

IMPORTANT: IF YOU ARE IN ANY DOUBT ABOUT THE CONTENTS OF THIS PROSPECTUS YOU SHOULD  
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HARGREAVES LANSDOWN FUND MANAGERS LIMITED

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HL MULTI-MANAGER UMBRELLA TRUST  
PROSPECTUS  
Dated and valid as at  
1 October 2025

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HL MULTI-MANAGER UK GROWTH  
HL EUROPEAN  
HL EMERGING MARKETS  
HL CAUTIOUS MANAGED  
HL HIGH INCOME

## PROSPECTUS

This document is the Prospectus for the Trust which has been prepared in accordance with the Rules (each as defined in Section 1 below), and is dated and valid as at 1 October 2025. Copies of this document have been sent to the Financial Conduct Authority and the Trustee.

Hargreaves Lansdown Fund Managers Limited, the authorised fund manager of the Trust, is the entity responsible for the information in this Prospectus. To the best of its knowledge and belief (having taken reasonable care to ensure that such is the case) the information in this Prospectus does not contain any untrue or misleading statement or omit any matters required by the Rules to be included in it. Hargreaves Lansdown Fund Managers Limited accepts responsibility accordingly.

No person has been authorised by the Manager to give any information or to make any representations in connection with the offering of Units other than those contained in this Prospectus and, if given or made, such information or representations must not be relied on as having been made by the Manager. The delivery of this Prospectus or the issue of Units shall not, under any circumstances, create any implication that the affairs of the Trust have not changed since the date of this Prospectus. This Prospectus is based on information, law and practice at the date on the front page. The Manager cannot be bound by an out of date Prospectus when a new version has been issued, and investors should check with the Manager that this is the most recently published Prospectus.

Potential investors should not treat the contents of this Prospectus as advice relating to legal, taxation or investment matters, and should consult their own professional advisers concerning the acquisition, holding and/or disposal of Units.

The distribution of this Prospectus and the offering of Units in certain jurisdictions may be restricted. Potential investors are required to inform themselves about, and to observe, any such restrictions. This Prospectus does not constitute an offer or solicitation by 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 Manager, the Trust and the Funds have not been and will not be registered in the United States of America under any applicable legislation. Units may not be offered, sold or delivered in the United States of America or to investors who are US Persons.

Units are not listed on any investment exchange.

This Prospectus has been issued for the purpose of section 21 of the Financial Services and Markets Act 2000 by Hargreaves Lansdown Fund Managers Limited.

## SECTION 1: DEFINITIONS

"Administrator and Registrar"	Northern Trust Global Services SE or such other entity (or entities) to whom the Manager has delegated its administration and/or registrar function from time to time.
"AIF"	An alternative investment fund, as defined in the FCA Glossary.
"AIFM"	An alternative investment fund manager as defined in the FCA Glossary.
"Auditor"	Ernst & Young LLP, or such other entity as is appointed as auditor to the Funds from time to time.
"Benchmark Regulation"	The UK version of Regulation (EU) 2016/1011.
"Business Day"	Monday to Friday excluding public and bank holidays in England or any day on which UK clearing banks are not open for business in London.
"CASS"	The Client Assets Sourcebook which forms part of the FCA's Handbook of Rules and Guidance, as amended from time to time. References to rules and guidance in the CASS Sourcebook are prefaced by "CASS".
"COLL Sourcebook"	The Collective Investment Scheme Sourcebook which forms part of the FCA's Handbook of Rules and Guidance, as amended from time to time. References to rules and guidance in the COLL Sourcebook are prefaced by "COLL".
"CCP"	a legal person that interposes itself between the counterparties to the contracts traded on one or more financial markets, becoming the buyer to every seller and the seller to every buyer, as defined in Article 2(1) of EMIR.
"Custodian"	The Northern Trust Company, London Branch or such other entity (or entities) to whom the Trustee has delegated its custody function from time to time.
"Cut-off Point"	the point prior to which orders to buy, sell, Convert or Switch Units must be received by the Administrator in order for them to be actioned at the next Valuation Point.
"Data Controller"	A person or organisation that determines the purposes and means of processing personal data.
"Dealing Day"	Monday to Friday where these days are Business Days.
"efficient portfolio management" or "EPM"	An investment technique where derivatives are used for one or more of the following purposes: reduction of risk, reduction of cost or the generation of additional income with a level of risk which is consistent with the risk profile of the relevant Fund and the risk diversification rules set out in the COLL Sourcebook, as further described in Appendix 1.
"FCA"	The Financial Conduct Authority of 12 Endeavour Square, London, E20 1JN, or any relevant successor regulatory body from time to time.
"the FCA Handbook"	the FCA Handbook of Rules and Guidance, as amended or replaced from time to time;
"FUND Sourcebook"	The Investment Fund Sourcebook which forms part of the FCA's Handbook of Rules and Guidance, as amended from time to time.

	References to rules and guidance in the Fund Sourcebook are prefaced by "FUND".
"Funds"	The sub-funds of the Trust as set out in Section 3 of this Prospectus, and "Fund" means any one of the Funds.
"Glossary"	Means the FCA's Glossary of Terms which forms part of the FCA's Handbook of Rules and Guidance as amended from time to time.
"HL Group"	(i) Hargreaves Lansdown Limited (company number 02122142) and any other company which is from time to time a subsidiary or subsidiary undertaking or controlled by Hargreaves Lansdown Limited; and (ii) the immediate holding company of Hargreaves Lansdown Limited. For these purposes "subsidiary", "subsidiary undertaking" and "holding company" have the meaning given in the Companies Act 2006.
"HMRC"	HM Revenue & Customs.
"Investment Manager"	An investment manager appointed by the Manager from time to time to manage certain of the assets of a Fund, as further explained in Section 2 and Appendix 6.
"Manager"	Hargreaves Lansdown Fund Managers Limited, the authorised fund manager of the Trust.
"Net Asset Value" or "NAV"	the value of the Scheme Property of any Fund (as the context may require) less the liabilities of the Fund concerned, as calculated in accordance with the Trust Deed.
"Non-UCITS Retail Scheme" or "NURS"	A scheme complying with the requirements of the COLL Sourcebook for a non-UCITS retail scheme.
"Personal Data"	Any information relating to an identified or identifiable natural person; an identifiable natural person is one who can be identified, directly or indirectly, in particular by reference to an identifier such as a name, an identification number, location data, an online identifier or to one or more factors specific to the physical, physiological, genetic, mental, economic, cultural or social identity of that natural person.
"Processing"	Any operation or set of operations which is performed on personal data or on sets of personal data, such as collection, recording, organisation, structuring, storage, adaptation or alteration, retrieval, consultation, use, disclosure by transmission, dissemination or otherwise making available, alignment or combination, restriction, erasure or destruction
"Register"	The register of Unitholders of a Fund.
"Rules"	The applicable rules set out in the FCA Handbook (including the COLL Sourcebook and the FUND Sourcebook, as relevant).
"Scheme Property"	The scheme property of a Fund required under the COLL Sourcebook and FUND Sourcebook to be given for safekeeping to the Trustee.
"Trust"	HL Multi-Manager Umbrella Trust.
"Trust Deed"	The deed entered into by the Manager and the Trustee constituting the Trust, as amended or supplemented from time to time.

<b>"Trustee"</b>	Northern Trust Investor Services Limited, the trustee and depositary of the Trust.
<b>"UK AIFM Regime"</b>	The rules which govern the operation of AIFs as defined in the FCA Glossary.
<b>"Unit"</b>	A unit in a Fund (or a fraction thereof), and " <b>Units</b> " shall be construed accordingly.
<b>"United States of America"</b>	The United States of America (including the States and the District of Columbia), its territories, its possessions and any other areas subject to its jurisdiction.
<b>"Unitholder"</b>	A holder of Units.
<b>"US Persons"</b>	Means as defined in Section 8.
<b>"Valuation Point"</b>	The point, whether on a periodic basis or for a particular valuation, at which the Manager carries out a valuation of the Scheme Property for a Fund (as the case may be) for the purpose of determining the price at which Units of a class may be issued, cancelled, sold or redeemed.
<b>"VAT"</b>	UK value added tax.

## SECTION 2: MANAGEMENT AND ADMINISTRATION

### The Manager

Hargreaves Lansdown Fund Managers Limited is the authorised fund manager of the Trust and also of the other authorised schemes listed in Appendix 5. The Manager is a private limited company incorporated in England and Wales on 15 April 1992 (registered number 2707155). The registered and head office of the Manager is One College Square South, Anchor Road, Bristol BS1 5HL. The Manager is a wholly-owned subsidiary of Hargreaves Lansdown PLC and forms part of the HL Group. The Manager is authorised and regulated by the Financial Conduct Authority. The Manager is the alternative investment fund manager (AIFM) of the Funds, which are each regarded as an "alternative investment fund" or "AIF" for the purposes of the UK AIFM Regime.

The Manager has an authorised share capital of 100,000 shares of £1 each of which 80,000 shares of £1 each are in issue and fully paid.

The executive directors of the Manager are Paul Anthony Dimambro and Tobias Vaughan. Each of these individuals is employed within the HL Group, the services of which include a direct to consumer platform service, portfolio management, personal financial planning and stockbroking.

The independent directors of the Manager are John Troiano and John Misselbrook. Each of these individuals: (a) may also serve as independent / non-executive directors of other entities of the HL Group; and (b) may engage in other business activities not connected with the business of the Manager or the HL Group. Any material conflicts of interests are managed appropriately and regularly reviewed.

The Trust Deed and Rules contain provisions governing the responsibilities of the Manager in relation to the management and administration of each Fund, including (but not limited to) portfolio management and risk management of each Fund, maintaining the Funds' books and records, valuing the Funds' assets and liabilities, calculating the Net Asset Value of each Fund and each Unit, and the issue, sale and distribution of Units. The Manager covers its professional liability risks in respect of these activities by holding additional capital ("own funds"), as calculated in accordance with the Rules.

The Manager may delegate the performance of (but not responsibility for) certain of its functions to third parties. Further details of the functions currently delegated by the Manager are set out below.

### The Trustee and Depositary

The trustee of the Funds is Northern Trust Investor Services Limited, a UK limited liability company, incorporated on 29 April 2020 with company number 12578024. Its registered office and principal place of business is at 50 Bank Street, London E14 5NT.

