of the first such period) from the date of approval of a Fund or (in any other case) from the end of the last Accounting Period;

“**Administration Agreement**” means an agreement entered into between the Manager and the Administrator dated 21 December 2021 as may be amended and/or restated, supplemented, novated or substituted from time to time;

“**Administrator**” means State Street Fund Services (Ireland) Limited;

“**Base Currency**” means such currency as specified for the relevant Fund;

“**Beneficial Ownership Regulations**” means the European Union (Anti-Money Laundering: Beneficial Ownership of Trusts) Regulations 2019, as may be amended from time to time;

“**Business Day**” means every day that is a bank business day in Ireland and the United States and on which the New York Stock Exchange is also open for business;

“**Central Bank**” means the Central Bank of Ireland, the body responsible for both central banking and financial regulation in the Republic of Ireland pursuant to the Central Bank Reform Act, 2010 and which replaced on 1 October 2010 the previous related entities being (i) the Central Bank and the Financial Services Authority of Ireland and (ii) the Irish Financial Services Regulatory Authority;

“**Central Bank UCITS Regulations**” means the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2019, as may be amended, supplemented or replaced from time to time and any related guidance issued by the Central Bank from time to time;

“**Class of Unit**” means a separate class of Unit within a Fund;

“**Clearstream**” means Clearstream International;

“**Collective Investment Undertaking**” means a collective investment undertaking of the open-ended type;

“**Company Secretary**” means Carne Global Financial Services Limited or such other successor company secretary appointed from time to time;

“**Courts Service**” means the entity responsible for the administration of monies under the control or subject to the order of the Courts;

“**Data Protection Acts**” means the Data Protection Acts 1988 to 2018 as may be amended and, with effect from 25 May 2018, the General Data Protection Regulation (EU 2016/679), as may be amended.

“**Dealing Day**” means the day on which Units in a Fund may be subscribed for, switched or redeemed, and which, unless otherwise stated in the Supplement, shall be every Business Day and/or such other dealing days as the Directors determine provided that there is at least one per fortnight and all unitholders will be notified in advance;

“**Depositary**” means State Street Custodial Services (Ireland) Limited or any successor company approved by the Central Bank as trustee and depositary to the Trust for the purposes of the Regulations and depositary of the Trust;

“**Directors**” means the directors of Carne Global Fund Managers (Ireland) Limited;

“**Directive 2009/65/EC**” means Directive 2009/65/EEC of the European Parliament and of the Council, as amended by Directive 2014/91/EU of 23rd July 2014 and as may be further amended, consolidated or substituted from time to time;

“**Disbursements**” means in relation to the Depositary all disbursements properly made by the Depositary in connection with its trusteeship of the Trust and each of its Funds under the Trust Deed including (but not limited to) courier’s fees, telecommunication costs and expenses and the fees and out-of-pocket expenses of any sub-custodian appointed by it pursuant to the provisions of the Trust Deed and all costs, charges and expenses of every kind that it may suffer or incur in connection with such trusteeship of the Trust and of each of its Funds (including the establishment thereof) and all matters attendant thereon or relative thereto and all legal and other professional expenses incurred or suffered by it in relation to or in any way arising out of the Trust and of each of its Funds (including the establishment thereof) and any value added

tax liability incurred by the Depositary arising out of the exercise of its powers or the performance of its duties pursuant to the provisions of the Trust Deed;

“**Distributor**” means Putnam Investments Limited, a corporation registered under the laws of England and Wales or any other company that may be appointed as Distributor to the Trust;

“**Distribution Agreement**” means an agreement entered into between the Manager and the Distributor dated 21 December 2021 as may be amended and/or restated, supplemented, novated or substituted from time to time;

“**Duties and Charges**” means in relation to any particular transaction, dealing or valuation, all stamp and other duties, taxes, governmental charges, valuation fees, property management fees, agents’ fees, brokerage fees, bank charges, transfer fees, registration fees, and other charges whether in respect of the constitution or increase of the assets or the creation, exchange, sale, purchase conversion or transfer of Units or the purchase or proposed purchase of investments or in respect of the certificates or otherwise, that may have become or will become payable in respect of or prior to or upon the occasion of the transaction, dealing or valuation in question but does not mean commission payable to agents or brokers on the issue of Units;

“**ESMA**” means the European Securities and Markets Authority.

“**ESMA Guidelines**” means the Guidelines on a Common Definition of European Money Market Funds issued by the European Securities and Markets Authority on 19 May 2010;

“**Euro**” or “**€**” means the single currency of certain Member States of the European Union;

“**Euroclear**” means Euroclear Bank, as operator of the Euroclear system or any other entity that may from time to time act as operator of the Euroclear system;

“**Exempted Irish Investor**” means

- (a) a pension scheme that is an exempt approved scheme within the meaning of Section 774 of the Taxes Act or a retirement annuity contract or a trust scheme to which Section 784 or 785 of the Taxes Act applies;
- (b) a company carrying on life business within the meaning of Section 706 of the Taxes Act;
- (c) an investment undertaking within the meaning of Section 739B(1) of the Taxes Act;
- (d) an investment limited partnership within the meaning of Section 739I of the Taxes Act;
- (e) a special investment scheme within the meaning of Section 737 of the Taxes Act;
- (f) a unit trust to which Section 731(5)(a) of the Taxes Act, applies;
- (g) a charity being a person referred to in Section 739D(6)(f)(i) of the Taxes Act;
- (h) a person entitled to exemption from income tax and capital gains tax under Section 784A(2) of the Taxes Act where the Units held are assets of an approved retirement fund or an approved minimum retirement fund;

- (i) a person who is entitled to exemption from income tax and capital gains tax by virtue of Section 787I of the Taxes Act and the Units are assets of a PRSA;
- (j) a credit union within the meaning of Section 2 of the Credit Union Act, 1997;
- (k) the National Asset Management Agency;
- (l) the National Treasury Management Agency or a Fund investment vehicle (within the meaning of section 37 of the National Treasury Management Agency (Amendment) Act 2014) of which the Minister for Finance is the sole beneficial owner, or the State acting through the National Treasury Management Agency;
- (m) a company that is or will be within the charge to corporation tax in accordance with Section 110(2) of the Taxes Act in respect of payments made to it by the Trust;
- (n) a qualifying management company within the meaning of Section 739B of the Taxes Act;
- (o) an Irish Resident company investing in a money market fund being a person referred to in Section 739(6)(m) of the Taxes Consolidation Act, 1997 (of Ireland) as amended; or
- (p) any other Irish Resident or Irish Ordinary Resident who may be permitted to own Units under taxation legislation or by written practice or concession of the Revenue Commissioners without giving rise to a charge to tax in the Trust or jeopardising tax exemptions associated with the Trust;

provided that a Relevant Declaration is in place.

“Fund” means any separate portfolio of Units, which may be sub-divided into Classes of Units represented by a distinct portfolio of investments established by the Manager from time to time with the prior approval of the Central Bank and the Depositary;

“GDPR” means Regulation (EU) 2016/679 of the European Parliament and of the Council, which is known as the General Data Protection Regulation;

“Global Unit Certificate” means the global unit certificate in registered form that will represent the Units in issue in each Fund that will be cleared through Euroclear;

“Intermediary” means a person who (a) carries on a business that consists of, or includes, the receipt of payments from an investment undertaking on behalf of other persons, or (b) holds units in an investment undertaking on behalf of other persons;

“Investment Advisor” means The Putnam Advisory Company, LLC or any successor thereto;

“Investment Advisory Agreement” means an agreement entered into between the Manager and the Investment Advisor dated 21 December 2021 as may be amended, supplemented, novated or substituted from time to time;

“Ireland” means the Republic of Ireland;

“Ordinarily Resident in Ireland”

- (a) in the case of an individual, means an individual who is ordinarily resident in Ireland for tax purposes;
- (b) in the case of a trust, means a trust that is ordinarily resident in Ireland for tax purposes;

The term “ordinarily resident” as distinct from “resident” relates to a person’s normal pattern of life and denotes residence in a place with some degree of continuity.

An individual who has been resident in Ireland for three consecutive tax years becomes ordinarily resident with effect from the commencement of the fourth tax year.

An individual who has been ordinarily resident in Ireland ceases to be ordinarily resident at the end of the third consecutive tax year in which he/she is not resident. Thus, an individual who is resident and ordinarily resident in Ireland in the tax year 1 January 2019 to 31 December 2019 and departs from Ireland in that year will remain ordinarily resident up to the end of the tax year 1 January 2022 to 31 December 2022;

The concept of a trust’s ordinary residence is somewhat obscure and linked to its tax residence.

“Irish Resident”

- (a) in the case of an individual, means an individual who is resident in Ireland for tax purposes;
- (b) in the case of a trust, means a trust that is resident in Ireland for tax purposes;
- (c) in the case of a company, means a company that is resident in Ireland for tax purposes.

The following definitions have been issued by the Irish Revenue in relation to the residence of individuals and companies.

Residence - Individual

An individual will be regarded as being resident in Ireland for a particular tax year if he/she (1) spends 183 days or more in Ireland in that tax year; or (2) has a combined presence of 280 days in Ireland taking into account the number of days spent in Ireland in that tax year together with the number of days spent in Ireland in the preceding tax year.

Presence in a tax year by an individual of not more than 30 days in Ireland will not be reckoned for the purpose of applying the two years test. Presence in Ireland for a day means the personal presence of an individual at any point during that day.

Residence - Trust

A trust will generally be Irish resident where the depository is resident in Ireland or a majority of the trustees (if more than one) are resident in Ireland.

Residence - Company

A company that has its central management and control in Ireland is resident in Ireland irrespective of where it is incorporated. A company that does not have its central management and control in Ireland but that is incorporated in Ireland is resident in Ireland except where:

- (a) the company or a related company carries on a trade in Ireland, and either the company is ultimately controlled by persons resident in EU Member States or in countries with which Ireland has a double taxation treaty, or the company or a related company are quoted companies on a recognised Stock Exchange in the EU or in a treaty country under a double taxation treaty between Ireland and that country. This exception does not apply where it would result in an Irish incorporated company that is managed and controlled in a relevant territory (other than Ireland), but would not be resident in that relevant territory as it is not incorporated there, not being resident for tax purposes in any territory.
- (b) the company is regarded as not resident in Ireland under a double taxation treaty between Ireland and another country.

The Finance Act 2014 amended the above residency rules for companies incorporated on or after 1 January 2015. These new residency rules will ensure that companies incorporated registered in Ireland and also companies not so incorporated but that are managed and controlled in Ireland, will be tax resident in Ireland except to the extent that the company in question is, by virtue of a double taxation treaty between Ireland and another country, regarded as resident in a territory other than Ireland (and thus not resident in Ireland). For companies incorporated before this date these new rules will not come into effect until 1 January 2021 (except in limited circumstances).

It should be noted that the determination of a company's residence for tax purposes can be complex in certain cases and potential investors are referred to the specific legislative provisions that are contained in Section 23A of the Taxes Consolidation Act, 1997 (of Ireland) as amended;

“Manager” means Carne Global Fund Managers (Ireland) Limited or any successor company approved by the Central Bank as manager of the Trust;

“Member State” means a member state of the European Union;

“Net Asset Value” means the net asset value of a Fund calculated in accordance with the provisions set out under “Calculation of Net Asset Value”;

“Net Asset Value per Unit” means the net asset value per Unit of the relevant Fund calculated in accordance with the provisions set out under “Calculation of Net Asset Value”;

“NSCC FundSERV” means FundSERV system maintained by the National Securities Clearing Corporation;

“Personal Portfolio Investment Undertaking” means an investment undertaking, under the terms of which some or all of the property of the undertaking may be, or was, selected by, or the selection of some or all of the property may be, or was, influenced by:

- (i) the investor,
- (ii) a person acting on behalf of the investor,
- (iii) a person connected with the investor,
- (iv) a person connected with a person acting on behalf of the investor,
- (v) the investor and a person connected with the investor, or
- (vi) a person acting on behalf of both the investor and a person connected with the investor.

An investment undertaking is not a personal portfolio investment undertaking if the only property that may or has been selected was available to the public at the time that the property is available for selection by an investor and is clearly identified in the investment undertaking’s marketing or other promotional material. The investment undertaking must also deal with all investors on a non-discriminatory basis. In the case of investments deriving 50% or more of their value from land, any investment made by an individual is limited to 1% of the total capital required;

“Pricing Time” means the time in Dublin that represents the close of regular trading on the New York Stock Exchange;

“Recognised Clearing System” means any clearing system listed in Section 246A of the Taxes Act (including, but not limited to, Euroclear, Clearstream Banking AG, Clearstream Banking SA and CREST) or any other system for clearing shares which is designated for the purposes of Chapter 1A in Part 27 of the Taxes Act, by the Irish Revenue Commissioners, as a recognised clearing system.

“Recognised Exchange” means those exchanges and markets set out in Appendix I on which the Funds are permitted to invest;

“Regulations” means the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 (S.I. No. 352 of 2011) as amended (and as may be further amended, consolidated or substituted from time to time) and any regulations issued by the Central Bank pursuant thereto from the time being in force;

“Relevant Declaration” means the declaration relevant to the Unitholder as set out in Schedule 2B of the Taxes Consolidation Act, 1997 (of Ireland) as amended. The Relevant Declaration for investors who are neither Irish Resident nor Irish Ordinary Resident (or Intermediaries acting for such investors) is set out in the application form for the Trust;

“Relevant Period” means a period of 8 years beginning with the acquisition of a Unit by a Unitholder and each subsequent period of 8 years beginning immediately after the preceding relevant period;

“Short-Term Money Market Fund” means a collective investment scheme that satisfies the requirements of a Short-Term Money Market Fund set out in the ESMA Guidelines;

“Specified U.S. Person” means (i) a U.S. citizen or resident individual, (ii) a partnership or corporation organised in the United States or under the laws of the United States or any State thereof (iii) a trust if (a) a court within the United States would have authority under applicable

law to render orders or judgments concerning substantially all issues regarding administration of the trust, and (b) one or more U.S. persons have the authority to control all substantial decisions of the trust, or an estate of a decedent that is a citizen or resident of the United States **excluding:** (1) a corporation the stock of which is regularly traded on one or more established securities markets; (2) any corporation that is a member of the same expanded affiliated group, as defined in section 1471(e)(2) of the U.S. Internal Revenue Code, as a corporation described in clause (i); (3) the United States or any wholly-owned agency or instrumentality thereof; (4) any State of the United States, any U.S. Territory, any political subdivision of any of the foregoing, or any wholly-owned agency or instrumentality of any one or more of the foregoing; (5) any organization exempt from taxation under section 501(a) or an individual retirement plan as defined in section 7701(a)(37) of the U.S. Internal Revenue Code; (6) any bank as defined in section 581 of the U.S. Internal Revenue Code; (7) any real estate investment trust as defined in section 856 of the U.S. Internal Revenue Code; (8) any regulated investment company as defined in section 851 of the U.S. Internal Revenue Code or any entity registered with the U.S. Securities and Exchange Commission under the Investment Company Act of 1940 (15 U.S.C. 80a-64); (9) any common trust fund as defined in section 584(a) of the U.S. Internal Revenue Code; (10) any trust that is exempt from tax under section 664(c) of the U.S. Internal Revenue Code or that is described in section 4947(a)(1) of the U.S. Internal Revenue Code; (11) a dealer in securities, commodities, or derivative financial instruments (including notional principal contracts, futures, forwards, and options) that is registered as such under the laws of the United States or any State; or (12) a broker as defined in section 6045(c) of the U.S. Internal Revenue Code. This definition shall be interpreted in accordance with the U.S. Internal Revenue Code.

“**SFT Regulation**” means Regulation (EU) 2015/2365 of the European Parliament and of the Council of 25 November 2015 on transparency of securities financing transactions and of reuse and amending Regulation (EU) No 648/2012;

“**Supplement**” means a supplement in respect of each Fund as attached to the Prospectus;

“**Taxes Act**”, means the Taxes Consolidation Act, 1997 (of Ireland) as amended;

“**Transfer Agent**” means Citibank Europe plc or any successor company approved by the Central Bank in respect of all Funds of the Trust;

“**Transfer Agency Agreement**” means an agreement entered into between the Manager and the Transfer Agent dated 21 December 2021 as amended and as may be further amended, supplemented, novated or substituted from time to time;

“**Trust Deed**” means the amended and restated trust deed constituting the Trust dated 21 December 2021 between the Manager and the Depositary as may be amended, supplemented, novated or substituted from time to time;

“**Trust**” means Putnam World Trust;

“**UCITS**” means an undertaking for collective investment in transferable securities the sole objective of which is the collective investment in either or both transferable securities and/or other liquid financial assets referred to in Regulation 68 of the Regulations of capital raised from the public, and that operates on the principle of risk spreading and the shares or units of which are, at the request of the holders, repurchased or redeemed directly or indirectly, out of the undertaking’s assets;

“**Unit**” means a unit in the Trust;

“**Unitholder**” means any person holding Units of the Trust (other than U.S. Taxpayers (unless such holding is permitted by the Manager in its sole discretion), or U.S. Persons who are specifically excluded from purchasing Units of the Trust unless the Manager in its sole discretion determines that such holding is permitted under an exemption from the 1933 Act);

“**United States**” means the United States of America (including the States and the District of Columbia), its territories, possessions and all other areas subject to its jurisdiction;

“**U.S. Person**” means a person who is: (a) a person included in the definition of “U.S. person” under Rule 902 of Regulation S under the 1933 Act, or (b) a person excluded from the definition of a “Non-United States person” as used in the United States Commodity Futures Trading Commission (CFTC) Rule 4.7. For the avoidance of doubt, a person is excluded from this definition of U.S. Person only if he or it does not satisfy any of the definitions of “U.S. person” in Rule 902 and qualifies as a “Non-United States person” under CFTC Rule 4.7;

“**U.S. person**” under Rule 902 of Regulation S under the 1933 Act includes the following:

- (a) any natural person resident in the United States;
- (b) any partnership or corporation organised or incorporated under the laws of the United States;
- (c) any estate of which any executor or administrator is a U.S. person;
- (d) any trust of which any trustee is a U.S. person;
- (e) any agency or branch of a non-U.S. entity located in the United States;
- (f) any non-discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary for the benefit or account of a U.S. person;
- (g) any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organised, incorporated or (if an individual) resident in the United States;
- (h) any partnership or corporation if:
 - (1) organised or incorporated under the laws of any non-U.S. jurisdiction; and
 - (2) formed by a U.S. person principally for the purpose of investing in securities not registered under the 1933 Act, unless it is organised or incorporated, and owned, by accredited investors (as defined in Rule 501(a) of Regulation D under the 1933 Act) who are not natural persons, estates or trusts; and
- (i) any other individual or entity the Manager otherwise may determine to be a U.S. person from time to time.

Notwithstanding the preceding paragraph, “U.S. person” under Rule 902 does not include: (i) any discretionary account or similar account (other than an estate or trust) held for the benefit or account of a non-U.S. person by a dealer or other professional fiduciary organised,

incorporated, or (if an individual) resident in the United States; (ii) any estate of which any professional fiduciary acting as executor or administrator is a U.S. person, if (A) an executor or administrator of the estate who is not a U.S. person has sole or shared investment discretion with respect to the assets of the estate, and (B) the estate is governed by non-U.S. law; (iii) any trust of which any professional fiduciary acting as trustee is a U.S. person, if a trustee who is not a U.S. person has sole or shared investment discretion with respect to the trust assets, and no beneficiary of the trust (and no settlor if the trust is revocable) is a U.S. person; (iv) an employee benefit plan established and administered in accordance with the law of a country other than the United States and customary practices and documentation of such country; (v) any agency or branch of a U.S. person located outside the United States if (A) the agency or branch operates for valid business reasons, and (B) the agency or branch is engaged in the business of insurance or banking and is subject to substantive insurance or banking regulation, respectively, in the jurisdiction where located; and (vi) certain international organisations as specified in Rule 902(k)(2)(vi) of Regulation S under the 1933 Act, including their agencies, affiliates and pension plans.

CFTC Rule 4.7 currently provides in relevant part that the following persons are considered “Non-United States persons”:

- (a) a natural person who is not a resident of the United States or an enclave of the U.S. government, its agencies or instrumentalities;
- (b) a partnership, corporation or other entity, other than an entity organised principally for passive investment, organised under the laws of a non-U.S. jurisdiction and which has its principal place of business in a non-U.S. jurisdiction;
- (c) an estate or trust, the income of which is not subject to U.S. income tax regardless of source;
- (d) an entity organised principally for passive investment such as a pool, investment company or other similar entity, provided, that units of participation in the entity held by persons who do not qualify as Non-United States persons or otherwise as qualified eligible persons (as defined in CFTC Rule 4.7(a)(2) or (3)) represent in the aggregate less than ten percent of the beneficial interest in the entity, and that such entity was not formed principally for the purpose of facilitating investment by persons who do not qualify as Non-United States persons in a pool with respect to which the operator is exempt from certain requirements of Part 4 of the CFTC’s regulations by virtue of its participants being Non-United States persons; and
- (e) a pension plan for the employees, officers or principals of an entity organised and with its principal place of business outside the United States;

“**U.S. Taxpayer**” means (a) a U.S. citizen or resident alien of the United States (as defined for U.S. federal income tax purposes); (b) any entity treated as a partnership or corporation for U.S. federal tax purposes that is created or organised in, or under the laws of, the United States or any state thereof (including the District of Columbia); (c) any other partnership that is treated as a U.S. Taxpayer under U.S. Treasury Department regulations; (d) any estate, the income of which is subject to U.S. income taxation regardless of source; and (e) any trust over whose administration a court within the United States has primary supervision and all substantial decisions of which are under the control of one or more U.S. fiduciaries. Persons who have lost their U.S. citizenship and who live outside the United States may nonetheless, in some circumstances, be treated as U.S. Taxpayers.

An investor who is not a U.S. Person may nevertheless be considered a “U.S. Taxpayer” under U.S. federal income tax laws; and

“**VAT**” means value added tax.

In this Prospectus, any reference to any statute, statutory provision or regulatory requirement or guidance shall be construed as including a reference to that statute, statutory provision or regulatory requirement or guidance as amended, extended or re-enacted as at the date of this Prospectus and from time to time thereafter.

APPENDIX I

RECOGNISED EXCHANGES

With the exception of permitted investments in unlisted securities or in the units of open-ended collective investment schemes, the Trust will only invest in securities traded on a stock exchange or market that meets with the regulatory criteria as defined in the Central Bank UCITS Regulations and which is listed below.

The following is a list of regulated stock exchanges and markets in which the assets of each Fund may be invested from time to time. The exchanges and markets are listed in accordance with the regulatory criteria as defined in the Central Bank UCITS Regulations. The Central Bank does not issue a list of approved stock exchanges or markets.

The Trust may invest:

(i) without restriction in any stock exchange that is:

- located in any Member State of the European Union (except Malta); or
- located in any of the following countries:
in a Member State of the European Economic Area (EEA) (except Liechtenstein)
Australia
Canada
Japan
New Zealand
Switzerland
United Kingdom
United States of America

(ii) without restriction in any of the following:

Argentina	-	Bolsas y Mercados Argentinos
Argentina	-	Mercado Abierto Electronico
Bahrain	-	Bahrain Bourse
Bangladesh	-	Dhaka Stock Exchange
Bangladesh	-	Chittagong Stock Exchange
Bermuda	-	Bermuda Stock Exchange
Bosnia and Herzegovina	-	Banja Luka Stock Exchange
Bosnia and Herzegovina	-	Sarajevo Stock Exchange
Botswana	-	Botswana Stock Exchange
Brazil	-	B3(Brasil Bolsa Balcao S.A.) Equity
Brazil	-	B3 (Brasil Bolsa Balcao S.A.) Soma
Chile	-	Bolsa de Comercio de Santiago
Chile	-	Bolsa Electronica de Chile
Chile	-	Bolsa de Corredores de Valparaiso
China	-	SH-HK Connect Northbound
China	-	SZ-HK Connect Northbound
China	-	Shanghai Securities Exchange
China	-	Shenzhen Stock Exchange
Colombia	-	Bolsa de Valores de Colombia
Costa Rica	-	Bolsa Nacional De Valores Costa Rica

Egypt	-	Egyptian Exchange
Egypt	-	Nile Stock Exchange
Georgia	-	Georgia Stock Exchange
Ghana	-	Ghana Stock Exchange
Hong Kong	-	Hong Kong Stock Exchange
Hong Kong	-	SH-HK Connect Southbound
Hong Kong	-	SZ-HK Connect Southbound
India	-	Bombay Stock Exchange India
India	-	Metropolitan Stock Exchange
India	-	Clearing Corporation of India
India	-	National Stock Exchange of India
Indonesia	-	Indonesia Stock Exchange
Israel	-	Tel-Aviv Stock Exchange
Israel	-	MTS Israel
Ivory Coast	-	Bourse Regionale des Valeurs Mobilieres
Jordan	-	Amman Stock Exchange
Kazakhstan (Rep. Of)	-	Kazakhstan Stock Exchange
Kenya	-	Nairobi Stock Exchange
Korea	-	Korea Exchange
Korea	-	KOSDAQ
Korea	-	KOSPI Stock Exchange
Kuwait	-	Boursa Kuwait
Malawi	-	Malawi Stock Exchange
Malaysia	-	Bursa Malaysia
Mauritius	-	Mauritius Stock Exchange
Mexico Exchange)	-	Bolsa Mexicana de Valores (aka Mexico Stock Exchange)
Mexico	-	Bolsa Institucional de Valores
Morocco	-	Societe de la Bourse des Valeurs de Casablanca
Namibia	-	Namibian Stock Exchange
Nigeria	-	Nigerian Stock Exchange
Oman	-	Muscat Stock Exchange
Pakistan	-	Pakistan Stock Exchange
Panama	-	Panama Stock Exchange
Peru	-	Bolsa de Valores de Lima
Philippines	-	Philippine Stock Exchange
Qatar	-	Qatar Stock Exchange
Russia	-	Moscow Exchange
Russia	-	Russian Trading System
Saudi Arabia Stock Exchange)	-	Tadawul Stock Exchange (aka Saudi Arabian Stock Exchange)
Serbia	-	Belgrade Stock Exchange
Singapore	-	Singapore Stock Exchange
South Africa	-	Johannesburg Stock Exchange
South Africa	-	A2X Markets
Sri Lanka	-	Colombo Stock Exchange
Swaziland	-	Swaziland Stock Exchange
Taiwan (Republic of China)	-	Taipei Stock Exchange
Taiwan (Republic of China)	-	Taiwan Stock Exchange Corporation
Tanzania	-	Dar Es Salaam Stock Exchange
Thailand	-	Stock Exchange of Thailand

Tunisia	-	Bourse des Valeurs Mobilières de Tunis
Turkey	-	Borsa Istanbul
Uganda	-	Uganda Securities Exchange
Ukraine	-	Ukrainian Stock Exchange
Ukraine	-	PFTS Stock Exchange
United Arab Emirates	-	Abu Dhabi Stock Exchange
United Arab Emirates	-	Dubai Financial Market
United Arab Emirates	-	Nasdaq Dubai
Uruguay	-	Bolsa Electronica de Valores de Uruguay
Vietnam	-	Ho Chi Minh Stock Exchange
Vietnam	-	Hanoi Stock Exchange
Zambia	-	Lusaka Stock Exchange
Zimbabwe	-	Zimbabwe Stock Exchange

any of the following markets:

the market organised by the International Capital Market Association;

the market conducted by the “listed money market institutions”, as described in the Financial Services Authority publication “The Investment Business Interim Prudential Sourcebook” which replaces the “Grey Paper” as amended from time to time;

the French Markets for Titres de Créances Négociables (the Over-the-Counter markets in negotiable debt instruments);

The over-the-counter market in the United States regulated by the Financial Industry Regulatory Authority Inc. (FINRA) (also described as the over-the-counter market in the United States conducted by primary and secondary dealers regulated by the U.S. Securities and Exchange Commission and by FINRA and by banking institutions regulated by the U.S. Comptroller of the Currency Administrator of National Banks, the Federal Reserve System or Federal Deposit Insurance Corporation);

NASDAQ in the United States of America;

NASDAQ Europe SA/NV;

the Over-the-Counter market in Japan regulated by the Securities Dealers Association of Japan;

the market in the U.S. government securities conducted by primary dealers regulated by the Federal Reserve Bank of New York;

the over-the-counter market in Canadian Government Bonds as regulated by the Investment Dealers Association of Canada;

AIM - the Alternative Investments Markets in the United Kingdom regulated and operated by the London Stock Exchange;

SESDAQ – the second tier of the Singapore Stock Exchange.

(iii) All derivative exchanges on which permitted financial derivative instruments may be listed or traded:

in a Member State;

in a Member State in the European Economic Area (European Union, Norway, Iceland and Liechtenstein);

in the United Kingdom;

in the United States of America, on the

- Chicago Board of Trade;
- Chicago Board Options Exchange;
- Chicago Mercantile Exchange;
- Eurex U.S.;
- New York Futures Exchange;
- New York Board of Trade;
- New York Mercantile Exchange;

in Brazil, on B3 (Brasil Bolsa Balcao S.A.) Derivatives

in Canada, on

- the Montreal Exchange;
- the Toronto Stock Exchange;

in China, on the Shanghai Futures Exchange;

in Hong Kong, on the Hong Kong Futures Exchange;

in Japan, on the

- Osaka Securities Exchange;
- Tokyo International Financial Futures Exchange;
- Tokyo Stock Exchange;

in Switzerland, on the SWX Swiss Exchange;

in New Zealand, on the New Zealand Futures and Options Exchange;

in Singapore, on the

- Singapore International Monetary Exchange; and
- Singapore Commodity Exchange.

For the purposes only of determining the value of the assets of a Fund, the term “Recognised Exchange” shall be deemed to include, in relation to any futures or options contract utilised by the Fund for the purposes of efficient portfolio management, to provide protection against exchange rates or for other investment purposes, any organised exchange or market on which such futures or options contract is regularly traded.

APPENDIX II

TECHNIQUES AND INSTRUMENTS

Each Fund may use Financial Derivative Instruments (FDI), for efficient portfolio management and investment purposes with respect to its management of (i) interest rates, (ii) currency exchange rates and (iii) securities prices or other factors affecting the valuation of financial instruments (*e.g.*, volatility) and any other investment purpose that is in accordance with the investment objectives, policies and restrictions applicable to the Trust and each Fund. Investors' attention is drawn to a selection of the types of instruments that may be used by the Funds in each investment category and the purpose for which they may be used. The Funds may invest in other derivatives instruments not mentioned below in the pursuit of their investment objectives provided any such financial derivative instrument shall be subject to the risk management methods set out in the risk management process filed with the Central Bank. Investments in FDI will be made or entered into within the conditions and limits set out in the Central Bank UCITS Regulations.

Generally, derivatives are financial contracts whose value depends upon, or is derived from, the value of an underlying asset, reference rate or index, and may relate to stocks, bonds, interest rates, currencies or currency exchange rates and related indexes. A portfolio manager may decide not to employ any of these strategies and there is no assurance that any derivatives strategy used by a Fund will succeed. A Fund may use derivative instruments traded on organised exchanges or over-the-counter (OTC) markets.

Types of Instruments by Fund Type

Equity Funds

Equity funds will typically use the following instruments:

1. Equity index futures and options (*e.g.*, S&P500, FTSE100....)

Equity index futures are used primarily for cash equitisation, (*i.e.*, ensuring that cash required for daily portfolio movements does not act as a drag on performance in a rising market or a contributor to performance in a declining market) or as an alternative to direct investment in the relevant equity market. Index futures may also be used to take outright long or short exposures to individual equity markets, subject to the restrictions on leverage set out elsewhere in the risk management process and the Central Bank UCITS Regulations.

When a futures contract does not exist on the benchmark used by the Fund to represent its investment strategy, a highly correlated alternative is often used. This risk mitigating trade is put on because the basis risk between the relative market segment returns (for example the S&P 500 versus the Russell 1000) is believed to be less than the total risk of being not exposed to absolute equity market returns.

Exchange-traded or OTC-traded options on equity indices may also be used.

2. Single stock options (*calls, including warrants and puts*)

Single stock options, including warrants, are used to (1) gain exposure to certain securities (buying calls), (2) hedge against downside (buying puts) or (3) to generate additional yield in the portfolio (writing covered calls).