The Trustee is authorised and regulated by the Financial Conduct Authority.

The Trustee's ultimate holding company is The Northern Trust Corporation, a company which is incorporated in the State of Delaware, United States of America, with its headquarters at 50 South La Salle Street, Chicago, Illinois. The principal activity of the Trustee is trustee and depositary services.

The Trustee is responsible for the safekeeping of all the Scheme Property of the Trust, which includes: (i) holding in custody all financial instruments that can be registered in an account opened in the Trustee's books and all financial instruments that can be physically delivered to the Trustee; and (ii) for other assets, verifying the ownership of such assets and maintaining records accordingly. The Trustee also has a duty to take reasonable care to ensure that the Trust is managed in accordance with the Trust Deed and the provisions of the Rules relating to the pricing of, and dealing in, Units and relating to the income and the investment and borrowing powers of the Funds. The Trustee (in its capacity as depositary) is also responsible for monitoring the cash flows of the Funds and must ensure that certain processes carried out by the Manager are performed in accordance with the Rules, this Prospectus and the Trust Deed.

#### Terms of Appointment

The appointment of the Trustee as depositary of the Trust has been made under an agreement between the Manager and the Trustee (as amended and novated from time to time) (the "Depositary Agreement") in accordance with the Rules. The rights and duties of the Trustee are governed by the Depositary Agreement (as described below) and the Rules.

The Depositary Agreement is terminable on receipt of nine months' written notice given by either party. The Trustee may not retire from its role as depositary voluntarily except on the appointment of a new depositary.

The Depositary Agreement contains provisions indemnifying the Trustee and limiting the liability of the Trustee in its capacity as depositary in certain circumstances.

Subject to the Rules, the Trustee has full power under the Depositary Agreement to appoint third party delegates (including its own affiliates, subsidiaries or country branches) (and to authorise its delegate to appoint sub-delegates) to provide custody services and asset verification services in respect of the assets of the Funds, in accordance with the applicable provisions laid down in the Rules and the UK AIFM Regime.

As a general rule, where the Trustee delegates any of its custody functions to a delegate, the Trustee will remain liable for any losses suffered as a result of an act or omission of the delegate as if such loss had arisen as a result of an act or omission of the Trustee. The use of clearing or settlement systems or order routing systems, does not constitute a delegation by the Trustee of its functions.

As at the date of this Prospectus, the Trustee has delegated custody services to The Northern Trust Company, London Branch. The Custodian is a company established under the laws of the State of Illinois in the United States of America with limited liability, whose principal place of business in England and Wales is at 50 Bank Street, Canary Wharf, London E14 5NT. The Custodian is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. The Custodian has sub-delegated custody services to sub-custodians in certain markets in which the Funds may invest. A list of the sub-custodians is provided in Appendix 7. Investors should note that the list of sub-custodians may be updated from time to time, however, the Prospectus is updated only periodically.

The Trustee is entitled to receive remuneration out of the Scheme Property of the Funds as explained under the heading "Trustee's Charges and Expenses" below.

The Trustee is liable to the Trust for the loss of financial instruments which are held in custody as part of the Trustee's safekeeping duties. The liability of the Trustee will not be affected by the fact that it has entrusted its safekeeping duties to a third party save where this liability has been lawfully discharged to a delegate (any such discharge will be notified to Unitholders) or where the loss of a financial instrument arises as a result of an external event beyond the reasonable control of the Trustee as provided for under the UK AIFM Regime. The Trustee will not be indemnified out of the assets of a Fund for the loss of financial instruments where it is so responsible. As per written agreement the Trustee is not entitled to re-use any of a Fund's assets or to authorise the Custodian (or any sub-custodian) to do so, unless otherwise agreed by the Manager.

Up to date information regarding the Trustee and its appointment as depositary, including: (i) the description of its duties and any conflicts of interest that may arise between the Trust, a Unitholder or the Manager and the Trustee; and (ii) the description of any safekeeping functions delegated by the Trustee, the description of any conflicts of interest that may arise from such delegation, and (iii) the list showing the identity of each delegate and sub-delegate, will be made available to a Unitholder on request.

#### Administration Services

The Manager has appointed Northern Trust Global Services SE to provide certain fund administrative services, including fund valuation and accounting, Unit price calculation and transfer agency services. The Manager has also appointed Northern Trust Global Services SE to maintain each Fund's Register. The registered office of the Administrator and Registrar is at 50 Bank Street, London E14, 5NT, England.

#### Investment Managers

Subject to the Rules, the Manager may appoint one or more third party Investment Managers to provide investment management and advisory services to the Manager in respect of the Funds. Details of the Investment Manager(s) appointed by the Manager as at the date of this Prospectus are set out in Appendix 5.

Where a Investment Manager is appointed, the appointment agreement will provide that:

- the Manager delegates a segment of the relevant Fund's Scheme Property to the Investment Manager, and the Investment Manager has the discretion to deal in investments for that segment of the portfolio, subject at all times to: (i) the investment and borrowing powers applicable to the Fund (as summarised in Appendix 1); (ii) any instructions provided by the Manager to the Investment Manager from time to time; and (iii) the oversight of the Manager;
- the Investment Manager is not entitled to any commission as a result of its dealings with the Scheme Property of the relevant Fund. However, the Investment Manager is remunerated from the Scheme Property of the relevant Fund, as set out in Section 5 of this Prospectus;
- the Investment Manager's appointment shall terminate: (i) automatically if the Manager ceases to be the authorised fund manager of the Trust, or if the Trust or the relevant Fund is wound-up; and (ii) immediately by notice from the Manager to the Investment Manager at any time where it is in the best interests of the Unitholders to do so.

For each Fund, where appointed, an Investment Manager will exercise their responsibilities over a segmented portfolio of the Scheme Property of the relevant Fund. At the discretion of the Manager: (i) subscriptions to the relevant Fund will be allocated to the segmented portfolios; and (ii) withdrawals from the relevant Fund will be taken from the segmented portfolios, in each case in such proportions as the Manager determines. The Manager reserves the right at any time to re-allocate a proportion of the value of any segmented portfolio to another segment (where applicable).

Information on the potential conflicts of interests relating to an Investment Manager's appointment is set out in Section 10. Further information concerning the Manager's use of Investment Managers is set out in Appendix 4, 5 and 6.

#### The Auditor

The Auditor of the Trust is Ernst & Young LLP of 1 More London Place, London SE1 2AF. The Auditor is required to audit and express its opinion of the financial statements of each Fund in accordance with applicable laws and auditing standards.

### SECTION 3: CONSTITUTION AND STATUS OF THE TRUST

#### Establishment and regulatory classification

The Trust is an authorised unit trust scheme established by the Trust Deed dated 5 December 2014. It was granted authorisation by order of the FCA on 5 December 2014. Its Product Reference Number is 647326. The Trust is categorised as a "Non-UCITS Retail Scheme" and an "alternative investment fund" for the purposes of the Rules. The base currency of the Trust is pounds sterling.

#### Structure

The Trust is structured as an umbrella unit trust comprising a number of Funds, as set out below and in Appendix 4. Units in the following Funds are currently available:

Name	FCA product reference number	Authorisation Date
HL Multi-Manager UK Growth	647332	5 December 2014
HL European	647333	5 December 2014
HL Emerging Markets	647334	5 December 2014
HL Cautious Managed	733778	25 January 2016
HL High Income	741020	17 March 2016

Different Funds may be established from time to time by the Manager with the approval of the FCA, the agreement of the Trustee, and in accordance with the Trust Deed. On the introduction of a new Fund, a revised Prospectus will be prepared setting out the relevant details of each Fund.

Each Fund has a specific portfolio to which that Fund's assets and liabilities are attributable. The Funds are treated as segregated portfolios of assets and accordingly the assets of a Fund belong exclusively to that Fund and shall not be used or made available to discharge (directly or indirectly) the liabilities of, or claims against, any other person or body, including the Trust and any other Fund and shall not be available for any such purpose.

Subject to the above, each Fund will be charged with the liabilities, expenses, costs and charges of the Trust attributable to that Fund. Any assets, liabilities, expenses, costs or charges not attributable to a particular Fund may be allocated by the Manager in a manner which it believes is fair to the Unitholders generally. This will normally be pro rata to the Net Asset Value of the relevant Funds.

Whilst the Trust Deed provides for segregated liability between the Funds, the concept of segregated liability may not be recognised and given effect by a court in certain contexts including where the relevant contractual documents involving a Fund are not construed in a manner to provide for segregated liability. Where claims are brought by local creditors in foreign courts or under foreign law contracts, and the liability relates to one Fund which is unable to discharge that liability, it is not clear whether a foreign court would give effect to the segregated liability contained in the Trust Deed. Therefore, it is not possible to be certain that the assets of a Fund will always be completely insulated from the liabilities of another Fund of the Trust in every circumstance.

Unless otherwise specified in Appendix 4, the base currency of each Fund is pounds sterling. Key investor information documents in respect of the Funds, including historic performance data, are available from the Manager.

## Nature of the Units

For each Fund, Unitholders hold Units which reflect the value of the assets held by that Fund. The right represented by Units in a Fund is that of a beneficial interest under a trust. A Unitholder is not liable to make any further payment to the relevant Fund after they have paid the purchase price of the Unit. Unitholders will not be liable for the debts, if any, of the relevant Fund or the Trust. Each undivided Unit ranks *pari passu* with the other undivided Units in a Fund.

The Trust Deed permits the issue of a number of different classes and types of Units for each Fund, including both income Units and accumulation Units. An income Unit represents one undivided Unit in the Fund in respect of which income earned by that Unit (if any) is to be distributed to the Unitholder. An accumulation Unit is an undivided Unit in respect of which the income earned by that Unit (if any) is accumulated and reflected in its value.

Each class of Unit issued by a Fund may vary by factors such as whether it pays out or accumulates income, or attracts different fees, charges and expenses. As a result, money may be deducted from the classes in unequal proportions. In these circumstances the proportionate interests of a Fund's Unit classes will be adjusted in accordance with the Trust Deed.