3. Total return swaps

Total return swaps are used to gain exposure to a particular security or market in instances where it is not possible or not economic to do so through the underlying security or an index futures contract. When the investment objective is to obtain economic exposure to a stock without the control implication of owning the stock outright, total return swaps are a useful alternative. Access to certain emerging markets can also be facilitated by the use of total return swaps on indices. Included in this category are relative return swaps, which return the difference between two baskets of stocks (either based on published indices or customised baskets).

4. Foreign exchange (FX) forwards

FX Forwards are used to either hedge the currency exposures of equity instruments denominated in a currency other than the fund's Base Currency (this strategy is applied for the funds' hedged classes) or to actively overlay currency views onto the fund's currency exposure resulting from investing in foreign markets – managers may, for example, have positive views on certain countries' equity markets but negative views on that country's currency.

Fixed Income Funds

Fixed Income funds will typically use the following instruments:

1. Interest rate futures

Interest rates futures are used to manage a portfolio's overall duration (*i.e.*, sensitivity to changes in the yield curve).

2. Interest rate swaps

Interest rate swaps are used to manage a portfolio's overall duration (*i.e.*, sensitivity to changes in the yield curve). Swaps can be tailored to more specific maturities than futures (futures are standard contracts with fixed maturities) and may extend over longer horizons. Included in this category are spread swaps and basis swaps.

3. Exchange-traded Options and Over-the-Counter Options (including Swaptions)

All options are used to manage the volatility and convexity exposures of certain fixed income instruments such as mortgage-backed securities. The most common forms of options are options on Treasury bonds, options on interest rate futures and options on swaps (Swaptions). Interest rate caps and floors are included in this category.

4. Foreign exchange (FX) Forwards

FX Forwards are used to either hedge the currency exposures of fixed income instruments denominated in a currency other than the fund's Base Currency – this strategy is applied for the funds' hedged classes - or to actively overlay currency views onto the fund's currency exposure resulting from investing in foreign markets – managers may, for example, have positive views on certain countries' fixed income markets but negative views on that country's currency.

5. Credit default swaps

Single name credit default swaps (CDS), credit default swap indices (CDX), and credit default swap index tranche products are used to gain economic exposure to certain credits when it is more efficient to utilise the derivatives over the cash market. An index tranche is a portion of the overall CDS index. The CDS index is first created by a collection of individual credit default swaps and then subsequently structured to create various tranches of different risks based upon how losses in the overall CDS index are prioritised. Tranche breakpoints (protection percentages) are

standardised and all trades are based on a common index of CDS (*e.g.*, 125 names for CDX Investment Grade N.A.) for which market data is available. Liquidity and relative value considerations are usually the primary justification for using these instruments. Included in this category are swaps in which the underlying credit reference may be a bond (as above), a loan (loan CDS) as well as those which reference a different index (such as home equity asset-backed (ABX) or commercial mortgage-backed (CMBX) reference obligations). Other indices include credit cards, student loans, as well as auto loans.

6. *Inflation-linked derivatives (i.e., inflation swaps)*

Inflation swaps are used for either gaining or hedging against inflation exposure implicit in all interest rate products or to take advantage of mispricings between nominal and expected real interest rates.

7. *Currency basis swaps*

Currency basis swaps are a combination of interest rate and currency swap allowing investments in fixed income instruments in one currency to be converted into floating rate payments in another currency. They allow the effective hedging of foreign currency bonds using a single instrument.

8. *Total return swaps*

Total return swaps are used to gain immediate economic exposure to a security or large, diverse basket of securities (index). Similar to generic interest rate swaps, total return swaps can be tailored to specific maturities and may extend over long horizons. Diversification needs and relative value considerations are the primary justification for using these instruments. Included in this category are relative return swaps or spread swaps, which return the difference between two baskets of bonds (either based on published indices or customised baskets).

Where a Fund enters total return swaps it will only enter into total return swaps on behalf of the Fund with the credit institutions described under the heading “Investment Restrictions” and which have a credit rating of at least A-2 (as rated by a recognised rating agency such as Standard and Poor’s) or lower where the credit institution posts initial margin. Subject to compliance with those conditions, the Investment Advisor will have full discretion as to the appointment of counterparties when entering into total return swap in furtherance of a Fund’s investment objective and policies. It may not be possible to comprehensively list in the Prospectus all the counterparties as they may not have, as of the date of issue of the Prospectus, been selected and they may change from time to time.

Risks associated with the use of total return swaps, are detailed under the heading “Risk Factors”.

9. *Variance swaps and volatility swaps*

Variance and volatility swaps are used to express a view on either future realised volatility or the difference between implied volatility and realised volatility. The variance swap and volatility swap can have as basis any rate such as interest rates or swap rates in addition to any spread such as high yield or investment grade spreads. The main benefit of entering into a variance or volatility swap is to gain exposure to volatility without having implicit exposure to the direction of interest rates or spreads. Positions on volatility may also be taken by means of similar instruments, such as forwards.

Equity and Fixed Income Funds

Funds that invest in equities and fixed income may, in addition to the instruments above, also take exposure to other asset classes where permitted to do so by the investment objectives and policies of the relevant Fund. Such exposures will typically be gained through the following instruments:

1. *Derivatives on commodities indices*

Futures, swaps and structured notes with embedded derivatives on commodities indices are used to gain exposure to commodities markets as a means of diversifying risk within a Fund. The indices used will be well diversified, recognised indices for which published data is readily available, such as the Goldman Sachs Commodity Index or the Dow Jones-AIG Commodity Index.

2. *Derivatives on currencies*

Currency futures, options and swaps may be used, in addition to currency forwards as outlined above, to take currency exposures in addition to any hedging of currency exposures or application of a currency overlay to a Fund's investment portfolio where appropriate to the Fund's investment objective.

Currency Funds

Funds whose primary investment strategy consists of investments in currencies may use a variety of currency instruments, including currency forwards, currency options, and currency basis swaps, variance and volatility swaps and volatility forwards, correlation swaps (*i.e.*, swaps that allow the Investment Advisor to express a view on the correlation between two or more currencies), or other swaps with respect to various currencies.

Asset Allocation Funds

Asset allocation funds are assemblies of underlying equity and fixed income portfolios that use derivatives as described in the sections above. In addition to the equity and fixed income active risk, the asset allocation risk (*i.e.*, equity/fixed income mix diverges from the one outlined in the product's benchmark) is often managed using equity index futures as well as interest rate futures.

All Funds may purchase hybrid securities. A hybrid security is a security that combines two or more financial instruments. Hybrid securities generally combine a traditional stock or bond with an option or forward contract. Generally, the principal amount payable upon maturity or redemption, or interest rate of a hybrid security, is tied (positively or negatively) to the price of some currency or securities index or another interest rate or some other economic factor (each a "benchmark"). The interest rate or (unlike most fixed income securities) the principal amount payable at maturity of a hybrid security may be increased or decreased, depending on the changes in the value of the benchmark.

A Fund's use of derivative instruments involves risks different from, or possibly greater than, the risks associated with investing directly in securities and other more traditional investments.

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

A Fund may employ techniques and instruments intended to provide protection against exchange rate risks, in the context of the management of its asset and liabilities. In this regard, a Fund may:

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

In addition, certain Funds may gain exposure to commodities through the use of derivatives and structured notes based on commodity indices such as commodity index futures or commodities indices swaps (provided the index in question is sufficiently diversified, represents an adequate benchmark for the market to which it refers and is published in an appropriate manner and is cleared by the Central Bank).

Any financial derivative instrument not included in the risk management process will not be utilised until such time as a revised submission has been provided to the Central Bank.

Financial Indices

As an alternative to direct investment, exposure to instruments or markets may be obtained through the use of derivative instruments the returns on which are referenced to the performance of financial indices. These financial indices may or may not be comprised of Eligible Assets, as defined in the Central Bank UCITS Regulations. Where exposure is generated to financial indices that are not comprised of Eligible Assets or in circumstances where an index is comprised of Eligible Assets but the relevant Fund cannot comply with the risk spreading rules set down in the Regulations taking into account both direct and indirect exposure of the Fund to the constituents of the relevant index, then the exposure will satisfy the criteria set down in the Central Bank UCITS Regulations. Subject to compliance with those conditions, the Investment Advisor has full discretion as to which financial indices to take exposure to in furtherance of a Fund's investment objective(s) and policies. It is not possible to list comprehensively the actual indices to which exposure may be taken, as they will change from time to time, but the annual accounts of the Trust will include details of the indices to which exposures are taken during the relevant period.

Financial indices to which a Fund may gain exposure will be rebalanced/adjusted on a periodic basis (*i.e.*, either on a weekly, monthly, quarterly, semi-annual or annual basis). The costs associated with gaining exposure to a financial index may be impacted by the frequency with which the relevant financial index is rebalanced, as an index may pass on rebalancing costs by including them in the price of the index. Where the weighting of a particular constituent in a financial index exceeds a Fund's investment restrictions, the Investment Advisor will, as a priority objective, look to remedy the situation in a reasonable time frame, taking into account the interests of the Fund and Unitholders.

Details of any financial indices used by the relevant Fund for investment purposes (including the markets which they are representing) will be provided to Unitholders by the Investment Advisor of the Fund on request and will be set out in the Trust's annual accounts.

When Issued/Delayed Delivery Securities/To Be Announced Securities/Non-deliverable Forwards

A Fund may purchase or sell securities on a when-issued or delayed-delivery basis for the purposes of hedging and investment purposes. In this instance payment for and delivery of securities take place in the future at a stated price in order to secure what is considered to be an advantageous price and yield to the Fund at the time of entering into the transaction. Securities are considered “delayed delivery” securities when traded in the secondary market, or “when-issued” securities if they are an initial issuance of securities. Delayed delivery securities (which will not begin to accrue interest until the settlement date) and when-issued securities will be recorded as assets of the Fund and will be subject to risks of market value fluctuations. The purchase price of delayed delivery and when-issued securities will be recorded as a liability of the Fund until settlement date and when issued or delivered as the case may be such securities will be taken into account when calculating the investment restrictions limits.

In the case of to-be-announced (“TBA”) purchase commitments, the unit price and the estimated principal amount are established when the Fund enters into a contract, with the actual principal amount being within a specified range of the estimate. Forward delivery contracts, or forward commitments, involve a risk of loss if the value of the security to be purchased declines prior to the settlement date, which risk is in addition to the risk of decline in the value of the Fund’s other assets. Where such purchases are made through dealers, the Fund relies on the dealer to consummate the sale. The dealer’s failure to do so may result in the loss to the Fund of an advantageous yield or price. The Fund may make use of other techniques or instruments (such as certain swaps on mortgage rates) that share certain features of TBAs.

The Fund may make use of non-deliverable forwards, also known as forward contracts for differences. Non-deliverable forwards are an outright forward or futures contract in which counterparties settle the difference between the contracted non-deliverable forward price or rate and the prevailing spot price or rate on an agreed notional amount.

Repurchase/Reverse Repurchase and Securities Lending Agreements

Subject to the conditions and limits set out in the Central Bank UCITS Regulations and where set out in the relevant Supplement, a Fund may use repurchase agreements, reverse repurchase agreements and/or securities lending agreements to generate additional income and capital for the relevant Fund. Repurchase agreements, reverse repurchase agreements and/or securities lending arrangements will only be utilised for efficient portfolio management purposes. Repurchase agreements are transactions in which one party sells a security to the other party with a simultaneous agreement to repurchase the security at a fixed future date at a stipulated price reflecting a market rate of interest unrelated to the coupon rate of the securities. A reverse repurchase agreement is a transaction whereby a Fund purchases securities from a counterparty and simultaneously commits to resell the securities to the counterparty at an agreed upon date and price. A securities lending agreement is an agreement under which title to the “loaned” securities is transferred by a “lender” to a “borrower” with the borrower contracting to deliver “equivalent securities” to the lender at a later date.

Collateral

Where necessary or deemed appropriate, a Fund will accept collateral from its counterparties in order to reduce counterparty risk exposure generated through the use of over-the-counter derivative instruments and efficient portfolio management techniques. Any collateral received by a Fund shall comprise of cash collateral and/or government backed securities of varying

maturity that satisfy the requirements of the Central Bank relating to non-cash collateral that may be received by a UCITS. Cash collateral received by a Fund may be reinvested in accordance with the requirements of the Central Bank at the discretion of the Investment Advisor. In this regard, any cash collateral received by a Fund may be placed on deposit with relevant credit institutions as permitted by the Regulations. In such circumstances, the Fund shall be exposed to the creditworthiness of the relevant credit institution with which cash collateral is placed.

In respect of total return swaps (“TRS”), contracts for difference (“CFDs”) and securities financing transactions within the meaning of the SFT Regulation, collateral received other than cash, will be highly liquid and traded on a regulated market or multilateral trading facility with transparent pricing in order that it can be sold quickly at a price that is close to pre-sale valuation.

Collateral received will be issued by an entity that is independent from the counterparty and is not expected to display a high correlation with the performance of the counterparty. Subject to subparagraph (ii) of point 5 in Schedule 3 of the Central Bank UCITS Regulations, collateral will be sufficiently diversified in terms of country, markets and issuers with a maximum exposure to a given issuer of 20% of the Fund’s Net Asset Value.

Any collateral and/or assets received by the Fund on a title transfer basis shall be held in safekeeping by the Depositary. For other types of collateral arrangements, the collateral will be held with a third-party custodian which is subject to prudential supervision and which is unrelated to the collateral provider.

A Fund may be fully collateralised in different transferable securities and money market instruments issued or guaranteed by a Member State, one or more of its local authorities, a third country, or a public international body to which one or more Member States belong, as permitted by the Regulations. The guarantors that a Fund is able to accept collateral from for more than 20% of the Fund’s Net Asset Value include: the U.S. Treasury; the U.S. Federal National Mortgage Association (Fannie Mae); the U.S. Federal Home Loan Mortgage Corporation (Freddie Mac); the U.S. Government National Mortgage Association; the U.S. Federal Home Loan Bank; and the U.S. Federal Farm Credit Bank.

The level of collateral required to be posted may vary by counterparty with which a Fund trades and is based on the daily mark-to-market value of the relevant derivatives exposure and daily variation margin used if the value of collateral falls below coverage requirements. The haircut policy applied to posted collateral will be negotiated on a counterparty-by-counterparty basis and will vary depending on the class of asset received by a Fund, taking into account the credit standing and price volatility of the securities posted by the relevant counterparty.

Counterparties

A Fund’s use of FDI involves the risk of counterparty default and the risk of a negative impact to the Fund’s performance. More information on the risks associated with counterparties, how the Funds manage counterparty exposure, and what types of counterparties the Funds engage with is included in the Prospectus section entitled “Derivatives Risks – Counterparty Risks” and in the risk management process filed with the Central Bank.

In respect of TRS, CFDs and SFTs, a counterparty selected will be either an investment firm, authorised in accordance with the EU MiFID Directive (2004/39/EC) or a group company of an entity issued with a bank holding company licence from the Federal Reserve of the United

States of America where that group company is subject to bank holding company consolidated supervision by the Federal Reserve or an “Approved Credit Institution”. An Approved Credit Institution is:

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

Counterparties to TRS, CFDs and SFTs will have a minimum credit rating of A-2 or equivalent or have been deemed by the Manager to have an implied rating of A-2. Alternatively, an unrated counterparty may be acceptable where the Fund is indemnified or guaranteed against losses suffered as a result of a failure by the counterparty by an entity which has and maintains a rating of A-2 or equivalent.

The Manager approves the counterparties used for dealing, establishes counterparty credit limits for them and monitors them on an on-going basis.

The Manager selects counterparties on the basis of their ability to supply liquidity and competitive pricing to the Fund. This is subject to the minimum credit rating requirements and legal status requirements specified in the Regulations and further detailed above.

The Manager’s counterparty approval process reviews the financial strength, internal controls and general reputation of the counterparty in question, as well as the legal, regulatory and political environment in the relevant markets. Counterparty exposure is monitored and reported to the Manager on a regular basis. Any broker counterparty selected must be appropriately registered and meet operational efficiency requirements of the Manager.

Investors should consult the section “Risk Factors and Special Considerations” in the Prospectus for information on counterparty risk and credit risk in this regard.

Investors should be aware that when a Fund enters into FDI-related agreements, any associated operational costs and/or fees shall be deducted from the revenue delivered to the Fund. Such fees and costs may include financing fees or brokerage fees. One of the considerations taken into account by the Investment Advisor when selecting brokers and counterparties to derivatives transactions on behalf of a Fund is that any such costs and/or fees that are deducted from the revenue delivered to the Fund shall be at normal commercial rates and shall not include any hidden revenue. Such direct or indirect costs and fees will be paid to the relevant broker or counterparty to the derivatives transaction, which, in the case of derivatives used for unit class currency hedging purposes, may include the Depositary or entities related to the Depositary. All revenues generated through the use of derivatives for efficient portfolio management, net of direct and indirect operational costs and fees, will be returned to the Fund. Subject to compliance with these conditions and those described in the Prospectus section entitled “Derivatives Risks – Counterparty Risks”, the Investment Advisor has full discretion as to the appointment of counterparties when entering into derivatives in furtherance of the Fund’s investment objective(s) and policies. It is not possible to list comprehensively all of the counterparties that the Funds may have as they will change from time to time, but the annual accounts of the Trust will include details of the counterparties engaged with during the relevant

period.

APPENDIX III

The Depository has appointed State Street Bank and Trust Company with registered office at Copley Place, 100 Huntington Avenue, Boston, Massachusetts 02116, USA as its global sub-custodian. State Street Bank and Trust Company as global sub-custodian has appointed local sub-custodians within the State Street Global Custody Network as listed below, as at the date of this Prospectus. This list may be updated from time to time and the latest version of this list is available upon request from the Manager.

MARKET	SUBCUSTODIAN
Albania	Raiffeisen Bank sh.a.
Argentina	Citibank, N.A.
Australia	The Hongkong and Shanghai Banking Corporation Limited
Austria	UniCredit Bank Austria AG
Bahrain	First Abu Dhabi Bank P.J.S.C.
Bangladesh	Standard Chartered Bank
Belgium	BNP Paribas S.A, France
Benin	via Standard Chartered Bank Côte d’Ivoire S.A., Abidjan, Ivory Coast
Bermuda	HSBC Bank Bermuda Limited
Federation of Bosnia and Herzegovina	UniCredit Bank d.d.
Botswana	Standard Chartered Bank Botswana Limited
Brazil	Citibank, N.A.
Bulgaria	Citibank Europe plc, Bulgaria Branch
	UniCredit Bulbank AD
Burkina Faso	via Standard Chartered Bank Côte d’Ivoire S.A., Abidjan, Ivory Coast
Canada	State Street Trust Company Canada
Chile	Banco de Chile
People’s Republic of China	HSBC Bank (China) Company Limited (as delegate of The Hongkong and Shanghai Banking Corporation Limited)
	China Construction Bank Corporation
China Connect	Standard Chartered Bank (Hong Kong) Limited
Colombia	Cititrust Colombia S.A. Sociedad Fiduciaria
Costa Rica	Banco BCT S.A.
Croatia	Privredna Banka Zagreb d.d.
	Zagrebacka Banka d.d.

Cyprus	BNP Paribas S.A., Greece (operating through its Athens branch)
Czech Republic	Československá obchodní banka, a.s.
	UniCredit Bank Czech Republic and Slovakia, a.s.
Denmark	Skandinaviska Enskilda Banken AB (publ), Sweden (operating through its Copenhagen branch)
Egypt	Citibank, N.A.
Estonia	AS SEB Pank
Finland	Skandinaviska Enskilda Banken AB (publ), Sweden (operating through its Helsinki branch)
France	BNP Paribas S.A.
Republic of Georgia	JSC Bank of Georgia
Germany	State Street Bank International GmbH
	Deutsche Bank AG
Ghana	Standard Chartered Bank Ghana Plc
Greece	BNP Paribas S.A.
Guinea-Bissau	via Standard Chartered Bank Côte d'Ivoire S.A., Abidjan, Ivory Coast
Hong Kong	The Hongkong and Shanghai Banking Corporation Limited
Hungary	Citibank Europe plc Magyarországi Fióktelepe
	UniCredit Bank Hungary Zrt.
Iceland	Landsbankinn hf.
India	Deutsche Bank AG
	Citibank, N.A.
	The Hongkong and Shanghai Banking Corporation Limited
Indonesia	Standard Chartered Bank
	Deutsche Bank AG
Ireland	State Street Bank and Trust Company, United Kingdom branch
Israel	Bank Hapoalim B.M.
Italy	Intesa Sanpaolo S.p.A.
Ivory Coast	Standard Chartered Bank Côte d'Ivoire S.A.
Japan	Mizuho Bank, Limited
	The Hongkong and Shanghai Banking Corporation Limited
Jordan	Standard Chartered Bank, Dubai International
Kazakhstan	JSC Citibank Kazakhstan
Kenya	Standard Chartered Bank Kenya Limited

Republic of Korea	Deutsche Bank AG
	The Hongkong and Shanghai Banking Corporation Limited
Kuwait	First Abu Dhabi Bank P.J.S.C.
Latvia	AS SEB banka
Lithuania	AB SEB bankas
Malawi	Standard Bank PLC
Malaysia	Standard Chartered Bank Malaysia Berhad
Mali	via Standard Chartered Bank Côte d’Ivoire S.A., Abidjan, Ivory Coast
Mauritius	The Hongkong and Shanghai Banking Corporation Limited
Mexico	Banco Nacional de México, S.A.
Morocco	Citibank Maghreb S.A.
Namibia	Standard Bank Namibia Limited
Netherlands	BNP Paribas S.A., France
New Zealand	The Hongkong and Shanghai Banking Corporation Limited
Niger	Via Standard Chartered Bank Cote d’Ivoire S.A., Abidjan, Ivory Coast
Nigeria	Stanbic IBTC Bank Plc.
Norway	Skandinaviska Enskilda Banken AB (publ), Sweden (operating through its Oslo branch)
Oman	First Abu Dhabi Bank P.J.S.C.
Pakistan	Deutsche Bank AG
	Citibank, N.A.
Panama	Citibank, N.A.
Peru	Citibank del Perú, S.A.
Philippines	Standard Chartered Bank
Poland	Bank Handlowy w Warszawie S.A.
Portugal	Citibank Europe plc, Dublin, Ireland
Qatar	HSBC Bank Middle East Limited (as delegate of The Hongkong and Shanghai Banking Corporation Limited)
Romania	Citibank Europe plc, Dublin – Romania Branch
Russia	AO Citibank
Saudi Arabia	FAB Capital J.S.C. (as delegate of First Abu Dhabi Bank P.J.S.C.)
Senegal	via Standard Chartered Bank Côte d’Ivoire S.A., Abidjan, Ivory Coast

Serbia	UniCredit Bank Serbia JSC Belgrade
Singapore	Citibank N.A.
Slovak Republic	UniCredit Bank Czech Republic and Slovakia, a.s.
Slovenia	UniCredit Banka Slovenija d.d.
South Africa	FirstRand Bank Limited
	Standard Charter Bank
Spain	Citibank Europe plc, Dublin, Ireland
Sri Lanka	The Hongkong and Shanghai Banking Corporation Limited
Republic of Srpska	UniCredit Bank d.d.
Sweden	Skandinaviska Enskilda Banken AB (publ)
Switzerland	UBS Switzerland AG
Taiwan - R.O.C.	Standard Chartered Bank (Taiwan) Limited
Tanzania	Standard Chartered Bank (Tanzania) Limited
Thailand	Standard Chartered Bank (Thai) Public Company Limited
Togo	via Standard Chartered Bank Côte d'Ivoire S.A., Abidjan, Ivory Coast
Tunisia	Union Internationale de Banques
Turkey	Citibank, A.S.
Uganda	Standard Chartered Bank Uganda Limited
Ukraine	JSC Citibank
United Arab Emirates Dubai Financial Market	First Abu Dhabi Bank P.J.S.C
United Arab Emirates Dubai International Financial Center	First Abu Dhabi Bank P.J.S.C
United Arab Emirates Abu Dhabi	First Abu Dhabi Bank P.J.S.C
United Kingdom	State Street Bank and Trust Company, United Kingdom branch
United States	State Street Bank and Trust Company
Uruguay	Banco Itaú Uruguay S.A.
Vietnam	HSBC Bank (Vietnam) Limited (as delegate of The Hongkong and Shanghai Banking Corporation Limited)
Zambia	Standard Chartered Bank Zambia Plc.

Zimbabwe	Stanbic Bank Zimbabwe Limited (as delegate of Standard Bank of South Africa Limited)
Transnational Depositories	Euroclear Bank S.A./N.V.
	Clearstream Banking, S.A.

PUTNAM GLOBAL HIGH YIELD BOND FUND

Supplement I to the Prospectus for Putnam World Trust dated 22 July 2024 (the “Prospectus”)

This Supplement contains specific information in relation to the Putnam Global High Yield Bond Fund (the “Fund”), a Fund of Putnam World Trust (the “Trust”). The Trust is an open-ended umbrella unit trust established pursuant to the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 (as amended) (S.I. No. 352 of 2011) and any regulations made thereunder.

This Supplement forms part of and should be read in conjunction with all the information contained within the Prospectus, including the general descriptions of:

- **the Trust and its management and administration;**
- **its general management and Trust charges;**
- **the taxation of the Trust and of its Unitholders; and**
- **its risk factors.**

The most recent version of the Prospectus is available at www.putnam.com/ucits and from Citibank Europe plc, 1 North Wall Quay, Dublin 1, Ireland.

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

Words and expressions defined in the Prospectus shall, unless the context otherwise requires, have the same meanings when used in this Supplement.

The Fund may engage in transactions in financial derivative instruments for investment, efficient portfolio management and/or for hedging purposes. It is expected that the use of derivatives may result in a moderate impact on the performance of the Fund in relation to its investment objectives and the investment policy. This may result in a high level of volatility and risk.

For defensive purposes, the Fund may invest substantially in deposits or money market instruments and in such cases investors should be aware that units in the Fund are not the same as deposits or obligations that are guaranteed or endorsed by any bank and the amount invested in the Fund may fluctuate up or down.

IMPORTANT: if you are in any doubt about the contents of this Supplement, you should consult an independent financial advisor.

Neither the delivery of this Supplement nor the issue or sale of Units in the Fund shall, under any circumstances, constitute a representation that the information contained in this Supplement is correct as of any time subsequent to the date of this Supplement.

An investment in the Fund should not constitute a substantial proportion of an

investment portfolio and may not be appropriate for all investors.

1. Issue of Units

Class A Units, Class B Units, Class C Units, Class E Units, Class E2 Units, Class I Units, Class S Units, and Class S3 Units are already in issue and are available at the Net Asset Value per Unit of the relevant Class of Unit on the relevant Dealing Day plus any applicable sales charge as described below.

Each of the following Classes of Units shall be available for six months from the date of noting of the Supplement, or such other dates as any one Director may determine in accordance with the requirements of the Central Bank. Class M Units shall be available at €10.00 per Unit. Class NK Units shall be available at Norwegian kr100.00 per Unit. Class SK Units shall be available at Swedish kr100.00 per Unit. Class S2 Units (which were previously in issue and were subsequently fully redeemed) shall be available at £10.00 per Unit. Class T Units (which were previously in issue and were subsequently fully redeemed) shall be available at £10.00 per Unit. Class Y Units shall be available at ¥1,000 per Unit.

Thereafter, each Class of Units shall be available on each Dealing Day at the Net Asset Value per Unit plus any applicable sales charge as described below. The offer periods may be extended or shortened at the discretion of the Manager in accordance with the Central Bank's requirements. A separate pool of assets is not being maintained for each Class of Units.

The characteristics of the various Unit Classes are set out below:

Class A Units: There is no minimum initial subscription amount and no minimum subsequent subscription amount for Class A Units. An initial sales charge of up to 6.25% of the Net Asset Value per Unit may be charged. The Class A Units are designated in US\$.

Class B Units and Class C Units: There is no minimum initial subscription amount and no minimum subsequent subscription amount for Class B or Class C Units. While Class B Units and Class C Units are offered without an initial sales charge, a higher ongoing management fee is payable with respect to Class B Units and Class C Units and a deferred sales charge (as set out under the heading "How to Buy Units") may be imposed on Class B Units and Class C Units at the discretion of the Manager based on the length of time the Unitholder has held the Class B or Class C Units. The Class B Units and Class C Units are designated in US\$.

Class M Units: There is no minimum initial subscription amount and no minimum subsequent subscription amount for Class M Units. There is an initial sales charge of up to 6.25% of the Net Asset Value per Unit. The Class M Units are designated in Euro.

Class T Units: There is no minimum initial subscription amount and no minimum subsequent subscription amount for Class T Units. There is an initial sales charge of up to 6.25% of the Net Asset Value per Unit. The Class T Units are designated in Sterling.

Class E and Class E2 Units: The minimum initial subscription amount is €10,000,000. The minimum subsequent subscription amount is €25,000. There is no initial or

deferred sales charge. The Class E Units and Class E2 Units are designated in Euro.

Class I Units: The minimum initial subscription amount is US\$10,000,000. The minimum subsequent subscription amount is US\$25,000. There is no initial or deferred sales charge. The Class I Units are designated in US\$.

Class NK Units: The minimum initial subscription amount is kr100,000,000. The minimum subsequent subscription amount is kr250,000. There is no initial or deferred sales charge. The Class NK Units are designated in Norwegian krone.

Class S Units, Class S2 Units, and Class S3 Units: The minimum initial subscription amount is £10,000,000. The minimum subsequent subscription amount is £25,000. There is no initial or deferred sales charge. The Class S Units, Class S2 Units, and Class S3 Units are designated in Sterling.

Class SK Units: The minimum initial subscription amount is kr100,000,000. The minimum subsequent subscription amount is kr250,000. There is no initial or deferred sales charge. The Class SK Units are designated in Swedish krona.

Class Y Units: The minimum initial subscription amount is ¥1 billion. The minimum subsequent subscription amount is ¥25,000. There is no initial or deferred sales charge. The Class Y Units are designated in Yen.

The Manager reserves the right to differentiate between Unitholders and to vary or waive the above minimum amounts with respect to any investor at any time.

Hedging

For the benefit of holders of Units denominated in a currency other than the Base Currency, the Investment Advisor shall, through the use of forward foreign exchange contracts and currency futures contracts and other financial derivative instruments as set out in Appendix II to the Prospectus, hedge the foreign exchange exposure arising in accordance with the conditions set out in the Prospectus under the heading “Hedged Classes”.

Where a Class of Units is designated as a hedged Class, that Class will be hedged against exchange rate fluctuation risks between the denominated currency of the Class and the Base Currency of the Fund. Such hedging strategy shall be subject to the conditions and within the limits laid down by the Central Bank and may not be implemented if the Net Asset Value of the Fund falls below any level whereby the Investment Advisor considers that it can no longer hedge the currency exposure in an effective manner.

Further information is set out in the Prospectus at the sections entitled “Hedged Classes” and “Unit Currency Designation Risk”. It should be noted that the successful execution of a hedging strategy which mitigates this currency risk exactly cannot be assured.

Where a Class is unhedged, a currency conversion will take place on subscriptions, redemptions, conversions and distributions, at prevailing exchange rates. In such circumstances, the value of the Unit expressed in the Class currency will be subject to exchange rate risk in relation to the Base Currency and/or in relation to the designated

currencies of the underlying assets.

2. Investment Objectives, Policies and Guidelines

The Fund seeks high current income. Capital growth is a secondary objective when consistent with the objective of high current income. The Fund is actively managed in reference to ICE BofA Global High Yield Investment Grade Country Constrained Index, which is an unmanaged, USD-hedged index of high yield corporate bonds from those countries that issue investment-grade government bonds. Although the Fund measures its performance against the benchmark, it is not an index tracker. Any change to the benchmark will be set out in the periodic reports.

The Fund seeks high current income by investing at least two-thirds of its total assets (after deduction of ancillary liquid assets) in high-yielding, lower-rated debt securities worldwide such as those rated lower than S&P's BBB or Moody's Baa and listed or traded on Recognised Exchanges (including unleveraged freely transferable loan participations securitised and traded on a Recognised Exchange, zero-coupon bonds and payment-in-kind bonds) constituting a portfolio that the Investment Advisor believes does not involve undue risk to income or principal. Normally, at least 80% of the Fund's assets will be invested in debt securities (such as (i) corporate and public utility debt securities (including treasury paper, commercial paper and convertible bonds), (ii) asset-backed and mortgage-backed securities (iii) debt securities issued or guaranteed by national governments and their agencies, instrumentalities and political sub-divisions and (iv) debt securities issued or guaranteed by supranational organisations including, without limitation, the World Bank and the European Investment Bank (including treasury paper, commercial paper and convertible bonds)), convertible securities, or preferred stocks listed or traded on Recognised Exchanges that are consistent with its primary investment objective of high current income. The Fund's remaining assets may be held in ancillary liquid assets or invested in common stocks and other equity securities listed or traded on Recognised Exchanges when these types of investments are consistent with the objective of high current income. The Fund may also invest in 144A securities.