**A summary of the Unit classes currently issued by each Fund, the relevant investment requirements and applicable charges for each class of Unit is set out in Appendix 4.**

The Trustee (at the instruction of the Manager) may from time to time create additional Unit classes in a Fund, provided this does not result in any material prejudice to existing Unitholders of that Fund, and subject to the Trust Deed. In these circumstances, a new Prospectus shall be issued, setting out the details of such new Unit class(es).

Further information on the Funds' Unit dealing and pricing arrangements is set out in Sections 6 and 7.

The Manager seeks at all times to ensure that Unitholders are treated fairly and has an obligation to act honestly, fairly, professionally, independently and in the interest of the Funds and their respective Unitholders. For each Fund, there is no preferential treatment afforded to any one individual or group of Unitholders above another in terms of buying and selling Units and holding Units within a Fund, although the Manager may use its discretion in such matters, in which case Unitholders will be given a description of the preferential treatment and what it involves.

The Manager has internal controls in place to prevent conflicts of interest and to prevent a material risk of damage to the interests of Unitholders. Further information about potential conflicts of interest is set out in Section 10.

## The Register

For each Fund, title to Units is evidenced in the Register of Unitholders, and the Register shall be conclusive as to the persons respectively entitled to the Units entered in the Register as a matter of law. No certificates will be issued to Unitholders. No notice of any trust, express, implied or constructive, shall be entered on the Register in respect of any Unit and the Manager and Trustee shall not be bound by any such notice.

The Register is maintained by the Administrator and Registrar, and may be inspected by a Unitholder at the following address during normal business hours on a Business Day: 50 Bank Street, Canary Wharf, London E14 5NT.

#### Unitholder's relationship with a Fund and its service providers

All Unitholders are entitled to the benefit of, are bound by, and are deemed to have notice of, the Trust Deed, copies of which are available on request from the Manager. The provisions of the Trust Deed are binding on the Manager, the Trustee and each Unitholder.

The subscription documents for a Fund (being this Prospectus, the Trust Deed, Key Investor Information Document and any application form submitted by or on behalf of a Unitholder) are governed by English law, and the Courts of England & Wales shall have exclusive jurisdiction in relation to claims made under or in respect of such subscription documents.

Each Fund is reliant on the performance of service providers, whose details are set out above. No Unitholder will have any direct contractual claim against any such service provider. This is without prejudice to any right a Unitholder may have to bring a claim against an FCA authorised service provider pursuant to Section 138D of the Financial Services and Markets Act 2000 or any tortious rights of action.

If a Unitholder has a complaint in respect of a Fund, such complaints may be made to the Manager at the following address: Fund Administration Manager, One College Square South, Anchor Road, Bristol BS1 5HL. If a Unitholder is not satisfied with the way the Manager handles a complaint, Unitholders who are "eligible complainants" may refer such complaints to the Financial Ombudsman Service: (i) by post at Exchange Tower, Harbour Exchange Square, London, E14 9SR; (ii) by telephone on 0800 023 4567 or 0300 123 9 123; or (iii) by email at: [complaint.info@financial-ombudsman.org.uk](mailto:complaint.info@financial-ombudsman.org.uk). Further information is available at: [www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk).

The Manager is a member of the Financial Services Compensation Scheme. Unitholders may therefore be entitled to compensation from the Scheme if the Manager cannot meet its obligations. This depends on the eligibility of the relevant investor and the circumstances of the claim. There are limits on the amount of compensation available (as at the date of this Prospectus, most types of investment business are covered up to 100% of the first £85,000). Further information about the Financial Services Compensation Scheme is available on request, or by contacting the FSCS at: 10<sup>th</sup> Floor Beaufort House, 15 St. Botolph Street, London EC3A 7QA, by visiting [www.fscs.org.uk](http://www.fscs.org.uk), or by telephone: 08006781100.

#### Genuine Diversity of Ownership Condition

Units in a Fund shall be marketed and made available sufficiently widely to reach the intended categories of investors, and in a manner appropriate to attract those categories of investors.

## SECTION 4: INVESTMENT OBJECTIVES AND POLICIES

### General

The investment objective and investment policy for each of the Funds is set out in Appendix 4.

### Changes to the investment objective and/or the investment policy

In the event the Manager proposes to amend the investment objective and/or investment policy of a Fund:

- it will obtain the Trustee's and the FCA's consent, in accordance with the Rules;
- depending on the materiality of the proposed changes, it will treat the change as a "fundamental change", a "significant change" or a "notifiable change" (see Section 10), and will either obtain Unitholders' consent or notify Unitholders (unless the Manager concludes that the change is insignificant), as is required in the circumstances under the applicable Rules.

### Investment and borrowing powers and restrictions

The Trust, and accordingly each Fund, is a Non-UCITS Retail Scheme and is therefore subject to certain investment restrictions, as prescribed by the Rules. Each Fund is also subject to any restrictions set out in the Trust Deed and this Prospectus. A summary of the applicable investment and borrowing powers is set out in Appendix 1.

### ISA eligibility

It is intended that Units in the Funds are eligible investments for a Stocks & Shares Individual Savings Account (ISA).

### Profile of a Typical Investor

A typical investor in the Funds will be a retail investor who understands and appreciates the risks associated with investing in Units and may or may not have received advice from a qualified professional adviser. The Funds may also accept applications from institutional investors.

## SECTION 5: CHARGES AND EXPENSES

### The Manager's Charges and Expenses

#### **Initial charge**

The Manager is entitled, under the Trust Deed, to an initial charge which is included in the issue price of the Units. The initial charge may be waived at the Manager's discretion. The Manager's current initial charges are set out in Appendix 4. If you invest in one of the Funds using the HL platform, the initial charge will be waived.

#### **Annual management charge**

For each Fund, the Manager is also entitled to receive an annual management charge (or the "AMC") out of the Scheme Property of the relevant Fund. The AMC is calculated and accrued daily. The daily accrual is based on the Net Asset Value of the relevant Fund in respect of each Unit class at the Valuation Point of the previous day. The AMC is paid monthly in arrears out of the Scheme Property of each Fund.

Currently, the Manager's AMC is charged on a tiered pricing basis ("Tiered Pricing") in respect of Class A and Class M Units available in each of the Funds other than HL Emerging Markets. By way of summary, this means that the Manager's AMC will be charged at different rates across different tiers or levels of the Funds' overall Net Asset Value. The purpose of this arrangement is to pass on to Unitholders some of the benefit of the potential savings which may be achieved through the economies of scale generated through an applicable growth of assets under management of a Fund.

Where the Manager's AMC is charged on a Tiered Pricing basis, each relevant Unit class will have a starting AMC which will, in effect, represent the maximum rate of AMC that may currently be applied in respect of that Unit class (the "Starting AMC").

The table below sets out the rates of AMC that will be charged for the current Unit classes issued in respect of each Fund where Tiered Pricing is applied.

Fund	Starting AMC rate applied to the Net Asset Value of the Fund up to £1 billion	AMC rate applied to the Net Asset Value of the Fund between in excess of £1 billion and up to £2 billion	AMC rate applied to the Net Asset Value of the Fund between in excess of £2 billion and up to £3 billion	AMC rate applied to the Net Asset Value of the Fund in excess of £3 billion
HL European	0.60%	0.55%	0.50%	0.45%
HL Multi-Manager UK Growth	0.60%	0.55%	0.50%	0.45%
HL High Income	0.69%	0.64%	0.60%	0.55%
HL Cautious Managed	0.50%	0.49%	0.48%	0.475%

The table and information above will be updated, as appropriate, on the issue of new Unit classes and/or sub-funds which apply Tiered Pricing.

Appendix 4 also contains information on the annual management charge for each Unit class of each Fund.

### **Redemption charge**

The Manager is entitled under the Trust Deed to apply a charge on the redemption of Units in each Fund but at present does not intend to introduce such a charge. If a redemption charge was introduced at any stage it would only apply to Units issued after introduction of the charge.

### **Fund accounting charges**

The Administrator and Registrar is remunerated for the provision of fund accounting services by a charge that is calculated and accrued daily based on the Net Asset Value of each Fund. The charge is paid monthly in arrears out of the Scheme Property of the relevant Fund. The per annum fund accounting charge is:

<b>Fund Accounting Charge</b>	<b>Value of Fund</b>
0.01% of the Net Asset Value of a Fund*	Up to £250 million*
0.0075% of the Net Asset Value of a Fund	Between £250 million and £500 million
0.005% of the Net Asset Value of a Fund	Between £500 million and £750 million
0.002% of the Net Asset Value of a Fund	Over £750 million

\*subject to a minimum fund accounting charge of £25,000 (per Fund) per annum.

### **Investment Manager Fee**

The Investment Managers which may be appointed for a Fund are remunerated by advisory fees that are deducted from the Scheme Property of the relevant Fund. The current maximum (aggregate) Investment Management Fee that may be charged to a Fund (if applicable) is set out in Appendix 4.

For each Investment Manager, the Investment Manager Fee is calculated and accrued daily based on the Net Asset Value of the segment of the relevant Fund's portfolio allocated to that Investment Manager. The fee is paid monthly in arrears out of the Scheme Property of the relevant Fund.

### **Increases to the Manager's charges and expenses**

The Manager is not permitted to: (i) introduce a redemption charge; or (ii) increase the rates of its initial, annual management, administration or advisory fees and charges, unless 60 days' prior written notice of such change is given to all Unitholders in the relevant Fund(s) and this Prospectus is revised to reflect the proposed change.

## Trustee's Charges and Expenses

### **Periodic Charge**

The Trustee's fee is a periodic charge based on the Net Asset Value of each Fund, charged per Fund at the following rates:

Trustee's Fee	Value of Fund
0.01% of the Net Asset Value of a Fund	Up to £100 million
0.0075% of the Net Asset Value of a Fund	Between £100 million and £1 billion
0.005% of the Net Asset Value of a Fund	Greater than £1 billion

per annum (plus VAT). The Trustee's periodic charge is accrued and calculated on a daily basis based on the Net Asset Value of each Fund in respect of each Unit class at the Valuation Point of the previous day. The fee is paid monthly in arrears out of the Scheme Property of the Funds.