The Fund seeks to achieve its secondary objective of capital growth, when consistent with its primary objective of high current income, by investing in securities (as described above) listed or traded on Recognised Exchanges that the Investment Advisor expects to appreciate in value as a result of declines in long-term interest rates or of favourable developments affecting the business or prospects of the issuer that may improve the issuer's financial condition and credit rating.

Changes by recognised rating services such as S&P and Moody's in their ratings of a debt security and changes in the ability of an issuer to make payments of interest and principal may also affect the value of these investments. Changes in the value of portfolio securities generally will not affect income derived from these securities but will affect the Fund's Net Asset Value.

Differing yields on debt securities of the same maturity are a function of several factors, including the relative financial strength of the issuers. Higher yields are generally available from securities in the lower categories of recognised rating agencies. The Fund may invest in any security that is rated, at the time of purchase, at least Caa as determined by Moody's or CCC as determined by S&P or in any unrated security that the Investment Advisor determines is of at least comparable quality.

The Fund may invest, consistent with the requirements of the Regulations and the Fund's investment restrictions, in other collective investment schemes including schemes managed by the Investment Advisor or its affiliates such as other Funds of the Trust. The Fund may invest in other collective investment schemes with investment strategies similar or dissimilar to the Fund's own including investment in other schemes that invest in money market instruments for cash management purposes.

The Fund may hold ancillary liquid assets whether for defensive purposes or otherwise. For defensive purposes only, the Fund may hold all or part of its assets in debt securities (such as government debt, corporate debt, mortgage-backed securities, asset-backed securities, supranational debt and unleveraged freely transferable loan participations securitised and traded on Recognised Exchanges), which must be rated at least investment grade or considered in the opinion of the Investment Advisor to be of comparable quality. The Fund may also hold, on a temporary basis, all or part of its assets in ancillary liquid assets including but not limited to commercial paper, bank certificates of deposits, banker' acceptances and short-term U.S. government agency, municipal or corporate obligations all of which must be rated at least A-1 or P-1 by S&P and Moody's, or deemed to be of equivalent quality by the Investment Advisor and listed or traded on Recognised Exchanges, when such investments are believed to be warranted as a defensive measure.

The derivatives used by the Fund, which are described further in Appendix II of the Prospectus, may include futures, swaps, total return swaps, options, forward contracts, warrants and contracts for difference and they may be used for hedging and for investment purposes, including as a substitute for direct investment in securities or to obtain additional exposure beyond that which might be obtained from a traditional securities portfolio, subject always to the restrictions and requirements of the Regulations. Details of the derivatives that may be used are set out in the derivatives risk management process filed with the Central Bank. This risk management process is intended to enable the Investment Advisor to accurately measure, monitor and manage the various risks associated with derivatives. Any types of derivative not included in the risk management process will not be used until such time as a revised submission has been provided to and cleared by the Central Bank. The Fund may also use forward foreign exchange contracts or other currency derivatives (futures, options, or swaps) for hedging or to alter the currency exposure characteristics of transferable securities held by the Fund as an alternative currency exposure management strategy. Because currency positions held by the Fund may not correspond with the asset position held by the Fund, the effect of movements in foreign exchange rates may be significantly different in the Fund compared to another fund with similar investments.

The use of derivative instruments mentioned above (whether for hedging and/or for investment purposes) may expose the Fund to the risks disclosed below under the heading "Risk Factors and Special Considerations." Position exposure to underlying assets of derivative instruments (other than index-based derivatives) when combined with positions resulting from direct investments will not exceed the investment limits set out in the Prospectus and the Central Bank UCITS Regulations. Derivative exposure including global exposure will also be controlled through the use of Value at Risk ("VaR") methodology by the Investment Advisor. The maximum VaR permitted for the Fund is that which equates to a portfolio relative VaR of twice that of an appropriate benchmark or reference portfolio that is representative of the investment objective of the Fund but which will not include derivatives. The Fund's reference

portfolio is the ICE BofA Global High Yield Investment Grade Country Constrained Index (100% USD Hedged). VaR will be calculated daily using a one-tailed 99% confidence interval, a holding period equivalent to one day and quarterly data set updates (or more frequent when market prices are subject to material changes), and the historical observation period will not be less than one year unless a shorter period is justified by a significant increase in price volatility.

Although the VaR methodology as described above is used to control and assess the Fund's exposures, the Fund also calculates leverage based on the absolute sum of the gross notional amount of the derivatives used as is required by the Central Bank. The leverage figure for the Fund as calculated in this manner is normally expected to range between 0% to 50% of Net Asset Value, although it may exceed this range at times. This measure of leverage can be high as it includes positions implemented to adjust existing positions as a result of market movements or subscription/redemption activity and it does not take into account any of the Fund's netting or hedging arrangements, even though such arrangements are typically entered into for the purpose of risk reduction.

Under normal market conditions, the total gross long position, calculated as the market value of long security positions plus the gross notional value of long derivatives, is not expected to exceed 150% of the Net Asset Value of the Fund, and the total gross short position, calculated as the gross notional value of short derivatives, is not expected to exceed 50% of the Net Asset Value of the Fund. The Fund does not pursue a long/short trading strategy. The short positions are derivative positions used either to hedge currency, interest rate, fixed income or equity risks in the security positions of the Fund or to gain investment exposure. The Fund may use long derivative positions for the same purposes. The proportion of long to short exposure will depend on the market conditions at any given time.

Subject to the conditions and limits set out in the Central Bank UCITS Regulations, the Fund may use reverse repurchase agreements to generate additional income and capital for the relevant Fund. Further information is outlined in the Prospectus under the heading "Repurchase/Reverse Repurchase and Securities Lending Agreements."

Basis upon which investments in the Fund are selected

When deciding whether to buy or sell investments for the Fund, the Investment Advisor may consider, among other factors, credit, liquidity, interest rate and prepayment risks. The Investment Advisor may also consider macroeconomic trends, such as general market or industry conditions and trends. Such factors and trends are considered with respect to derivatives exposure. Assessing these factors and trends relies on extensive research (for example, examining financial statements and other publicly-available securities filings), using proprietary Putnam models to process research information. A flexible investment approach is considered important, as no one style of investment can accommodate all stages of the economic and business cycle. The investment approach aims to take account of, and be responsive to, changes and anticipated changes in economic and market conditions.

Securities Financing Transactions, Total Return Swaps and Contracts for Difference – General

The Fund may engage in securities financing transactions (“SFTs”), *i.e.*, reverse repurchase transactions, as further described in Appendix II to the Prospectus entitled “Techniques and Instruments”. The Fund may also enter into total return swaps (“TRS”) and contracts for difference (“CFDs”).

The maximum exposure of the Fund in respect of TRS and CFDs shall be 10% and in respect of SFTs shall be 20% of the Net Asset Value of the Fund. However, the Investment Advisor does not anticipate that the Fund’s typical exposure (under normal market circumstances) in respect of TRS and CFDs will exceed 5% and in respect of SFTs will exceed 10% of the Net Asset Value of the Fund. Investors should note that the figures presented above are based on net exposures to or from relevant counterparties and will differ from other information provided in this Prospectus that is based on gross notional amounts.

The Investment Advisor may perform SFTs or TRS on any assets, including securities that are consistent with the investment policy of the Fund. The collateral supporting SFTs and TRS will, depending on the counterparty, generally be valued daily at mark-to-market prices and daily variation margin used if the value of collateral falls below coverage requirements. There are no restrictions on the maturity of the collateral received by the Fund.

Additional detail in respect of TRS, SFTs and acceptable collateral is given under the headings “Appendix II – Techniques and Instruments” and “Risk Factors and Special Considerations” in the Prospectus.”

Sustainability Risks

The Fund discloses sustainability considerations pursuant to Article 6 of SFDR.

Although the Fund’s investments in any company, industry, or country are not limited based on sustainability criteria, and although sustainability elements, including risks, do not represent a primary focus of the Fund, the Investment Advisor seeks to integrate sustainability considerations, where it considers them material and relevant, into its fundamental research process and investment decision-making for the Fund. The Investment Advisor believes that sustainability considerations, like other, more traditional subjects of investment analysis such as market position, growth prospects or valuation levels, and business strategy, have the potential to impact financial risk and investment returns. The Investment Advisor believes that sustainability considerations are best analysed in combination with a company’s fundamentals, such as a company’s industry, geography, and strategic position. When considering sustainability, the Investment Advisor uses company disclosures, public data sources, and independent third-party data as inputs into its analytical processes. The consideration of sustainability as part of the Fund’s investment process does not mean that the Fund pursues a specific “sustainable” investment strategy, and the Investment Advisor may make investment decisions for the Fund other than on the basis of relevant sustainability considerations.

3. Base Currency

U.S. Dollar

4. Investment Restrictions

The Fund's investment restrictions are as set out in the Prospectus under the heading "The Trust - Investment Restrictions".

Notwithstanding Sections 3.1 – 3.5 in the Prospectus under the heading "The Trust - Investment Restrictions," no more than 10% of the Fund's net assets may be directly invested in other collective investment schemes.

5. Distribution Policy

Net investment income attributable to Unitholders of each Class will be distributed monthly except for Class E2 Units, Class S2 Units and Class S3 Units. Class E2 Units, Class S2 Units and Class S3 Units do not currently intend to distribute net investment income. If the Manager determines in its discretion to do so in the future, the amount to be distributed to Unitholders will be determined by the Manager. In such circumstances the Prospectus will be updated, and Unitholders notified in advance.

As detailed in the Prospectus under the heading "Distributions," distributions, if any, will be reinvested automatically in additional Units of the Fund unless otherwise requested by the Unitholder.

6. Risk Factors and Special Considerations

Investors' attention is drawn to the section entitled "Risk Factors and Special Considerations" in the Prospectus, including the sub-sections therein relating to bond funds, equity and bond funds (in particular the section regarding emerging markets), and derivatives risks.

7. Fees

The investors' attention is drawn to the general management and Fund charges set out in the Prospectus under the heading "Management and Trust Charges."

PUTNAM U.S. LARGE CAP GROWTH FUND

Supplement II to the Prospectus for Putnam World Trust dated 22 July 2024 (the “Prospectus”)

This Supplement contains specific information in relation to the Putnam U.S. Large Cap Growth Fund (the “Fund”), a Fund of Putnam World Trust (the “Trust”). The Trust is an open-ended umbrella unit trust established pursuant to the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 (as amended) (S.I. No. 352 of 2011) and any regulations made thereunder.

This Supplement forms part of and should be read in conjunction with all the information contained within the Prospectus, including the general descriptions of:

- **the Trust and its management and administration;**
- **its general management and Trust charges;**
- **the taxation of the Trust and of its Unitholders; and**
- **its risk factors.**

The most recent version of the Prospectus is available at www.putnam.com/ucits and from Citibank Europe plc, 1 North Wall Quay, Dublin 1, Ireland.

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

Words and expressions defined in the Prospectus shall, unless the context otherwise requires, have the same meanings when used in this Supplement.

The approval of this Fund by the Central Bank shall not constitute a warranty as to the performance of the Fund and the Central Bank shall not be liable for the performance or default of the Fund.

The Fund may engage in transactions in financial derivative instruments for investment, efficient portfolio and/or for hedging purposes. It is expected that the use of derivatives may result in a moderate impact on the performance of the Fund in relation to its investment objectives and the investment policy. This may result in a high level of volatility and risk.

For defensive purposes, the Fund may invest substantially in deposits or money market instruments and in such cases investors should be aware that units in the Fund are not the same as deposits or obligations that are guaranteed or endorsed by any bank and the amount invested in the Fund may fluctuate up or down.

IMPORTANT: if you are in any doubt about the contents of this Supplement, you should consult an independent financial advisor.

Neither the delivery of this Supplement nor the issue or sale of Units in the Fund shall, under any circumstances, constitute a representation that the information contained in this Supplement is correct as of any time subsequent to the date of this Supplement.

An investment in the Fund should not constitute a substantial proportion of an investment portfolio and may not be appropriate for all investors.

1. Issue of Units

Class A Units, Class E Units and Class I Units are already in issue and are available at the Net Asset Value per Unit of the relevant Class of Unit on the relevant Dealing Day plus any applicable sales charge as described below.

Each of the following Classes of Units shall be available for six months from the date of noting of the Supplement, or such other dates as any one Director may determine in accordance with the requirements of the Central Bank. Class M Units (which were previously in issue and were subsequently fully redeemed) shall be available at €10.00 per Unit. Class S Units shall be available at £10.00 per Unit.

Thereafter, each Class of Units shall be available on each Dealing Day at the Net Asset Value per Unit plus any applicable sales charge as described below. The offer periods may be extended or shortened at the discretion of the Manager in accordance with the Central Bank's requirements. A separate pool of assets is not being maintained for each Class of Units.

The characteristics of the various Unit Classes are set out below:

Class A Units: There is no minimum initial subscription amount and no minimum subsequent subscription amount for Class A Units. An initial sales charge of up to 6.25% of the Net Asset Value per Unit may be charged. The Class A Units are designated in US\$.

Class E Units: The minimum initial subscription amount is €10,000,000. The minimum subsequent subscription amount is €25,000. There is no initial or deferred sales charge. The Class E Units are designated in Euro.

Class I Units: The minimum initial subscription amount is US\$10,000,000. The minimum subsequent subscription amount is US\$25,000. There is no initial or deferred sales charge. The Class I Units are designated in US\$.

Class M Units: There is no minimum initial subscription amount and no minimum subsequent subscription amount for Class M Units. There is an initial sales charge of up to 6.25% of the Net Asset Value per Unit. The Class M Units are designated in Euro.

Class S Units: The minimum initial subscription amount is £10,000,000. The minimum subsequent subscription amount is £25,000. There is no initial or deferred sales charge. The Class S Units are designated in Sterling.

The Manager reserves the right to differentiate between Unitholders and to vary or waive the above minimum amounts with respect to any investor at any time.

The Base Currency of the Fund shall be U.S. Dollar.

Hedging

For the benefit of holders of Units denominated in a currency other than the Base Currency, the Investment Advisor shall, through the use of forward foreign exchange contracts and currency futures contracts and other financial derivative instruments as set out in Appendix II to the Prospectus, hedge the foreign exchange exposure arising in accordance with the conditions set out in the Prospectus under the heading “Hedged Classes”.

Where a Class of Units is designated as a hedged Class, that Class will be hedged against exchange rate fluctuation risks between the denominated currency of the Class and the Base Currency of the Fund. Such hedging strategy shall be subject to the conditions and within the limits laid down by the Central Bank and may not be implemented if the Net Asset Value of the Fund falls below any level whereby the Investment Advisor considers that it can no longer hedge the currency exposure in an effective manner.

Further information is set out in the Prospectus at the sections entitled “Hedged Classes” and “Unit Currency Designation Risk”. It should be noted that the successful execution of a hedging strategy which mitigates this currency risk exactly cannot be assured.

Where a Class is unhedged, a currency conversion will take place on subscriptions, redemptions, conversions and distributions, at prevailing exchange rates. In such circumstances, the value of the Unit expressed in the Class currency will be subject to exchange rate risk in relation to the Base Currency and/or in relation to the designated currencies of the underlying assets.

2. Investment Objectives, Policy and Guidelines

The investment objective of the Fund is to seek capital appreciation. The Fund seeks to achieve its objective by investing at least two-thirds of its total assets (after deduction of ancillary liquid assets) in equity securities and equity-related securities such as warrants, convertible stocks or preferred stocks issued by large capitalisation U.S. companies that are listed or traded on Recognised Exchanges globally, with a focus on growth stocks. Growth stocks are issued by companies whose earnings are expected to grow faster than those of similar firms, and whose business growth and other characteristics may lead to an increase in stock price. The Investment Advisor uses fundamental investment research to seek opportunities and may consider, among other factors, a company’s valuation, financial strength, growth potential, competitive position in the industry, projected future earnings, and cash flows when deciding whether to buy or sell investments. The Fund is actively managed in reference to the

Russell 1000 Growth Index. Although the Fund measures its performance against the benchmark, it is not an index tracker. Any change to the benchmark will be set out in the periodic reports.