### **Custody and transaction charges**

The Trustee is also entitled to payment of custody and transaction charges in relation to the transaction handling and safekeeping of the Funds' Scheme Property as follows:

Charge	Range
Transaction charges (second schemes)	£25 per transaction
Transaction charges (other assets)	£2 to £80 per transaction
Custody charges (second schemes)	£100 per holding, per annum
Custody charges (other assets)	0.002% to 0.15%

These charges may vary from country to country depending on the markets and types of transaction involved. The transaction charges accrue at the time the transactions are carried out and are payable no later than the last Business Day of the month where the charge is incurred or as otherwise agreed between the Manager and the Trustee. Custody charges accrue on a daily basis and are paid monthly in arrears. The minimum custody and transactions charges in aggregate per annum, and in total across all schemes managed by the Manager, is £40,000.

### **Expenses**

Where relevant, the Trustee may make a charge for its services in relation to distributions from a Fund. The Trustee may purchase or sell or deal in the purchase or sale of Scheme Property, provided always that the services concerned and any such dealing are in accordance with the provisions of the Rules.

The Trustee is also entitled to reimbursement out of the Scheme Property of each Fund in respect of all liabilities, costs and expenses (together with VAT thereon) incurred in the proper performance

of its duties (or exercising powers conferred upon it) under the Trust Deed, the Rules or by general law.

### **Increase to Trustee's charges and expenses**

The Trustee is permitted to increase its remuneration subject to the Manager's agreement. If the change materially increases the payments out of a Fund, Unitholders will be given 60 days prior written notice.

### **Registration Fees and Charges**

Charges in relation to the establishment and maintenance of the Register are charged directly to each Fund and are paid monthly in arrears out of Scheme Property. The current charge is £12 per Unitholder per annum. There is also an administration fee of £3000 per Fund.

In respect of transfer agency activities, a Unitholder transaction fee is charged of £10 or £12 per transaction in respect of manual transactions, and £4 per transaction in respect of automated transactions. These charges are paid monthly in arrears out of the relevant Fund.

Any increase in the Administrator and Registrar's fees may only take effect if 60 days' prior written notice has been given to all Unitholders and this Prospectus has been revised to reflect the change and date of commencement.

### **Other Costs and Expenses**

The following costs and expenses (being the amounts actually incurred at such time) together with any applicable VAT thereon may be payable by a Fund from its assets at the discretion of the Manager:

- (a) transaction costs such as broker's commission, fiscal charges and other disbursements which are:
  - (i) necessary to be incurred in effecting transactions for a Fund; and
  - (ii) normally shown in contract notes, confirmation notes and difference accounts as appropriate;
- (b) interest on borrowings permitted in respect of a Fund and charges incurred in effecting or terminating such borrowing or in negotiating or varying the terms of such borrowings;
- (c) taxation and duties payable in respect of the property of a Fund, the Trust Deed or the issue of Units;
- (d) any costs incurred in modifying the Trust Deed (including costs incurred in respect of meetings of holders convened for purposes which include the purpose of modifying the Trust Deed), where the modification is:
  - (i) necessary to implement, or necessary as a direct consequence of, any change in the law (including changes in the Rules); or

- (ii) expedient having regard to any change in the law made by or under any fiscal enactment and which the Manager and the Trustee agree is in the interest of holders; or
- (iii) to remove from the Trust Deed obsolete provisions;
- (e) any costs incurred in respect of meetings of Unitholders convened by the Trustee or on a requisition by Unitholders not including the Manager or an associate of the Manager;
- (f) certain liabilities (as set out in the COLL Sourcebook) on unitisation, amalgamation or reconstruction of a Fund or the Trust;
- (g) the audit fee properly payable to the Auditor and any proper expenses of the Auditor;
- (h) any fee and any proper expenses of any professional advisers retained for or on behalf of the Trust or by the Manager in relation to a Fund;
- (i) payments, costs or any other administrative expenses in relation to the preparation or dissemination of a prospectus and the preparation of the key investor information document or equivalent documentation (in the case of the key investor information document or equivalent documentation, only the cost of preparation may be charged);
- (j) the periodic fees of the FCA under the Financial Services and Markets Act 2000 or the corresponding periodic fees of any regulatory authority in a country or territory outside the United Kingdom in which Units in a Fund are or may be marketed;
- (k) any costs of printing and distributing annual, half yearly and quarterly reports and any other reports or information provided to Unitholders;
- (l) any costs of listing the price of Units in a Fund in publications and information services selected by the Manager;
- (m) any payment permitted by the Rules in connection with liabilities on a transfer of assets;
- (n) any costs of establishing and obtaining authorisation of a Fund;
- (o) any costs incurred producing and despatching any payment from a Fund;
- (p) any costs incurred in taking out and maintaining an insurance policy in relation to a Fund;
- (q) any costs or fees which arise in connection with pursuing or defending litigation on behalf of a Fund or the Trust;
- (r) any amount payable by a Fund or the Trust under any indemnity provisions provided for in the Trust Deed or any agreement to which a Fund or the Trust is party (subject to all applicable laws and, regulations, including the Rules);

- (s) any costs incurred in connection with the establishment and maintenance of the Register and any plan sub-register;
- (t) out of pocket expenses incurred in providing administration services such as Fund set-up costs, telephone, fax, courier charges etc.

VAT on any fees, charges or expenses will be chargeable out of the property of a Fund or by the Manager where applicable.

The dealing charges of the Administrator and Registrar and any electronic straight-through-processing transaction network providers, will be paid out of the Scheme Property of a Fund or by the Manager.

Certain direct and indirect operational costs and/or fees may arise from time to time as a result of efficient portfolio management techniques used for the benefit of the Funds. These costs and/or fees are regarded as transaction costs and therefore fall within the costs noted in paragraph (a) above.

#### Allocation of fees and expenses

All of the above fees, charges and expenses (where charged) will be charged as follows:

- Fees, charges and expenses which are attributable to a particular Unit class of a Fund will be charged to that Unit class.
- Fees, charges and expenses which are attributable to a particular Fund will be charged to that Fund. If there is more than one Unit class in issue in that Fund, the relevant fee, charge or expense will normally be allocated pro rata to the Net Asset Value of the Scheme Property attributable to those Unit classes;
- Fees, charges and expenses not attributable to a particular Fund will usually be allocated between the Funds pro rata to the Net Asset Value of each Fund.

The Manager has the discretion to allocate fees, charges and expenses in a different manner where it considers this to be reasonable and fair to Unitholders.

#### Charges to capital

Where the objective of a Fund is to treat the generation of income as a higher priority than capital growth, or the generation of income and capital growth have equal priority, all or part of the Manager's fees (and any other charges) may be charged against a Fund's capital instead of its income. This may result in capital erosion or constrain capital growth.

Currently, the following Funds deduct charges (including the Manager's Annual Management Charge (or AMC), the Investment Manager Fee (if any) and the Trustee's Periodic Charges) from capital:

Fund(s)
HL High Income

This treatment should increase the amount of income available for distribution to Unitholders, but may constrain capital growth.

Exemption from liability to account for profits

The Manager is not liable to Unitholders for any profits or benefits it makes or receives that are derived from or in connection with: (i) dealings in Units; (ii) any transactions in Scheme Property; and (iii) the supply of services to the Trusts and the Funds.

## SECTION 6: DEALING

### Purchase and Sale of Units in the Funds

The Manager will accept orders for the purchase and sale of Units between the hours of 9.00 a.m. and 5.00pm of each Dealing Day, subject to the rules on pricing (see Section 7). Units will be bought/sold at the price calculated by reference to the relevant Valuation Point following receipt of the request by the Manager, as further explained below and in Section 7.

Instructions to purchase or sell Units in a Fund may be provided in the following ways:

1. in writing at (addressed to Hargreaves Lansdown Fund Managers Limited, Sunderland, SR43 4AS);
2. where permitted, via an electronic trading system through a 'straight through process' (STP) provider; or
3. at the Manager's discretion over the telephone on 0333 300 0360 (all telephone calls may be recorded).

A contract note confirming each purchase of Units will be issued no later than the end of the Business Day following the relevant Valuation Point. Certificates will not be issued.

### Dealing and Valuation

Fund	Cut-off Point	Valuation Point
HL Multi-Manager UK Growth	1.30pm	10.30pm
HL European	1.30pm	10.30pm
HL Emerging Markets	1.30pm	10.30pm
HL Cautious Managed	1.30pm	10.30pm
HL High Income	1.30pm	10.30pm

The Valuation Point, by reference to which the price of each Unit is determined on each Dealing Day as set out in the table above. All requests for purchases or sale of Units must be received by the Manager by the Dealing Cut-off Point on each Dealing Day (as set out in the table above), otherwise they will be held over the next Valuation Point. The Manager has the right to reject any application for Units that has not been completed to its satisfaction.

Subject to its obligations under the Rules, the Manager (including the Administrator and Registrar acting on behalf of the Manager) has the right to reject any application for Units that has not been completed to its satisfaction.

Investors will only have cancellation rights if an investment is made in a Fund as a result of having taken investment advice from an authorised financial adviser. If an investor exercises a right to cancel, the full amount initially invested may not be received if the price for the Units has fallen since the investment was made.

### Settlement Periods for Purchase and Sale of Units

Fund	Settlement period
HL Multi-Manager UK Growth	Two (2) Business Days from relevant Valuation Point (T+2)

Fund	Settlement period
HL European	Two (2) Business Days from relevant Valuation Point (T+2)
HL Emerging Markets	Three (3) Business Days from relevant Valuation Point (T+3)
HL Cautious Managed	Two (2) Business Days from relevant Valuation Point (T+2)
HL High Income	Two (2) Business Days from relevant Valuation Point (T+2)

The Manager reserves the right to cancel any application for Units where payment is not received in full by the expiry of the settlement periods set out in the table above.

Units will be redeemed at no less than the price of the Unit as determined at the relevant Valuation Point following the time instructions are received by the Manager, as calculated in accordance with the Rules. However, Units may also be redeemed through an authorised intermediary who may charge commission.

For each Fund payment of redemption, proceeds will be made within the settlement period set out in the table above. The settlement period will not commence until the Manager receives properly completed documentation.

A contract note will be issued to confirm the transaction by the end of the next Business Day following the relevant Valuation Point. Once a request to redeem Units has been given, it cannot subsequently be withdrawn.

#### Minimum Investment and Minimum Holding Thresholds

The minimum investment and minimum holding thresholds for each Fund are set out in Appendix 4 (except where the Manager shall in its absolute discretion, permit to the contrary).