The Fund's investments will be listed or traded on a Recognised Exchange, with the exception that up to 10% of the Fund's net assets may be invested in instruments that are not so listed or traded.

The Fund may invest in ADRs, GDRs and other similar depositary receipts such as EDRs, and may purchase or sell securities on a when-issued basis.

The Fund may invest in large companies whose earnings are believed to be in a relatively strong growth trend, or in companies in which significant further growth is not anticipated but whose share price is thought to be undervalued. The Fund may invest up to one-third of its net assets in non-U.S. equity and equity-related securities, and/or in equity and equity-related securities of smaller capitalisation companies. The Fund may invest in securities that are traded on the Russian Exchanges set out in Appendix I of the Prospectus, although it is not intended that investment in such securities will exceed 5% of the Fund's net assets.

The Fund may invest, consistent with the requirements of the Regulations and the Fund's investment restrictions, in other collective investment schemes including schemes managed by the Investment Advisor or its affiliates such as other Funds of the Trust. The Fund may invest in other collective investment schemes with investment strategies similar or dissimilar to the Fund's own including investment in other schemes that invest in money market instruments for cash management purposes.

For defensive purposes, the Fund may hold all or part of its assets in debt securities that may be government and/or corporate bonds that are fixed and/or floating rate and rated at least investment grade or considered in the opinion of the Investment Advisor to be of comparable quality and listed or traded on Recognised Exchanges.

The Fund may hold ancillary liquid assets. For defensive purposes, the Fund may also hold, on a temporary basis, all or a large part of its assets in cash or other ancillary liquid assets, including, but not limited to, commercial paper, bank certificates of deposit, bankers' acceptances and short-term U.S. and non-U.S. government agency, municipal or corporate obligations all of which must be rated at least A-1 or P-1 by Standard & Poor's and Moody's Investor Services, or deemed to be of equivalent quality by the Investment Advisor, and listed or traded on Recognised Exchanges, when such investments are believed to be warranted as a defensive measure.

The derivatives used by the Fund, which are described further in Appendix II of the Prospectus, may include futures, swaps, total return swaps, options, forward contracts, warrants and contracts for difference and they may be used for hedging, for investment purposes and/or for efficient portfolio management, including as a substitute for direct investment in securities or to obtain additional exposure beyond that which might be obtained from a traditional securities portfolio, subject always to the restrictions and requirements of the Regulations. Details of the derivatives that may be used are set out in the derivatives risk management process filed with the Central Bank. This risk management process is intended to enable the Investment Advisor to accurately measure, monitor and manage the various risks associated with derivatives. Any types of derivative not included in the risk management process will not be used until such

time as a revised submission has been provided to and cleared by the Central Bank. The Fund may also use forward foreign exchange contracts or other currency derivatives (futures, options, or swaps) for hedging or to alter the currency exposure characteristics of transferable securities held by the Fund as an alternative currency exposure management strategy. Because currency positions held by the Fund may not correspond with the asset position held by the Fund, the effect of movements in foreign exchange rates may be significantly different in the Fund compared to another fund with similar investments.

The use of derivative instruments mentioned above (whether for hedging and/or for investment purposes) may expose the Fund to the risks disclosed below under the heading “Risk Factors and Special Considerations.” Position exposure to underlying assets of derivative instruments (other than index-based derivatives) when combined with positions resulting from direct investments will not exceed the investment limits set out in the Prospectus and the Central Bank UCITS Regulations. Derivative exposure including global exposure will also be controlled through the use of Value at Risk (“VaR”) methodology by the Investment Advisor. The maximum VaR permitted for the Fund is that which equates to a portfolio relative VaR of twice that of an appropriate benchmark or reference portfolio that is representative of the investment objective of the Fund but which will not include derivatives. The Fund’s reference portfolio is the Russell 1000 Growth Index, which is an unmanaged index of those companies in the large-cap Russell 1000 Index chosen for their growth orientation. VaR will be calculated daily using a one-tailed 99% confidence interval, a holding period equivalent to one day and quarterly data set updates (or more frequent when market prices are subject to material changes), and the historical observation period will not be less than one year unless a shorter period is justified by a significant increase in price volatility.

Although the VaR methodology as described above is used to control and assess the Fund’s exposures, the Fund also calculates leverage based on the absolute sum of the gross notional amount of the derivatives used as is required by the Central Bank. The leverage figure for the Fund as calculated in this manner is normally expected to range between 0% to 50% of Net Asset Value, although it may exceed this range at times. This measure of leverage can be high as it includes positions implemented to adjust existing positions as a result of market movements or subscription/redemption activity and it does not take into account any of the Fund’s netting or hedging arrangements, even though such arrangements are typically entered into for the purpose of risk reduction.

Under normal market conditions, the total gross long position, calculated as the market value of long security positions plus the gross notional value of long derivatives, is not expected to exceed 150% of the Net Asset Value of the Fund, and the total gross short position, calculated as the gross notional value of short derivatives, is not expected to exceed 50% of the Net Asset Value of the Fund. The Fund does not pursue a long/short trading strategy. The short positions are derivative positions used either to hedge currency, interest rate, fixed income or equity risks in the security positions of the Fund or to gain investment exposure. The Fund may use long derivative positions for the same purposes. The proportion of long to short exposure will depend on the market conditions at any given time.

Subject to the conditions and limits set out in the Central Bank UCITS Regulations, the Fund may use reverse repurchase agreements to generate additional income and capital

for the relevant Fund. Further information is outlined in the Prospectus under the heading “Repurchase/Reverse Repurchase and Securities Lending Agreements.”

Basis upon which investments in the Fund are selected

When deciding whether to buy or sell investments for the Fund, the Investment Advisor may consider, among other factors, a company’s valuation, financial strength, growth potential, competitive position in its industry, projected future earnings, and cash flows. The Investment Advisor’s focus is on the growth rate of the company, the duration of growth, and the returns of the company. The latter two criteria are often reflective of the strength of a company’s business model and the industry structure. The Investment Advisor seeks companies with the ability to grow faster than the market over the long term, focusing on companies that exhibit both a high level of growth and an above-average duration of growth. From there, the Investment Advisor works to identify thematic growth opportunities that have the potential to drive sustained growth over a multi-year time horizon.

The Investment Advisor also seeks companies with an “ownership culture,” evidenced by high levels of insider stock ownership, divisional accountability, and by leaders who operate the business as owners.

A flexible investment approach is considered important, as no one style of investment can accommodate all stages of the economic and business cycle. The investment approach aims to take account of, and be responsive to, changes and anticipated changes in economic and market conditions.

Sustainable Finance Disclosure Regulation (SFDR) – Article 8

The Investment Advisor aims to have a lower carbon intensity for the Fund’s portfolio when compared to its benchmark, the Russell 1000 Growth Index. The benchmark was not designated for the purpose of attaining the environmental or social characteristics promoted by the Fund. Carbon Intensity is calculated by dividing the total carbon emissions – the aggregate of Scope 1 (all direct emissions from the activities of an issuer or under their control) and Scope 2 (indirect emissions from electricity purchased and used by the issuer) – of the issuers in the portfolio (apportioned by the Fund’s ownership share, *i.e.*, owned emissions) by the total revenues of the issuers in the portfolio over that same period of time (also apportioned by the Fund’s ownership share, *i.e.*, owned revenues).

Environmental, Social, and Governance (ESG) elements are considered in the investment research processes. The Investment Advisor considers ESG analysis as additive and complementary to the fundamental understanding that is at the center of its investment philosophy. Relevant issues for investments made are considered within the operating context of an issuer. The Investment Advisor’s ESG and sustainability research is guided by its internally developed materiality map, which was inspired and guided by the materiality mapping of the Sustainable Accounting Standards Board (SASB) / the International Sustainability Standards Board (ISSB). The Investment Advisor also uses third-party data to augment the investment process in terms of measuring and reporting. While the Investment Advisor does not rely solely on third-party scoring, it uses these inputs as part of the overall research mosaic (for example, the ESG risk rating described in the following paragraph; this rating is provided by a third party, which calculates them based on aggregate scoring across various E, S, and

G considerations that may have material financial impacts on an issuer).

Issuers considered for the Fund's portfolio are given an ESG risk rating: Negligible/Low; Medium; High; or Severe. The Investment Advisor has committed to investing at least 60% of the Fund's portfolio in issuers with an ESG risk rating of Medium or Negligible/Low. All issuers must follow good governance practices in accordance with Article 8 of SFDR. The Fund does not have sustainable investment as its investment objective.

The Investment Advisor also applies exclusionary screens to the potential universe of issuers:

1. Issuers that derive 10% or more of their revenue from the production and/or distribution of all weapons or from adult entertainment;
2. Issuers that derive 5% or more of their revenue from tobacco and related products;
3. Issuers that derive more than 0% of their revenue from production and/or distribution of controversial weapons;
4. Issuers that derive 30% or more of their revenue from production and/or distribution of coal-fired power generation; and
5. Issuers that are not compliant with the 10 principles of the UN Global Compact.

All of the characteristics described above are complemented by the Investment Advisor's engagement approach, which includes active engagement with senior management of issuers as well as voting on nearly all proxies of issuers held by the Fund. This engagement focuses on issues that are material and financially relevant to issuers, which may include sustainability and ESG considerations and/or other business issues.

Information related to environmental or social characteristics is available in the Annexes to this document.

Transparency of Environmentally Sustainable Investments

The Investment Advisor has not collected data on the environmental objective(s) set out in Article 9 of the Taxonomy Regulation and on how and to what extent the investments underlying the Fund are in economic activities that qualify as Taxonomy Aligned Investments. On that basis, the Fund is disclosing zero exposure to Taxonomy Aligned Investments.

The "do no significant harm" principle applies only to Taxonomy Aligned Investments. The investments underlying the remaining portion of the Fund do not take into account the EU criteria for environmentally sustainable economic activities.

Securities Financing Transactions, Total Return Swaps and Contracts for Difference – General

The Fund may engage in securities financing transactions ("SFTs"), *i.e.*, reverse repurchase transactions, as further described in Appendix II to the Prospectus entitled

“Techniques and Instruments”. The Fund may also enter into total return swaps (“TRS”) and contracts for difference (“CFDs”).

The maximum exposure of the Fund in respect of TRS and CFDs shall be 10% and in respect of SFTs shall be 20% of the Net Asset Value of the Fund. However, the Investment Advisor does not anticipate that the Fund’s typical exposure (under normal market circumstances) in respect of TRS and CFDs will exceed 5% and in respect of SFTs will exceed 10% of the Net Asset Value of the Fund. Investors should note that the figures presented above are based on net exposures to or from relevant counterparties and will differ from other information provided in this Prospectus that is based on gross notional amounts.

The Investment Advisor may perform SFTs or TRS on any assets, including securities that are consistent with the investment policy of the Fund. The collateral supporting SFTs and TRS will, depending on the counterparty, generally be valued daily at mark-to-market prices and daily variation margin used if the value of collateral falls below coverage requirements. There are no restrictions on the maturity of the collateral received by the Fund.

Additional detail in respect of TRS, SFTs and acceptable collateral is given under the headings “Appendix II – Techniques and Instruments” and “Risk Factors and Special Considerations” in the Prospectus.

Sustainability Risks

The Investment Advisor seeks to integrate sustainability considerations, where it considers them material and relevant, into its fundamental research process and investment decision-making for the Fund. The Investment Advisor believes that sustainability considerations, like other, more traditional subjects of investment analysis such as market position, growth prospects or valuation levels, and business strategy, have the potential to impact financial risk and investment returns. The Investment Advisor believes that sustainability considerations are best analysed in combination with a company’s fundamentals, such as a company’s industry, geography, and strategic position. When considering sustainability, the Investment Advisor uses company disclosures, public data sources, and independent third-party data as inputs into its analytical processes. The Investment Advisor may make investment decisions for the Fund other than on the basis of relevant sustainability considerations.

3. Base Currency

U.S. Dollar

4. Fees

The investors’ attention is drawn to the general management and Fund charges set out in the Prospectus under the heading “Management and Trust Charges.”

5. Investment Restrictions

The Fund’s investment restrictions are as set out in the Prospectus under the heading

“The Trust – Investment Restrictions” and as additionally set forth below.

Notwithstanding Sections 3.1 – 3.5 in the Prospectus under the heading “The Trust – Investment Restrictions,” no more than 10% of the Fund’s net assets may be directly invested in other collective investment schemes.

6. Distribution Policy

The Fund does not currently intend to distribute net investment income. If the Manager determines in its discretion to do so in the future, the amount to be distributed to Unitholders will be determined by the Manager. In such circumstances the Prospectus will be updated, and Unitholders notified in advance.

7. Risk Factors and Special Considerations

Investors’ attention is drawn to the section entitled “Risk Factors and Special Considerations” in the Prospectus, including the sub-sections therein relating to equity funds, equity and bond funds, derivatives risks.

Consistent with the German Investment Tax Act, at least 51% of the Fund’s net assets will be invested in publicly-listed equity securities (not including equity-like securities, REITs, or shares of other funds).

Template pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: Putnam U.S. Large Cap Growth Fund (the “Fund”)
 Legal entity identifier: 549300CX62VZT0SCBR11

Environmental and/or social characteristics

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Does this financial product have a sustainable investment objective?

Yes **No**

<input type="checkbox"/> It will make a minimum of sustainable investments with an environmental objective: ___% <ul style="list-style-type: none"> <input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy <input type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy 	<input type="checkbox"/> It promotes Environmental/Social (E/S) characteristics and while it does not have as its objective a sustainable investment, it will have a minimum proportion of ___% of sustainable investments <ul style="list-style-type: none"> <input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy <input type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy <input type="checkbox"/> with a social objective
<input type="checkbox"/> It will make a minimum of sustainable investments with a social objective: ___%	<input checked="" type="checkbox"/> It promotes E/S characteristics, but will not make any sustainable investments



What environmental and/or social characteristics are promoted by this financial product?

The Investment Advisor will have a lower carbon intensity for the Fund’s portfolio when compared to its benchmark, the Russell 1000 Growth Index. The benchmark was not designated for the purpose of attaining the environmental or social characteristics promoted by the Fund. Carbon Intensity is calculated by dividing the total carbon emissions – the aggregate of Scope 1 (all direct emissions from the activities of an issuer or under their control) and Scope 2 (indirect emissions from electricity purchased and used by the issuer) – of the issuers in the portfolio (apportioned by the Fund’s ownership share, *i.e.*, owned emissions) by the total revenues of the issuers in the portfolio over that same period of time (also apportioned by the Fund’s ownership share, *i.e.*, owned revenues).

Environmental, Social, and Governance (ESG) elements are considered in the investment research processes. The Investment Advisor considers ESG analysis as additive and complementary to the fundamental understanding that is at the center of its investment philosophy. Relevant issues for investments made are considered within the operating context of an issuer. The Investment Advisor's ESG and sustainability research is guided by its internally developed materiality map which was inspired and guided by the materiality mapping of the Sustainable Accounting Standards Board (SASB) / the International Sustainability Standards Board (ISSB). The Investment Advisor also uses third-party data to augment the investment process in terms of measuring and reporting. While the Investment Advisor does not rely solely on third-party scoring, it uses these inputs as part of the overall research mosaic (for example, the ESG risk rating described in the following paragraph; this rating is provided by a third party, which calculates them based on aggregate scoring across various E, S, and G considerations that may have material financial impacts on an issuer).

Issuers considered for the Fund's portfolio are given an ESG risk rating: Negligible/Low; Medium; High; or Severe. The Investment Advisor has committed to investing at least 60% of the Fund's portfolio in issuers with an ESG risk rating of Medium or Negligible/Low. All issuers must follow good governance practices in accordance with Article 8 of SFDR.

The Investment Advisor also applies exclusionary screens to the potential universe of issuers:

1. Issuers that derive 10% or more of their revenue from the production and/or distribution of all weapons or from adult entertainment;
2. Issuers that derive 5% or more of their revenue from tobacco and related products;
3. Issuers that derive more than 0% of their revenue from production and/or distribution of controversial weapons;
4. Issuers that derive 30% or more of their revenue from production and/or distribution of coal-fired power generation; and
5. Issuers that are not compliant with the 10 principles of the UN Global Compact.

All of the characteristics described above are complemented by the Investment Advisor's engagement approach, which includes active engagement with senior management of issuers as well as voting on nearly all proxies of issuers held by the Fund. This engagement focuses on issues that are material and financially relevant to issuers, which may include sustainability and ESG considerations and/or other business issues.

● ***What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?***

As described above, the following are considered: Carbon intensity—the aggregate of Scope 1 and 2 greenhouse gas emissions; ESG risk ratings; and the four exclusionary screens.

● ***What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?***

Not applicable.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?

Not applicable.

How have the indicators for adverse impacts on sustainability factors been taken into account?

Not applicable.

How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?

Not applicable.

The EU Taxonomy sets out a “do no significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

The “do no significant harm” principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.



Does this financial product consider principal adverse impacts on sustainability factors?

Yes,

No



What investment strategy does this financial product follow?

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

The Fund aims to provide capital appreciation. The Fund invests in stocks and equity-related securities such as depositary receipts, warrants, convertible stocks or preferred stocks issued by large capitalisation U.S. companies, with a focus on growth stocks. Growth stocks are issued by companies whose earnings are expected to grow faster than those of similar firms, and whose business growth and other characteristics may lead to an increase in stock price. The Fund is actively managed in reference to the Russell 1000 Growth Index.

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

The Fund may invest up to one-third of its assets in non-U.S. equity and equity-related securities, and/or in securities of smaller capitalisation companies. The Fund may hold cash or other short-term instruments. The Fund may also invest in debt securities for defensive purposes.

The Fund may use derivatives, including futures, forwards, options, swaps, and mortgage-related derivatives, for investment purposes or to hedge against risk. The Fund may also use forward foreign exchange contracts or other currency derivatives for managing and hedging the Fund's exchange rates.

● ***What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?***

- The Fund will maintain a lower carbon intensity (the aggregate of GHG Scopes 1 and 2) score than that of the benchmark.
- 60% or more of the Fund's investments will have an ESG risk rating of Medium or Negligible/Low.
- The Fund will not hold issuers that derive 10% or more of their revenue from weapons or adult entertainment.
- The Fund will not hold issuers that derive 5% or more of their revenue from tobacco and related products.
- The Fund will not hold issuers that derive more than 0% of their revenue from production and/or distribution of controversial weapons.
- The Fund will not hold issuers that derive 30% or more of their revenue from production and/or distribution of coal-fired power generation.
- The Fund will exclude issuers not compliant with the 10 Principles of the UN Global Compact.

● ***What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?***

Not applicable.

● ***What is the policy to assess good governance practices of the investee companies?***

SFDR requires that products seeking to promote environmental and/or social characteristics must also take into account good governance practices. The Investment Advisor considers good governance as part of the investment decision making process. Good governance practices are taken into account qualitatively and quantitatively in the process. The Investment Advisor believes that strong transparency and accountability mechanisms should lead to improved management of ESG risks and opportunities. Key items taken into consideration include board structure and composition, management incentives and ownership, systemic risk management and leadership, and accounting and business ethics.

In addition, issuers that are non-compliant with the 10 principles of the UN Global Compact are excluded from the investable universe of the Fund. These include two principles on human rights (*i.e.*, Principles 1 and 2), four principles on labour rights (*i.e.*, Principles 3-6),

three environmental principles (*i.e.*, Principles 7-9) and an anti-corruption principle (*i.e.*, Principle 10).



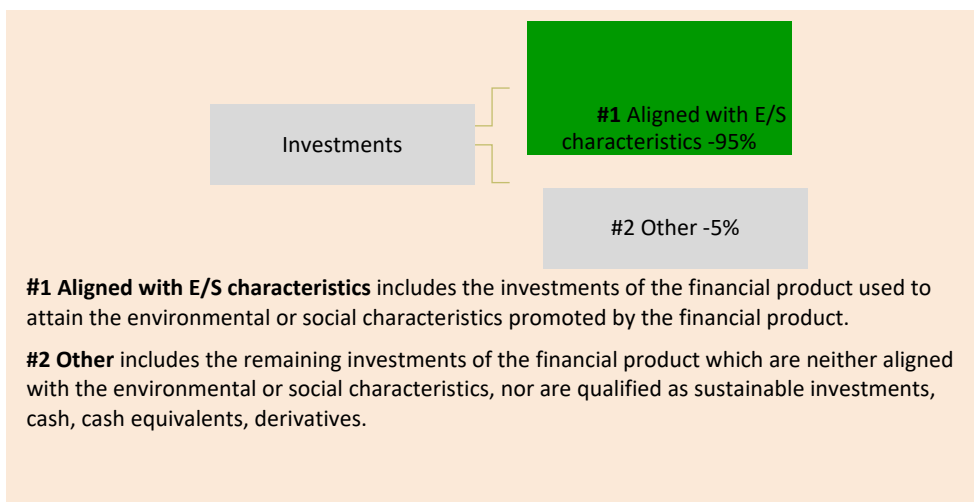
Asset allocation describes the share of investments in specific assets.

What is the asset allocation planned for this financial product?

The Fund invests at least two-thirds of its net assets in U.S. equity and equity-related securities, and/or in securities of mid- to large-capitalisation companies. The Fund invests at least 60% of its net assets in issuers that have an ESG risk rating of Medium or Negligible/Low. Aside from cash, cash equivalents, and derivatives, the Fund invests 100% of its remaining net assets in issuers that align with the promoted characteristics described in this Annex.

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies.
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.



How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?

Although the Fund may use derivatives, it does not use derivatives to attain the environmental or social characteristics promoted.



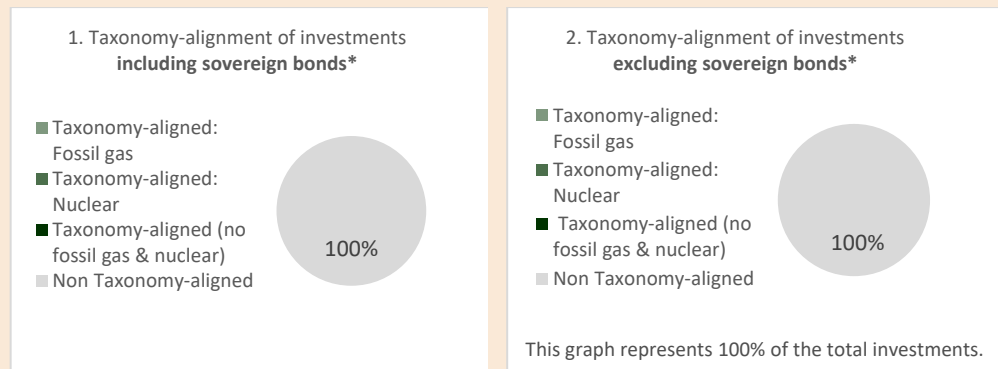
To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

The investments underlying this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy?¹

- Yes:
- In fossil gas In nuclear energy
- No

The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.*



* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.

What is the minimum share of investments in transitional and enabling activities?

Not applicable.



What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

0%



are sustainable investments with an environmental objective that do not take into account the criteria for environmentally sustainable economic activities under the EU Taxonomy.

¹ Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.



What is the minimum share of socially sustainable investments?

Not applicable.



What investments are included under “#2 Other”, what is their purpose and are there any minimum environmental or social safeguards?

#2 Other is the remaining investments, which are cash, cash equivalents and derivatives.



Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

Although the Fund uses a benchmark index, it is not being used to determine whether the Fund is aligned with the environmental and/or social characteristics that it promotes.

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

- ***How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?***
Not applicable.
- ***How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?***
Not applicable.
- ***How does the designated index differ from a relevant broad market index?***
Not applicable.
- ***Where can the methodology used for the calculation of the designated index be found?***
Not applicable.

Where can I find more product specific information online?



More product-specific information can be found on the website:

<https://www.putnam.com/institutional/ucits>

PUTNAM ULTRA SHORT DURATION INCOME FUND

Supplement III to the Prospectus for Putnam World Trust Dated 22 July 2024 (the “Prospectus”)

This Supplement contains specific information in relation to the Putnam Ultra Short Duration Income Fund (the “Fund”), a Fund of Putnam World Trust (the “Trust”). The Trust is an open-ended umbrella unit trust established pursuant to the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 (as amended) (S.I. No. 352 of 2011) and any regulations made thereunder.

This Supplement forms part of and should be read in conjunction with all the information contained within the Prospectus, including the general descriptions of:

- **the Trust and its management and administration;**
- **its general management and Trust charges;**
- **the taxation of the Trust and of its Unitholders; and**
- **its risk factors.**

The most recent version of the Prospectus is available at www.putnam.com/ucits and from Citibank Europe plc, 1 North Wall Quay, Dublin 1, Ireland.

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

Words and expressions defined in the Prospectus shall, unless the context otherwise requires, have the same meanings when used in this Supplement.

The Fund may engage in transactions in financial derivative instruments for investment, efficient portfolio management and/or for hedging purposes, subject to the conditions and limits laid down by the Central Bank. Transactions by the Fund in financial derivative instruments may leverage the Fund and may establish speculative positions. This may result in a high level of volatility and risk.

The Fund may invest substantially in deposits or money market instruments and in such cases investors should be aware that units in the Fund are not the same as deposits or obligations that are guaranteed or endorsed by any bank and the amount invested in the Fund may fluctuate up or down.

IMPORTANT: if you are in any doubt about the contents of this Supplement, you should consult an independent financial advisor.

Neither the delivery of this Supplement nor the issue or sale of Units in the Fund shall, under

any circumstances, constitute a representation that the information contained in this Supplement is correct as of any time subsequent to the date of this Supplement.

An investment in the Fund should not constitute a substantial proportion of an investment portfolio and may not be appropriate for all investors.

1. Issue of Units

Class A Units, Class A2 Units, Class I Units and Class I2 Units are already in issue and are available at the Net Asset Value per Unit of the relevant Class of Unit on the relevant Dealing Day plus any applicable sales charge as described below.

Each of the following Classes of Units shall be available for six months from the date of noting of the Supplement, or such other dates as any one Director may determine in accordance with the requirements of the Central Bank. Class C Units and Class C2 Units shall be available at US\$10.00 per Unit. Class D Units shall be available at CAD\$10.00 per Unit. Class E Units and Class M Units shall be available at €10.00 per Unit. Class S Units and Class T Units shall be available at £10.00 per Unit.

Thereafter each Class of Unit shall be available on each Dealing Day at the Net Asset Value per Unit plus any applicable sales charge as described below. The offer periods may be extended or shortened at the discretion of the Manager in accordance with the Central Bank's requirements. A separate pool of assets is not being maintained for each Class of Unit.

The characteristics of the various Unit Classes are set out below:

Class A and Class A2 Units: There is no minimum initial subscription amount and no minimum subsequent subscription amount for Class A or Class A2 Units. The Class A and Class A2 Units are designated in US\$.

Class C and Class C2 Units: There is no minimum initial subscription amount and no minimum subsequent subscription amount for Class C or Class C2 Units. An initial sales charge of up to 1.50% of the Net Asset Value per Unit may be charged. A contingent deferred sales charge of 1.00% may be imposed on Class C Units and Class C2 Units at the discretion of the Manager, if Units are redeemed within one year of purchase. The Class C Units and Class C2 are designated in US\$.

Class D Units: There is no minimum initial subscription amount and no minimum subsequent subscription amount for Class D Units. There is no initial or deferred sales charge. The Class D Units are designated in CAD\$.

Class E Units: There is no minimum initial subscription amount and no minimum subsequent subscription amount for Class E Units. There is no initial or deferred sales charge. The Class E Units are designated in Euro.

Class I and Class I2 Units: There is no minimum initial subscription amount and no minimum subsequent subscription amount for Class I or Class I2 Units. There is no initial or deferred sales charge. The Class I and Class I2 Units are designated in US\$.

Class M Units: There is no minimum initial subscription amount and no minimum subsequent subscription amount for Class M Units. There is no initial or deferred sales

charge. The Class M Units are designated in Euro.

Class S Units: There is no minimum initial subscription amount and no minimum subsequent subscription amount for Class S Units. There is no initial or deferred sales charge. The Class S Units are designated in Sterling.

Class T Units: There is no minimum initial subscription amount and no minimum subsequent subscription amount for Class T Units. There is no initial or deferred sales charge. The Class T Units are designated in Sterling.

Hedging

For the benefit of holders of Units denominated in a currency other than the Base Currency, the Investment Advisor shall, through the use of forward foreign exchange contracts and currency futures contracts and other financial derivative instruments as set out in Appendix II to the Prospectus, hedge the foreign exchange exposure arising in accordance with the conditions set out in the Prospectus under the heading “Hedged Classes”.

Where a Class of Units is designated as a hedged Class, that Class will be hedged against exchange rate fluctuation risks between the denominated currency of the Class and the Base Currency of the Fund. Such hedging strategy shall be subject to the conditions and within the limits laid down by the Central Bank and may not be implemented if the Net Asset Value of the Fund falls below any level whereby the Investment Advisor considers that it can no longer hedge the currency exposure in an effective manner.

Further information is set out in the Prospectus at the sections entitled “Hedged Classes” and “Unit Currency Designation Risk”. It should be noted that the successful execution of a hedging strategy which mitigates this currency risk exactly cannot be assured.

Where a Class is unhedged, a currency conversion will take place on subscriptions, redemptions, conversions and distributions, at prevailing exchange rates. In such circumstances, the value of the Unit expressed in the Class currency will be subject to exchange rate risk in relation to the Base Currency and/or in relation to the designated currencies of the underlying assets.

2. Investment Objectives, Policy and Guidelines

The Fund’s objective is to seek capital preservation and a rate of current income higher than U.S. Treasury bills by investing in a diversified portfolio composed of short duration, investment-grade money market and other fixed-income securities, as further described below. The Fund is actively managed in reference to the ICE BofA U.S. Treasury Bill Index. Although the Fund measures its performance against the benchmark, it is not an index tracker. Any change to the benchmark will be set out in the periodic reports.

The Fund’s investments may include obligations of the U.S. government, its agencies and instrumentalities, which are backed by the full faith and credit of the United States (*e.g.*, U.S. Treasury bonds and Ginnie Mae mortgage-backed bonds) or by only the credit of a federal agency or government-sponsored entity (*e.g.*, Fannie Mae or Freddie

Mac mortgage-backed bonds), U.S. corporate debt obligations, taxable municipal debt securities, securitised debt instruments (such as mortgage and asset-backed securities), certificates of deposit, commercial paper (including asset-backed commercial paper), time deposits, Yankee Eurodollar securities and other money market instruments. The Fund may also invest in U.S. dollar-denominated foreign securities of these types. The Fund may also invest in 144A securities.

Under normal circumstances, the effective duration of the Fund's portfolio will generally not be greater than one year. Effective duration provides a measure of a fund's interest-rate sensitivity. The longer a fund's duration, the more sensitive the fund is to shifts in interest rates. Under normal circumstances, the dollar-weighted average portfolio maturity of the Fund is not expected to exceed three and one-half years. Such debt and debt-related securities may be fixed or floating rate and may be issued or guaranteed by any sovereign government or their agencies, local authority, supranational or public international bodies, banks, corporates or other commercial issuers. Such securities will typically be of investment grade quality, at time of purchase, as determined by an internationally recognised rating service such as Moody's Investor Services, Inc. or Standard & Poor's Rating Group.

Asset-backed securities are made up of pools of debt securities and securities with debt like characteristics and are used to gain investment exposure to the underlying pool of assets. Mortgage-backed securities are made up of pools of commercial or residential mortgages and are used to gain investment exposure to mortgage debt. Commercial paper represents short-term, unsecured promissory notes issued in bearer form by banks or bank holding companies, corporations and finance companies used to finance short-term credit needs. Time deposits are non-negotiable deposits maintained in a banking institution for a specified period of time (in no event longer than seven days) at a stated interest rate. These instruments reflect the obligation both of the bank and the drawer to pay the face amount of the instrument upon maturity.

The Fund may also invest in structured notes, as further described below under the heading "Structured notes and other instruments". Asset-backed securities, mortgage-backed securities and structured notes may embed one or more forms of the derivatives listed below (which may contain leverage to the extent allowed by the Regulations).

The Fund's investments will be listed or traded on a Recognised Exchange with the exception that up to 10% of the Fund's net assets may be invested in fixed-income securities, as set out above, that are not listed as aforesaid.