Instructions for the sale of part only of a holding will be accepted provided that the value of the Units remaining will be at least the minimum holding amount specified in respect of that Fund in Appendix 1 (except where the Manager shall in its absolute discretion, permit to the contrary).

Investors that invest via platforms or other nominee companies may be permitted to invest smaller minimum investments, including through a regular savings plan.

#### Client Money

Money received by the Manager which is pending the purchase or follows the redemption of Units will be held in accordance with the FCA's rules in CASS on "**client money**", in a client money bank account held by the Manager with a third party bank, currently Lloyds Banking Group. No interest is payable to investors on money held in the client money bank account.

Where the Manager holds client money for an investor which remains unclaimed for a period of six years, the Manager will make reasonable efforts to contact the investor in order to repay that client money. If the Manager is not able to contact such investor, the Manager may pay such unclaimed

client money to a registered charity in accordance with the FCA's rules on client money, and the cash will no longer be treated as client money. If the amount due to an investor is greater than £25 (or £100 for an investor that is categorised as a professional client), such investor will subsequently be entitled to a sum equal to such amount, subject to the Manager's verification requirements.

If a bank holding client money fails, investors should note that their client money held by the Manager will be pooled with that held for other investors in the Funds. This means that investors will have a claim against the common pool of money, rather than a claim against a specific sum in a specific account. As a result, any shortfall in the client money bank accounts will be shared on a pro rata basis between all investors on whose behalf the Manager holds client money in the relevant account.

If any bank holding client money fails and the relevant money is not returned, affected investors may be eligible to claim compensation under the Financial Services Compensation Scheme ("FSCS"). The current compensation limit is £85,000 per eligible complainant, per bank, and the limit covers all money held with the bank, whether by the investor directly or through the Manager. Full details of the arrangements under the FSCS are available on its website: [www.fscs.org.uk](http://www.fscs.org.uk).

If the Manager itself were to fail, a pooling of all the client money held in the client money bank accounts of the Manager at the time of failing would take place, with an obligation to distribute it. The FCA's CASS 7A.2 rules set out how this pooling and distribution would operate, including how any client money received after the failure of the Manager should be treated. This money is not pooled with the money already held at the time of the pooling event but is instead placed in a client money bank account opened after the event and handled in accordance with CASS.

#### In specie application

The Manager may, by special arrangement and at its discretion, agree to arrange for the issue of Units in exchange for assets other than cash but only if the Trustee is satisfied that acquisition of the assets in exchange for the Units to be issued is not likely to result in any material prejudice to the interests of Unitholders or potential Unitholders of the relevant Fund.

#### Suspension of Dealings

The Manager may with the prior agreement of the Trustee, or must without delay if the Trustee so requires, temporarily suspend the issue, cancellation, sale and redemption of Units ("dealing") where due to exceptional circumstances it is in the interests of all Unitholders in the relevant Fund or Funds (as applicable). The Manager and the Trustee must ensure that the suspension is only allowed to continue for as long as is justified having regards to the interests of the Unitholders and that dealing resumes as soon as possible after the circumstances triggering the suspension have ceased. Upon suspension, the Manager or the Trustee must immediately inform the FCA, giving reasons for the suspension.

The Manager will inform Unitholders of the suspension as soon as practicable after the suspension commences, explaining the reasons for the suspension. The Manager will also publish sufficient details on its website to keep Unitholders appropriately informed about the suspension including (if known) its likely duration. The Manager and the Trustee will formally review the suspension at least every 28 days, keeping the FCA informed. During such period of suspension, the Manager may agree to deal in Units at a price calculated by reference to the first Valuation Point after the resumption of dealing in Units. The Manager will resume dealing in Units after giving the FCA notice in accordance with the COLL Sourcebook.

The Manager may suspend dealing with respect to a particular Unit class, without being applied to all other Unit classes in a Fund, if it is in the interests of all the Unitholders in that Fund.

#### Deferred Redemption

In times of high levels of redemption, the Manager may permit deferral of redemptions at a Valuation Point to the next Valuation Point where the total value of the redemptions requested together represent over 10% of the relevant Fund's Net Asset Value. In these circumstances, following the provisions of the Rules in COLL 6.2.21R, redemption requests up to the 10% level will be met on a pro rata basis and all requests above that level will be deferred until the next Valuation Point. Such deferred redemptions shall be met in priority to that day's redemption requests.

#### Exchanging Units

Subject to the minimum investment thresholds and eligibility criteria for each Unit class in a Fund (see Appendix 4), a Unitholder may at any time:

- **Convert** all or some of their Units in one class in a Fund for Units of another class in the same Fund; and/or
- **Switch** all or some of their Units in a Fund for Units in another Fund of the Trust.

**Conversion between classes of unit in a Fund:** a Unitholder may convert all or some of their Units in one class in a Fund ("original Units") for Units of another class within that Fund ("new Units"). The number of new Units issued in respect of the conversion will be determined by the respective prices of Units at the Valuation Point applicable at the time the original Units are cancelled and the new Units are created.

The Manager does not apply a charge on the conversion of Units in one class in a Fund to Units of another class in the same Fund. Conversions between different Unit classes in the same Fund should not generally give rise to a disposal for UK capital gains tax purposes. However, Unitholders should seek their own professional tax advice in this regard.

**Switching between units in different Funds:** a Unitholder may switch all or some of their Units of one class in a Fund ("original Units") for units of another class in another Fund of the Trust ("new Units"). The number of new Units issued in respect of the switch will be determined by the respective prices of Units at the Valuation Point applicable at the time the original Units are cancelled and the new Units are created.

On a switching of units between Funds, the Manager does not currently apply a separate switching charge. However, if a redemption charge is payable in respect of the original Units, this may become payable instead of, or as well as, the then prevailing initial charge for the new Units.

Unitholders subject to UK tax should note that a switch of Units between Funds is normally treated as a redemption and sale, and therefore is treated as a disposal for the purposes of capital gains tax. A switch of Units between Funds may therefore give rise to capital gains tax liability for UK resident Unitholders. Unitholders should seek their own professional tax advice in this regard.

In no circumstances will a unitholder who exchanges Units in one Fund for units in another Fund be given a right by law to withdraw from or cancel the transaction.

**General:** if a proposed conversion or switch (as applicable) would result in a Unitholder holding less than the minimum holding requirements in the class concerned, the Manager may convert the whole of the Unitholder's original Units to the new Units or decline to effect the conversion or switch (as applicable) of the original Units. No conversion or switch will be made during any period when the rights of Unitholders to deal in their Units has been suspended. The general provisions on procedures relating to the purchase and redemption of Units in a Fund will apply equally to a conversion or switch (see above under the heading "Purchase and Redemption of Units in the Funds").

Unitholders that have invested via platforms or other nominee companies may be subject to policies and procedures set out by those relevant platforms and/or nominee companies in relation to conversion and switching of Units.

#### Mandatory redemption and cancellation of Units

The Manager may from time to time take such action, and impose such restrictions, as it thinks necessary for the purpose of ensuring that no Units are acquired or held by any person in circumstances ("relevant circumstances"): (i) which constitute a breach of the law or governmental regulation (or any interpretation of the law or regulation by a competent authority) of any country or territory; or (ii) which would (or could if other Units were acquired or held in like circumstances) result in the relevant Fund incurring any liability to taxation or suffering any other adverse consequence (including a requirement to register under any securities or investment or similar laws or regulations of any country or territory). In this connection, the Manager may reject, at its discretion, any purchases for, sale, conversion or transfer of Units.

If it comes to the Manager's attention that any affected Units have been acquired or are being held, whether beneficially or otherwise, in any of the relevant circumstances referred to above or if the Manager reasonably believes this to be the case, the Manager may give notice to the holder of the affected Units requiring that Unitholder to transfer the Units to a person qualified or entitled to own the Units in question or to give a request in writing for the redemption or cancellation of such Units. If any person to whom such notice is served does not, within thirty days after the date of such notice, transfer the affected Units to a person qualified or entitled to hold the same, or establish the satisfaction of the Manager (whose judgement shall be final and binding) that the holder and any person on whose behalf he holds the affected Units, he shall be deemed upon the expiration of that thirty day period to have given a request in writing for the redemption or cancellation of the affected Units.

#### Compliance with applicable laws, including anti-money laundering legislation

The Manager is subject to applicable laws and regulations relating to the prevention of crime, anti-money laundering and tax laws. This means that the Manager is obliged to verify the identity of Unitholders when dealing in Units, which the Manager will do so via electronic checks with credit reference agencies and of the electoral roll. If the Manager is unable to verify a Unitholder's identity electronically, it may ask for further documentary evidence to be provided. The Manager reserves the right to delay applications for Units or withhold redemption settlement proceeds until this evidence is provided.

By applying for Units, Unitholders are giving the Manager permission to ask for (and store) this information and to conduct such electronic checks, for the purpose of verifying the Unitholder's identity.

The Manager reserves the right to adopt such additional practices and procedures from time to time as it deems reasonably necessary to avoid it committing an offence or regulatory breach under the applicable legislation and regulations concerning the prevention of crime, anti-money laundering and tax laws.

Market Timing

The Manager does not permit the Funds to be used for the purposes of market timing, being a trading strategy used with the intention of taking advantages of short-term changes in prices. The Manager undertakes monitoring activities to ensure that market timing is not taking place in relation to any of the Funds.

## SECTION 7: VALUATIONS AND PRICING

### Valuation of Fund Property

Each Unit represents a proportional share of the overall property attributable to a Fund. Therefore, the value of a Unit is calculated, in broad outline, by calculating the Net Asset Value of the Scheme Property attributable to a Fund, and dividing that value (or that part of that value attributed to Units of the class in question) by the number of Units (of the class in question) in issue.

Fund	Valuation Point
HL Multi-Manager UK Growth	10.30pm
HL European	10.30pm
HL Emerging Markets	10.30pm
HL Cautious Managed	10.30pm
HL High Income	10.30pm

The Valuation Point, by reference to which the price of each Unit is determined on each Dealing Day, is set out for each Fund in the table above. All requests for purchases of Units must be received by the Manager by the Cut Off Point on each Dealing Day (as set out in the table above) otherwise they will be held over until the next Valuation Point. The Manager has the right to reject any application for Units that has not been completed to its satisfaction. If you invest via a platform or other nominee, please refer to your provider for the Cut-Off Points.