The Fund may also hold, on a temporary basis, all or part of its assets in cash or cash equivalents (*i.e.*, instruments easily convertible into known cash amounts within 90 days or less, such as a U.S. treasury bill) all of which must be rated at least A-1 or P-1 quality, at time of purchase, by S&P and Moody's, or deemed to be of equivalent quality by the Investment Advisor and listed or traded on Recognised Exchanges. For example, cash may be held on a temporary basis as the Investment Advisor is evaluating opportunities. Where cash is invested for tactical purposes (*i.e.*, because the Investment Advisor believes that other investments are not attractive at that time), it may be invested in lower quality, short maturity instruments.

For cash management purposes, the Fund may invest, consistent with the requirements of the Regulations and subject to the limits set out under the heading "Investment Restrictions" below, in collective investment schemes (including money market funds)

managed by the Investment Advisor or its affiliates, including other Funds of the Trust.

Derivative Instruments

The derivatives used by the Fund, which are further described below and in Appendix II of the Prospectus, are futures (*i.e.*, interest rate futures and bond futures), options (*i.e.*, swaptions, exchange-traded options and over-the-counter options), swap contracts (*i.e.*, interest rate swaps, credit default swaps, inflation swaps, currency basis swaps, variance swaps and volatility swaps), forward contracts and contracts for difference, and they each may be used for hedging, efficient portfolio management and investment purposes, including as a substitute for direct investment in securities or to obtain additional exposure beyond that which might be obtained from a traditional securities portfolio, subject always to the restrictions and requirements of the Regulations. Exposure to financial indices, as set out below, will be in accordance with the Central Bank's requirements as set out in the Prospectus under the heading "Financial Indices" in Appendix II. Details of any financial indices used by the Fund for investment purposes (including the markets which they are representing) will be provided to Unitholders by the Investment Advisor of the Fund on request and will be set out in the Trust's annual accounts.

More specifically, the Fund may utilise the following derivative instruments:

(i) Interest rate futures

Interest rate futures are used to manage (increase or decrease) the Fund's sensitivity to changes in the yield curve or a portion of it (*e.g.*, short-term interest rates and/or long-term interest rates), including exposures to individual maturities as well as overall duration.

(ii) Bond Futures

Bond futures such as Treasury futures or futures on corporate bonds allow the Fund to take positive or negative views on the direction of bond prices and seek to reduce the interest rate exposure of fixed rate bonds.

(iii) Interest rate swaps

Interest rates swaps are used to manage (increase or decrease) the Fund's sensitivity to changes in the yield curve or a portion of it (*e.g.*, short-term interest rates and/or long-term interest rates), including exposures to individual maturities as well as overall duration. Swaps can be tailored to more specific maturities than futures and may extend over longer horizons. Included in this category are spread swaps and basis swaps. A spread swap (also known as a relative return swap) attempts to capitalise on a yield discrepancy between bond market sectors (either based on published indices or customised baskets). A basis swap is a type of swap in which two parties swap variable interest rates based on different money markets (*e.g.*, LIBOR rate versus U.S. Treasury Bill rate).

(iv) Credit default swaps

Single name credit default swaps (CDS), credit default swap indices (CDX), and credit default swap index tranche products are used to gain economic exposure when it is considered more efficient to utilise the derivatives over the cash market. An index tranche is a portion of the given CDX. Index tranches give investors the opportunity to take on exposures to specific segments of the CDX default loss distribution. Each tranche has a different sensitivity to credit risk correlations among entities in the index. The CDX index is first created by a collection of individual CDS contracts and then subsequently structured to create various tranches of different risks based upon how default losses in the overall CDX index are prioritised. In other words, different CDS contracts that comprise the index may have an order of priority in the event of defaults, and tranches enable investors to be exposed to certain segments of that order of priority instead of being exposed to a broader spectrum of credit risk that may be represented across the whole index. Included in this category are swaps in which the underlying credit reference may be a bond (as above), a loan (loan CDS) as well as those which reference a different index (such as home equity asset-backed (ABX) or commercial mortgage-backed (CMBX) reference obligations, or an index based on credit card obligations, student loans, or auto loans).

(v) Inflation-linked derivatives (i.e., inflation swaps)

Inflation swaps are used for either gaining or hedging against inflation exposure implicit in all interest rate products or to take advantage of mispricings between nominal and expected real interest rates. For example, inflation-protected securities are sensitive to changes in interest rates. The Fund may choose to hedge this mix of inflation risk and interest rate risk using a combination of inflation swaps and interest rate swaps.

(vi) Currency basis swaps

Currency basis swaps are a combination interest rate and currency swap allowing investments in fixed income instruments in one currency to be converted into floating rate payments in another currency. They may allow the effective hedging of foreign currency bonds using a single instrument.

(vii) Variance swaps and volatility swaps (fixed-income)

Variance and volatility swaps are used to express a view on either future realised volatility or the difference between implied volatility and realised volatility. The variance swap and volatility swap can have as basis any rate such as interest rates or swap rates in addition to any spread such as high yield or investment grade spreads. The main benefit of entering into a variance or volatility swap is to gain exposure to volatility without having implicit exposure to the direction of interest rates or spreads. Positions on volatility may also be taken by means of similar instruments such as forwards.

(viii) Swaptions

The Fund may also enter into options on swap agreements of various types ("swaptions"). A swaption is a contract that gives a counterparty the right (but not the obligation) to enter into a new swap agreement or to shorten, extend, cancel or otherwise modify an existing swap agreement, at some designated future time on specified terms. The Fund may write (sell) and purchase put and call swaptions to the

same extent it may make use of standard options on securities or other instruments.

(ix) Exchange-traded options and over-the-counter options (fixed income)

Fixed-income options are used to manage the sensitivity of certain fixed income instruments such as mortgage-backed securities to movements in interest rates. The most common forms of options are options on Treasury bonds, options on to-be-announced securities, options on interest rate futures and options on swaps (swaptions). Interest rate caps and floors, which are used to hedge against interest rate fluctuations, are included in this category. An interest rate cap is a derivative in which the buyer receives payments at the end of each period in which the interest rate exceeds an agreed amount. An interest rate floor is the opposite and would pay out during periods in which the interest rate is below an agreed amount. The Fund may use barrier options, which are options that are structured to be triggered or to expire based on the striking of one or more price barriers (*i.e.*, thresholds) by the underlying asset.

(x) Foreign exchange (FX) forwards and other FX instruments

FX Forwards are used to either hedge the currency exposures of fixed-income or other instruments denominated in a currency other than the Fund's base currency (this strategy is applied for the Fund's hedged classes, if any) or to actively overlay currency views (positive or negative) onto the Fund's currency exposure resulting from investing in foreign markets. The Investment Advisor may, for example, have positive views on certain countries' fixed-income markets (or portions of them) but negative views on that country's currency, or the opposite may be true. Currency forwards may be on a cash (non-deliverable) or a delivery basis. Currency futures, options and swaps may be used, in addition to currency forwards as outlined above, to take currency exposures in addition to any hedging of currency exposures or application of a currency overlay to the Fund's investment portfolio.

(xi) Forwards

The Fund may enter into forwards contracts, which are contracts in which counterparties agree to buy and sell an asset at a specified future time at a price agreed to up front. The Fund may also make use of non-deliverable forwards (also known as forward contracts for differences, an outright forward or futures contract in which counterparties settle the difference between the contracted non-deliverable forward price or rate and the prevailing spot price or rate on an agreed notional amount), which settle in cash as opposed to the asset itself.

(xii) Contracts for difference

A contract for difference is a type of derivative contract that allows the Fund to achieve exposure to an underlying asset on a synthetic basis, without the need for ownership of the underlying asset. Unlike futures contracts, contracts for difference have no fixed expiry date or contract size and are typically traded over-the-counter. Contracts for difference may be used in a similar way to swaps as outlined above and may be referenced to individual indices or sectors, provided such indices meet the requirements of the Central Bank.

(xiii) Structured notes and other instruments

Structured notes are debt obligations that also contain an embedded derivative component, which may contain leverage to the extent allowed by the Regulations. The return performance of a structured note will track that of both the debt obligation and the derivative embedded within it. For example, corporate bonds often contain embedded call options allowing the issuer to redeem the security before maturity. Another example is an index-linked security (*e.g.*, a bond in which payment of income on the principal is related to the S&P 500 Index or a commodities index such as the S&P GSCI). The instruments underlying structured notes will be consistent with the Fund's investment policy. The Fund may, at times, purchase when-issued securities and other structured securities (*e.g.*, mortgage-backed security with an embedded component) that may embed one or more forms of the derivatives listed above (which may contain leverage to the extent allowed by the Regulations). Mortgage-backed securities may also embed one or more forms of the derivatives listed above (which may contain leverage to the extent allowed by the Regulations).

The Fund may also make use of TBA securities (forward delivery contracts for mortgage-backed securities) and when-issued securities. All of these securities may be used for hedging, efficient portfolio management purposes, and/or for investment purposes. In the case of TBA and when-issued securities, where these securities are for future delivery, the Fund may increase its overall investment exposure and this involves a risk of loss if the value of the securities declines prior to the settlement date. These transactions involve some risk to a Fund if the other party should default on its obligations and the Fund is delayed or prevented from completing the transaction.

Details of the derivatives that may be used are also set out in the derivatives risk management process filed with the Central Bank. This risk management process is intended to enable the Investment Advisor to accurately measure, monitor and manage the various risks associated with derivatives. Any types of derivatives not included in the risk management process will not be used until such time as a revised submission has been provided to and cleared by the Central Bank.

The use of derivative instruments mentioned above (whether for hedging and/or for investment purposes) may expose the Fund to the risks disclosed below under the heading "Risk Factors and Special Considerations." Position exposure to underlying assets of derivative instruments (other than index-based derivatives) when combined with positions resulting from direct investments will not exceed the investment limits set out in the Prospectus and the Central Bank UCITS Regulations. Derivative exposure including global exposure will also be controlled through the use of absolute Value at Risk ("VaR") methodology by the Investment Advisor. The maximum VaR permitted for the Fund is 4.47% of the Net Asset Value of the Fund. VaR will be calculated daily using a one-tailed 99% confidence interval, a holding period equivalent to one day, and quarterly data set updates (or more frequent when market prices are subject to material changes), and the historical observation period will not be less than one year unless a shorter period is justified by a significant increase in price volatility.

Although the VaR methodology as described above is used to control and assess the Fund's exposures, the Fund also calculates leverage based on the absolute sum of the gross notional amount of the derivatives used as is required by the Central Bank. The leverage figure for the Fund as calculated in this manner is normally expected to range between 0% to 100% of Net Asset Value, although it may exceed this range at times.

This measure of leverage can be high as it includes positions implemented to adjust existing positions as a result of market movements or subscription/redemption activity and it does not take into account any of the Fund's netting or hedging arrangements, even though such arrangements are typically entered into for the purpose of risk reduction.

Under normal market conditions, the total gross long position, calculated as the market value of long security positions plus the gross notional value of long derivatives, is not expected to exceed 150% of the Net Asset Value of the Fund, and the total gross short position, calculated as the gross notional value of short derivatives, is not expected to exceed 50% of the Net Asset Value of the Fund. The Fund does not pursue a long/short trading strategy. The short positions are derivative positions used either to hedge currency, interest rate or fixed income risks in the security positions of the Fund or to gain investment exposure. The Fund may use long derivative positions for the same purposes. The proportion of long to short exposure will depend on the market conditions at any given time.

Subject to the conditions and limits set out in the Central Bank UCITS Regulations, the Fund may use repurchase agreements and reverse repurchase agreements to generate additional income and capital for the relevant Fund. Further information is outlined in the Prospectus under the heading "Repurchase/Reverse Repurchase and Securities Lending Agreements."

Basis upon which investments in the Fund are selected

When deciding whether to buy or sell investments for the Fund, the Investment Advisor may consider, among other factors, credit, liquidity, interest rate and prepayment risks. The Investment Advisor may also consider macroeconomic trends, such as general market or industry conditions and trends. Such factors and trends are considered with respect to derivatives exposure. Assessing these factors and trends relies on extensive research (for example, examining financial statements and other publicly-available securities filings), is both qualitative and quantitative in nature, using proprietary Putnam models to process research information. A flexible investment approach is considered important, as no one style of investment can accommodate all stages of the economic and business cycle. The investment approach aims to take account of, and be responsive to, changes and anticipated changes in economic and market conditions.

Securities Financing Transactions and Contracts for Difference – General

The Fund may engage in securities financing transactions ("SFTs"), *i.e.*, repurchase/reverse repurchase transactions, as further described in Appendix II to the Prospectus entitled "Techniques and Instruments". The Fund may also enter into contracts for difference ("CFDs").

The maximum exposure of the Fund in respect of CFDs shall be 10% and in respect of SFTs shall be 100% of the Net Asset Value of the Fund. However, the Investment Advisor does not anticipate that the Fund's typical exposure (under normal market circumstances) in respect of CFDs will exceed 5% and in respect of SFTs will exceed 50% of the Net Asset Value of the Fund. Investors should note that the figures presented above are based on net exposures to or from relevant counterparties and will differ from other information provided in this Prospectus that is based on gross notional amounts.

The Investment Advisor may perform SFTs on any assets, including securities that are consistent with the investment policy of the Fund. The collateral supporting SFTs will, depending on the counterparty, generally be valued daily at mark-to-market prices and daily variation margin used if the value of collateral falls below coverage requirements. There are no restrictions on the maturity of the collateral received by the Fund.

Additional detail in respect of SFTs, collateral management and acceptable collateral is given under the headings “Appendix II – Techniques and Instruments” and “Risk Factors and Special Considerations” in the Prospectus.

Sustainability Risks

The Fund discloses sustainability considerations pursuant to Article 6 of SFDR.

Although the Fund’s investments are not limited based on sustainability criteria, and although sustainability elements, including risks, do not represent a primary focus of the Fund, the Investment Advisor seeks to integrate sustainability considerations, where it considers them material and relevant, into its fundamental research process and investment decision-making for that portion of the Fund’s assets that represent corporate bonds. With respect to other portions of the Fund’s assets where data on material sustainability considerations is currently less available or other structural challenges apply, such as for holdings of securitised investments, sustainability considerations are not as significant a factor in the Investment Advisor’s investment research and decision-making process, although the Investment Advisor seeks to integrate such considerations as it deems appropriate. The Investment Advisor believes that sustainability considerations, like other, more traditional subjects of investment analysis such as market position, growth prospects, and business strategy, have the potential to impact financial risk and investment returns. The Investment Advisor believes that sustainability considerations are best analysed in combination with a company’s fundamentals, including a company’s industry, geography, and strategic position. When considering sustainability factors, the Investment Advisor uses company disclosures, public data sources, and independent third-party data as inputs into its analytical processes. The consideration of sustainability as part of the Fund’s investment process does not mean that the Fund pursues a specific “sustainable” investment strategy, and the Investment Advisor may make investment decisions for the Fund other than on the basis of relevant sustainability considerations. The Investment Advisor’s approach may continue to develop over time as data on material sustainability considerations becomes more readily available and useful.

3. Base Currency

U.S. Dollar

4. Fees

The investors’ attention is drawn to the general management and Fund charges set out in the Prospectus under the heading “Management and Trust Charges.”

5. Investment Restrictions

The Fund’s investment restrictions are as set out in the Prospectus under the heading “The Trust - Investment Restrictions”.

Notwithstanding Sections 3.1 – 3.5 in the Prospectus under the heading “The Trust - Investment Restrictions,” no more than 10% of the Fund’s net assets may be directly invested in other collective investment schemes.

6. Distribution Policy

For each Class of Units other than Class A2, Class C2 and Class I2, it is intended that distributions, if any, will be declared daily and distributed monthly out of the Fund’s net income and will be reinvested in additional Units, unless requested otherwise by the Unitholder. Class A2, Class C2 and Class I2 are accumulating Classes that do not normally pay out distributions. Further details are set out under the heading “Distributions” in the Prospectus.

7. Risk Factors and Special Considerations

Investors’ attention is drawn to the section entitled “Risk Factors and Special Considerations” in the Prospectus, including the sub-sections therein relating to bond funds (in particular, the risks relating to mortgage and asset-backed securities, collateralised mortgage obligations and collateralised debt obligations), equity and bond funds, and derivatives risks.

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