The Manager may (with the agreement of the Trustee) declare additional Valuation Points. At a Valuation Point, the Manager will calculate the Unit prices, using the most recent prices of the underlying assets that it can reasonably obtain. The valuation of each Fund's Scheme Property and the pricing of Units is governed by the Rules, the UK AIFM Regime and the Trust Deed. Information regarding the calculation of each Fund's Net Asset Value is set out in Appendix 3 to this Prospectus.

Subject to the Rules, the Manager may use a fair value pricing policy in respect of a Fund's assets. Fair value pricing will only apply where the Manager has reasonable grounds to believe that no reliable price exists for one or more underlying securities at a Valuation Point or the most recent price available does not reflect the Manager's best estimate of the value of the asset at the Valuation Point. In these circumstances, the Manager may value an investment at a price which, in its opinion, reflects a fair and reasonable price for that investment. Circumstances which may give rise to a fair value price being used include: (i) instances where there is no recent trade in the security concerned; or (ii) the occurrence of a significant event since the most recent closure of the market where the price of the asset is taken.

Valuations will not be made during a period of suspension of dealings (see 'Suspension of Dealings' in Section 6). In the event that, for any reason, the Manager is unable to calculate the Unit price of any Fund at the normal Valuation Point, the prices will be based on the next available valuation thereafter.

## Unit prices

Units in each Fund are "single priced", meaning that (subject to any dilution adjustment and initial charge) the price of each Unit for both buying and selling purposes will be the same and determined by reference to the particular Valuation Point. The price of each Unit of any class will be calculated by reference to the proportion of the Net Asset Value of the relevant Fund attributable to Units of that class by:

- taking the proportion of the Net Asset Value of the relevant Fund attributable to the Units of the class concerned at the Valuation Point of that Fund;
- dividing the result by the number of Units of the relevant class in issue immediately before the Valuation Point concerned; and
- increasing or decreasing the result by any dilution adjustment determined by the Manager (as described below).

Information regarding the apportionment of the Net Asset Value of a Fund between each of its Unit classes in issue is set out in Appendix 3.

The Manager deals at forward prices, that is to say, at the price ruling at the next Valuation Point.

## Publication of Prices

Prices of Units are made available at [www.hl.co.uk](http://www.hl.co.uk). The prices shown will be the prices calculated at the previous Valuation Point and therefore may not be the prices obtained when the Units are purchased or sold.

## The Manager's dilution policy

### *What is dilution?*

For single priced schemes, such as the Funds, the actual cost of purchasing or selling investments may be higher or lower than the mid-market value used in calculating the Unit price, for example, due to dealing charges or through dealing at prices other than the mid-market price. Under certain circumstances (particularly, large volumes of deals) this may have an adverse effect on the Unitholders' interests in a Fund and is known as "dilution", i.e. it can dilute the value of their investment. To help mitigate the effects of dilution, the Manager operates on a swinging single price basis, as described in more detail below.

### *The Manager's dilution policy*

As described above, the Manager has in place a swinging single pricing policy, which allows the Manager to "swing" (adjust) the Unit price of a Fund in order to mitigate the effects of dilution. Typically, if there are net inflows into a Fund, the dilution adjustment would usually swing the relevant Fund to an offer basis, thereby increasing the Unit price. If there are net outflows, the dilution adjustment would usually swing the relevant Fund to a bid basis by decreasing the Unit price (as summarised in more detail below). The Manager receives no financial benefit from this dilution adjustment, and the swinging range (price adjustment) is monitored. On the occasions where the price is not swung, the relevant Fund will have to cover these costs directly, which could restrict capital growth.

### *Dilution adjustment and pricing*

Where applied, the amount of any swing is based on the estimated costs of dealing in the underlying investments of the relevant Fund, including any dealing spreads, taxes or broker commissions (for example). In particular, the Manager may swing the price (make a dilution adjustment) in the following circumstances:

- in the case of a "large deal" relative to the relevant Fund's size, where the potential cost to that Fund justifies the application of an adjustment;
- if the net effect of Unit issues and redemptions during the period between two Valuation Points represents a potential impact on ongoing Unitholders;
- where a Fund is in decline (i.e. is experiencing a net outflow of investment);
- where there are inflows into a Fund (i.e. is experiencing a net inflow of investment);
- in any other case where the Manager believes that adjusting the Unit price is required to safeguard the interests of Unitholders.

As the requirement to swing the price is directly related to the net issue and sale of Units in a Fund, it is not possible to accurately predict when or how often dilution will occur in the future. Although it is not possible to accurately predict whether any dilution will occur within a Fund at any time, the Manager will apply its dilution adjustment policy on any Dealing Day where there is Unitholder cash flows into or out of a Fund. If there is no Unitholder dealing, no dilution adjustments will take place and the relevant Fund will price at the mid-market value.

In the usual course of business, the application of a dilution adjustment will be triggered automatically and on a consistent basis. Estimates of the dilution adjustments for each Fund are set out below, based on the assets held in each Fund and the market conditions at 2 January 2025.

Fund	Dilution adjustment estimate applicable to redemptions as at 2 January 2025	Dilution adjustment estimate applicable to purchases as at 2 January 2025
HL Multi-Manager UK Growth	-0.02%	0.51%
HL European	-0.04%	0.04%
HL Emerging Markets	-0.02%	0.02%
HL Cautious Managed	-0.01%	0.01%
HL High Income	0.00%	0.00%

## SECTION 8: TAXATION OF THE FUND

### General

The taxation of each Fund and Unitholders is subject to the law and practice of the UK and of the jurisdictions in which Unitholders are resident or subject to tax. This section summarises the tax position of the Funds and UK resident investors, however, it does not constitute legal or tax advice.

This summary is based on the law and tax practice in force as at the date of this Prospectus and is subject to change without notice. The following summary is not a guarantee to any investor of the tax position of investing in the Funds. Investors and potential investors should consult their own professional advisers on the tax implications of making an investment in, holding or disposing of Units in the Fund.

### The Fund

#### Income

The Funds are generally exempt from tax on dividends from UK and non-UK companies. Dividends and similar income distributions from the UK authorised investment funds are exempt from corporation tax to the extent that the underlying income derives from the dividends. The Funds will be subject to corporation tax at a rate equal to the basic rate of income tax, currently 20% on most types of income, after deduction of allowable management expenses. Where the Funds have suffered foreign tax on taxable income received, this may generally be treated as an expense.

#### Chargeable Gains

The Funds are exempt from UK tax on capital gains realised on disposal of investments including interest paying securities and derivatives, held within them. The Funds may be subject to UK tax on gain realised on the disposal of investments in overseas collective investment schemes which do not have reporting (and, if applicable, distributing) fund status. Gains arising on any such disposal are deemed to be offshore income gains rather than capital gains.

#### Individual Unitholders

##### (a) Income

The amounts shown in a Fund's distribution accounts as available for distribution may be designated by the Fund as either dividends or yearly interest dependent on the nature of the income arising to that Fund. It is expected that the Fund will show all such amounts as available for distribution as dividends which are not foreign income dividends, in which case the following paragraph will apply.

Distributions of income paid to individual Unitholders will be treated in the same way as dividends from a UK resident company which are liable to UK Income Tax at the rate applicable for the individual Unitholders. There is a Dividend Allowance for all individual taxpayers who earn dividend income; the first £500 of the total dividend income earned by the taxpayer is tax-free for the 2024-25 tax year and subsequent tax years. The Dividend Allowance will not reduce the total income of the taxpayer for tax purposes and dividends within the allowance will still count towards the taxpayer's basic or higher rate tax bands.

For unitholders holding accumulation Units, the UK tax treatment will be the same as if they held income Units, albeit that they do not receive the income represented by the distribution at the time of that distribution and that income is instead re-invested. Such Unitholders will be treated for UK tax purposes as if they had received the re-invested income.

Scottish taxpayers should use the rest of UK tax bands and not the Scottish tax bands when determining their eligibility for the Personal Savings Allowance and the tax rate they pay on dividend income.

(b) Chargeable Gains

A Unit is treated in the same way as a share in a company, so that chargeable gains on a disposal of a Unit by an individual Unitholder may be charged to capital gains tax based on the individual's marginal rate of income tax. Capital Gains Tax is only paid on overall gains above the individual's annual tax-free allowance. This tax-free allowance (called the annual exempt amount) is £3000 for the 2024-25 tax year and subsequent tax years. Scottish taxpayers should use the rest of UK tax bands and not the Scottish tax bands when determining the tax they will pay on any chargeable gains.

Conversions between different Unit classes in the same Fund should not generally give rise to a disposal for UK capital gains tax purposes. Unitholders should seek their own professional tax advice in this regard.

(c) Income Equalisation

The first income allocation received by an investor after buying Units may include an amount of income equalisation. This is effectively a repayment of the income equalisation paid by the investor as part of the purchase price. It is a return of capital and is not taxable as income. In the case of income Units, it should be deducted from the acquisition cost of the Units for capital gains tax purposes.

The preceding paragraphs, which are intended as a general guide only and do not constitute tax advice, are based on current United Kingdom tax legislation and what is understood to be the current practice of the United Kingdom HMRC as at the date of this prospectus. If a Unitholder is in any doubt as to their taxation position or if a Unitholder is subject to tax in any jurisdiction in addition to or other than the United Kingdom, they should consult an appropriate professional adviser immediately. It should be noted that the levels and bases of, and reliefs from, taxation can change.

Corporate Unitholders

a) General

As noted above for Individual Unitholders, the Funds can make dividend or interest distributions. It is expected that the Funds will pay dividend distributions, in which case the following paragraph will apply.

b) Income

*Dividend distributions*

Any UK resident corporate Unitholder which receives dividend distributions (including for this purpose accumulations) may have to divide them into two (the division will be indicated on the tax voucher). Any part representing dividends received from a UK or non-UK company will be treated as dividend income and no further tax will generally be due on it. The remainder will be received as an annual payment after deduction of income tax at the basic rate, and corporate Unitholders may be liable to tax on the grossed up amount (i.e. the annual payment plus deemed tax credit). The 20% income tax credit may be set against their corporation tax liability or part or all of it refunded, as appropriate. The proportion of the tax credit which can be repaid or offset will be provided on the tax voucher. In as far as the Fund's liability to UK tax has been reduced by relief for foreign tax then that element of any income tax credit received may not be reclaimed but is treated as foreign tax suffered on the annual payment element of the distribution.

#### Accumulation Units

The income from the Funds is always taxable regardless of the share class or whether the income is distributed or reinvested.

##### c) Chargeable Gains

The Units in the Funds are treated in the same way as a share in a company, so that chargeable gains on a disposal of a Unit by a corporate Unitholder may be charged to corporation tax.

UK resident Corporate Unitholders may be liable to corporation tax on any chargeable gain (calculated as for individuals) arising from the redemption, transfer or other disposal of Units.

Conversions between different Unit classes in the same Fund should not generally give rise to a disposal for UK capital gains tax purposes. Unitholders should seek their own professional tax advice in this regard.

##### d) Income equalisation

The first income allocation received by an investor after buying Units may include an amount of income equalisation. This is effectively a repayment of the income equalisation paid by the investor as part of the purchase price. It is a return of capital and is not taxable as income. In the case of income Units, it should be deducted from the acquisition cost of the Units to calculate the chargeable gain on disposal.

### **Reporting Requirements**

#### Automatic Exchange of Information

The UK is party to several international agreements designed to provide other tax administrations with details of financial accounts and assets. The agreements in place are to report on individuals and entities that are resident for tax purposes in a reportable jurisdiction, but which are held by financial institutions in the other territory.

The UK Government has introduced regulations that imposes obligations on UK financial institutions such as the Manager to review and collect details of accounts held by persons that are tax resident elsewhere and report this to HMRC for onward transmission under the Automatic Exchange of Information in the treaties and conventions mentioned below:

- The United States Foreign Account Tax Compliance Act (FATCA)
- The Common Reporting Standard developed by the OECD (CRS)

Consequently, the Manager may be required to collect and/or report information about the Unitholders including information to verify the identity of Unitholders and their tax status. The UK regulations require the Manager to pass certain information to HMRC.

#### US Persons and The United States Foreign Account Tax Compliance Act ("FATCA")

The Units of the Funds have not been and will not be registered under the Securities Act 1933 of the United States (as amended) ("the 1933 Act"), the United States Investment Company Act of 1940 or the securities laws of any of the states of the United States. Units may not be offered, sold or delivered directly or indirectly in the United States or to the account or benefit of any U.S. Person (as defined below).

"U.S. Person" means any resident of the United States of America, its territories and possessions including the State and District of Columbia and all areas subject to its jurisdiction (including the Commonwealth of Puerto Rico), any corporation, trust, partnership or other entity created or organised in or under the laws of the United States of America, any state thereof or any estate or trust the income of which is subject to United States federal income tax, regardless of source. The expression also includes any person falling within the definition of the term "U.S. Person" under Regulation S promulgated under the 1933 Act.

If a Fund becomes liable under FATCA or any legislation or regulation to account for tax in any jurisdiction in the event that a Unitholder or beneficial owner of a Unit were to or do receive a distribution, payment, redemption, in respect of their Units or to dispose (or be deemed to have disposed of their Units in any way (a "chargeable event"), the Manager on behalf of each Fund and its delegate 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 redeem or cancel such number of Units held by the Unitholder or such beneficial owner as are required to meet the amount of tax. Neither the Funds, the Manager, the Trustee nor their respective delegates will be obliged to make any additional payments to the Unitholders, in respect of such withholding or deduction.

## SECTION 9: REPORTING, DISTRIBUTION AND ACCOUNTING DATES

### Accounting Periods and Income Allocations

The annual accounting period of each Fund shall end on 30 September each year. The interim accounting period shall end on 31 March each year. The annual and interim income allocation dates for each Fund are set out in Appendix 4.

The Manager may operate a policy of smoothing a Fund's income distributions over the annual accounting period such that all distributable income due to be allocated will have been allocated by the relevant annual distribution date. If the Manager operates such income smoothing arrangements for a Fund, this will be set out in Appendix 4 and it would be subject to the provisions in the section 'Determination and Distribution of Income' referred to below.

### Determination and Distribution of income

Each holder of income Units is entitled, on the relevant income allocation date, to the net income attributable to the holding. In the case of accumulation Units, income is not distributed but is allocated to the Unit such that it becomes part of the capital property of that Unit and reflected in its value.

The income available for distribution or accumulation in relation to the relevant Fund is determined in accordance with the Trust Deed and the Rules. Broadly, it comprises all sums deemed by the Manager, after consultation with the Auditor, to be in the nature of income received or receivable for the account of the relevant Fund and attributable to that Fund in respect of the accounting period concerned, after deducting net charges and expenses paid or payable out of such income and after making such adjustments as the Manager considers appropriate, after consulting the Auditor in accordance with the Rules, in relation to taxation and other matters.

In the case of income Units, income distributions are made by BACs sent to the registered holder of the income Units (or, in the case of joint holders, to the first-named holder on the Register). Payments may, on request, be made by cheque. All distributions unclaimed for a period of six years having become due for payment shall be forfeited and shall revert to the relevant Fund.

### Equalisation

Upon the first distribution following the purchase of a Unit in a Fund, the relevant Unitholder will receive as part of that distribution a capital sum representing that part of the purchase price of the Unit which was attributable to income accrued up to the time of purchase and is, accordingly, properly classifiable as a capital expense of the Unitholder at the time of purchase. The amount so paid, known as "income equalisation", will be an amount arrived at by taking the aggregate of the Manager's best estimate of the amounts of income included in the price Units of that class issued or sold in the annual or interim accounting period in question and dividing that aggregate by the number of those Units and applying the resultant average to each of the Units in question.

### Reports and Accounts

The Annual Report and Interim Report for the Trust are available on request or from [www.hl.co.uk](http://www.hl.co.uk). The Annual Report of the Trust will be available, free of charge, on or before 31 January each year. The Interim Report of the Trust will be available, free of charge, on or before 31 May each year.

## SECTION 10: GENERAL INFORMATION

### Meetings and Voting Rights

The provisions below apply (unless the context otherwise requires) to meetings of a Unit class or of a Fund, as they do to general meetings of the Trust, but by reference to the Unit class or Fund concerned and the Unitholders of such Unit class or Fund.

A meeting of Unitholders duly convened and held in accordance with the Rules shall be competent and by extraordinary resolution may approve any modification alteration or addition to the provisions of either the Trust Deed or the Prospectus, which the Manager and the Trustee have agreed to be a fundamental change in accordance with the Rules. This would include, without limitation, any proposal for a scheme of arrangement and certain changes to a Fund's investment objective and/or investment policy.

Unitholders will receive at least 14 days' notice of any meeting of Unitholders and are entitled to be counted in the quorum and vote at any such meeting, either in person or by proxy.

At a meeting of Unitholders the quorum for the transaction of business is two Unitholders, present in person or by proxy. On a show of hands every Unitholder who (being an individual) is present in person or (being a corporation) is present by one of its officers as its proxy shall have one vote. On a poll every Unitholder who is present in person or by proxy will have one vote for every income Unit (if any are in issue) they hold and the same number of votes (including fractions of a vote) for every accumulation Unit they hold as the number of undivided Units (including fractions) in a Fund represented by one accumulation Unit. In the case of joint holders the vote of the senior who tenders a vote whether in person or by proxy shall be accepted to the exclusion of the votes of the other holders and for this purpose seniority is determined by the order in which the names stand in the Register. On a poll, votes may be given either personally or by proxy. If the Trustee is of the view that any extraordinary resolution is one in relation to which there is or might be a conflict of interest between the holders of accumulation Units and Income Units and (if any are in issue) , separate meetings of those Unitholders shall be held.

In the context of voting, "Unitholders" means the persons who are entered in the Register as at time chosen by the Manager and stated in the relevant notice.

Unitholders may request the convening of a general meeting by requisition pursuant to and in accordance with the Rules. Unitholders in general meeting may, amongst other things, pass a resolution to remove the Manager.

### Changes to a Fund

Subject to the Rules and (where required) the consent of the FCA and the Trustee, changes to a Fund may be made in accordance with the following methods of classification:

**Fundamental changes:** being a change or event which: (i) changes the purpose or nature of the scheme; (ii) may materially prejudice a Unitholder; (iii) alters the risk profile of the relevant Fund; or (iv) introduces any new type of payment out of the Scheme Property of the relevant Fund. The Manager will obtain the prior approval from Unitholders to any fundamental change by way of an extraordinary resolution of Unitholders at a meeting called in accordance with the provisions outlined above.

**Significant changes:** being a change of event which the Manager and the Trustee have determined is not a fundamental change, but is a change which: (i) affects a Unitholder's ability to exercise his rights in relation to his investment; (ii) would reasonably be expected to cause a Unitholder to reconsider his participation in the relevant Fund; (iii) results in any increased payments out of the relevant Fund's Scheme Property to the Manager or any of its associates; or (iv) materially increases any other types of payments out of the Scheme Property of the relevant Fund. The Manager will give Unitholders at least 60 calendar days' prior notice of any such change.

**Notifiable changes:** being a change of event which the Manager and the Trustee have determined is not a fundamental change or a significant change, but is a change which is reasonably likely to affect, or has affected, the operation of the relevant Fund. The Manager will provide Unitholders with such notice as is appropriate in the circumstances, for example by sending an immediate notification, including details of the change in its next annual report or publishing details of the change on the Manager's website. The Manager may also conclude that a change is insignificant and that no notice to investors is required.

#### Winding-up of the Trust or termination of a Fund

The Trustee shall proceed to terminate each Fund and wind-up the Trust if the authorisation order of the Trust is revoked.

In addition, a Fund may be terminated or the Trust wound up (as the case may be) upon the happening of any of the events set out in the Rules which include, without limitation:

- (a) the passing of an extraordinary resolution terminating a Fund or winding-up the Trust (provided the FCA's prior consent to the resolution has been obtained by the Manager or Trustee);
- (b) in response to a request to the FCA by the Manager or the Trustee for the revocation of the authorisation order, the FCA has agreed, inter alia, that, on the conclusion of the termination of a Fund or winding up of the Trust, the FCA will agree to that request; and
- (c) pursuant to a scheme of arrangement which is to result in a Fund or the Trust being left with no property.

#### Procedure

The procedure for terminating a Fund or winding up the Trust is as follows:

- (a) upon the effective date of any approved scheme of arrangement pursuant to the Rules the Trustee will terminate the relevant Fund or wind-up the Trust (as applicable) in accordance with the approved scheme of arrangement;
- (b) in any other case, the Trustee will as soon as practicable after the relevant Fund falls to be terminated or the Trust wound up, realise the Scheme Property and, after paying out of it all liabilities properly so payable and retaining provision for the costs of the termination or winding-up, cancel all Units in issue, distribute the proceeds to the holders and the Manager (upon production by them of evidence as to their entitlement) proportionately to their respective interests in the relevant Fund.

Any unclaimed net proceeds or other cash held by the Trustee after the expiry of twelve months from the date on which the same became payable will be paid by the Trustee into court subject to the Trustee having a right to receive out of it any expenses incurred by him in making and relating to that payment into court.

Where the Trustee and one or more Unitholders agree, the Trustee does not have to realise the property of the relevant Fund or Trust (as applicable) proportionate to the entitlement of that or those Unitholders. Instead, the Trustee may distribute that part in the form of property. Before distributing that property, the Trustee will make such adjustments or retain such provision as appears to the Trustee to be appropriate ensuring that, a proportionate share of the liabilities and costs is borne by that or those holders.

When the termination or winding up is complete, the Trustee shall notify the FCA in writing. At the same time the Manager or Trustee shall request that the FCA revokes the order of authorisation under section 256 of the Financial Services and Markets Act 2000 (as appropriate).

#### Information made available to Unitholders

The Trust Deed is kept together with the Annual Reports, the key investor information documents and this Prospectus at One College Square South, Anchor Road, Bristol BS1 5HL and these may be inspected on the premises during normal business hours on any Business Day.

Copies of the Prospectus and key investor information documents may be obtained from the Manager free of charge.

Pursuant to the UK AIFM Regime, the following information will be made available to Unitholders, as a minimum, as part of each annual report:

- the percentage of a Fund's assets which are subject to special arrangements arising from their illiquid nature;
- any new arrangements for managing the liquidity of the relevant Fund; and
- the current risk profile of each Fund and the risk management systems employed by the Manager to manage those risks.

The following information will be made available to Unitholders in a Fund, without undue delay following the occurrence of the following changes:

- any changes to the maximum level of leverage which the Manager may employ in respect of a Fund;
- any change to the rights of re-use (if any) of collateral under the relevant Fund's leveraging arrangements;
- any change to any guarantee (if any) granted under the relevant Fund's leveraging arrangements;
- the total amount of leverage employed by the relevant Fund.

Unitholders will also be notified if the Manager makes material changes to the liquidity management systems and procedures employed in respect of the Funds.

#### Notices to Unitholders

All notices or documents required to be served on Unitholders shall be served either by post to the address of such Unitholders as evidenced on the Register or electronically.

A notice is duly served if it is delivered to the address of the first named Unitholder as appearing in the Register or is delivered by electronic means in accordance with the Rules.

### Conflicts of Interest

#### *General*

In carrying out their respective functions for each Fund, the Manager and the Trustee must each act honestly, fairly, professionally and independently, and in the interests of each Fund and its Unitholders.

The FCA's rules contain provisions on conflicts of interest governing any transaction concerning the Funds which are carried out by or with any "**affected person**", which includes the Manager, an associate of the Manager, the Trustee or an associate of the Trustee. These rules enable an affected person to (in summary): (i) deal in assets for its own account notwithstanding that the same or similar assets may be held on behalf of the relevant Fund; (ii) to purchase assets from, or vest assets in the Trustee for the account of the relevant Fund, or enter into other transactions with the Trustee for the account of the relevant Fund, or to otherwise have an interest in such transactions; (iii) to enter into securities finance services for the relevant Fund; or (iv) to otherwise provide services in respect of the Fund. Any such transactions for the relevant Fund are subject to the rules on best execution, independent valuation and "arm's length" requirements. An affected person carrying out such transactions is not liable to account to the Trustee, the Manager, any other affected person or to Unitholders or any of them for any benefits or profits made or derived.

#### *The Manager*

In the course of carrying out its duties in respect of the Funds, conflicts of interest may arise between the Manager, its delegates, its other clients and/or the Funds that could be detrimental to Unitholders if not managed appropriately. For example, the Manager may provide similar services to other clients which could conflict with the services it provides to the Funds. The Manager is required to comply with certain FCA rules on the prevention, identification and management of conflicts of interest. The Manager has a conflicts of interest policy which sets out the Manager's procedures for the identification, management and (if necessary) disclosure of potential material conflicts of interest, together with a summary of its oversight process. Further details of the Manager's conflicts of interest policy are available to Unitholders on request.

Conflicts of interest may also arise between the Manager and (where appointed) an Investment Manager in certain circumstances, for example where there is a likelihood that: (i) the Investment Manager can make a financial gain (or avoid a loss) at the expense of the relevant Fund; (ii) the Investment Manager has an interest in the outcome of a service provided to the Manager in respect of the relevant Fund; (iii) the Investment Manager has a financial or other incentive to favour the interest of another client over the interests of the relevant Fund; (iv) the Investment Manager receives or may receive from a person other than the Manager an inducement in relation to the services provided to the Manager in respect of the relevant Fund in the form of money, goods or services other than the standard fee for that service. The Manager has in place a policy and procedures to monitor the conflicts of interest that may arise in respect of the Manager's delegation of certain of its functions. To the extent any actual conflicts of interest are determined to have arisen, the Manager will manage such conflicts to minimise any impact on the performance of the relevant Fund, and will also seek to prevent such conflicts from reoccurring.

The Manager will direct transactions on behalf of the relevant Fund to brokers, and will pay directly out of its own resources for "research", as defined by the FCA's rules, that the Manager receives in connection with the investment management of each Fund's assets. The Manager and (where relevant) each Investment Manager has in place a "best execution" policy which requires the Manager or Investment Manager (as applicable) to act in the relevant Fund's best interests when taking investment decisions and placing dealing instructions with brokers on behalf of the relevant Fund. For these purposes, all sufficient steps must be taken to obtain the best possible results for the Funds, taking into account factors including price, costs, speed, likelihood of execution and settlement, size and nature of the order. Information about the Manager's best execution policy is available to Unitholders on request.

The Manager may, from time to time, act as managers, or investment managers to other funds or sub funds which follow similar investment objectives to those of the Funds. It is therefore possible that the Manager may in the course of their businesses have potential conflicts of interest with a particular Fund. The Manager will, however, have regard in such event to its obligations to act in the best interests of the Funds so far as obligations to other clients are concerned when undertaking investment where potential conflicts of interest may arise. Where a conflict of interest cannot be avoided, the Manager will ensure that the Funds and the other funds it manages are fairly treated. The Manager maintains a written conflict of interest policy. The Manager acknowledges that there may be some situations where the organisational or administrative arrangements in place for the management of conflicts of interest are not sufficient to ensure, with reasonable confidence, that risks of damage to the interests of the Fund or its Unitholders will be prevented. Should any such situations arise the Manager will, as a last resort if the conflict cannot be avoided disclose these to Unitholders in an appropriate format.

#### Investment Managers

In addition to the potential conflicts of interest outlined above, investors should note that (where appointed in respect of a Fund), an Investment Manager may have conflicts of interests where it advises clients other than the Manager. Such other clients may include other collective investment schemes or other separate accounts. In these circumstances, the Investment Manager may have the following (non-exhaustive) conflicts of interest:

- The Investment Manager may seek to purchase the same securities for its other clients as those it seeks to purchase for a Fund. In the case of scarce investment opportunities, the Investment Manager may face a conflict in determining whether to allocate the opportunity to a Fund or one or more of its other clients. There may also be conflicts in priority of order entry. This may result in a Fund being unable to obtain a complete fill of its order, or it may get an inferior price. In some cases, it may not be possible to split securities among client accounts and as a result, a Fund would either be foreclosed from participating in the opportunity or would do so through a participation or similar arrangement.
- An Investment Manager may manage other accounts and/or funds in addition to managing the portion of the relevant Fund's assets allocated to it. They may also make investments in securities for their own account. Activities such as these could detract from the time an Investment Manager devotes to the affairs of the relevant Fund. In addition, an Investment Manager may engage affiliated entities to furnish brokerage services to the relevant Fund.

### *Trustee*

The Trustee may act as the depositary of other investment funds and as trustee or custodian of other collective investment schemes.

It is possible that the Trustee and/or its delegates and sub-delegates and their respective affiliates may in the course of its or their business be involved in other financial and professional activities which may on occasion have potential conflicts of interest with the Manager or the Funds and/or other funds managed by the Manager or other funds for which the Trustee acts as the depositary, trustee or custodian.

There may also be conflicts arising between the Trustee and the Trust, the Unitholders or the Manager. In addition, the Trustee also has a regulatory duty when providing services to act solely in the interests of the Unitholders. In order to comply with this requirement, the Trustee may in some instances be required to take actions in the interests of Unitholders where such action may not be in the interests of the Manager.

### Affiliates

From time-to-time conflicts may arise from the appointment by the Trustee of any of its delegates. For example, the Custodian may also perform certain investment operations and functions and derivatives collateral management functions delegated to it by the Manager.

The Trustee, and any other delegate, is required to manage any such conflict having regard to the Rules and its duties under the Depositary Agreement.

The Trustee will ensure that any such delegates or sub-delegates who are its affiliates are appointed on terms which are not materially less favourable to the Trust than if the conflict or potential conflict had not existed. The Custodian and any other delegate are required to manage any such conflict having regard to the Rules and its duties to the Trustee and the Manager.

### Conflicting commercial interests

The Trustee (and any of its affiliates) may effect, and make a profit from, transactions in which the Trustee (or its affiliates, or another client of the Trustee or its affiliates) has (directly or indirectly) a material interest or a relationship of any description and which involves or may involve a potential conflict with the Trustee's duty to the Trust.

This includes circumstances in which the Trustee or any of its affiliates or connected persons: acts as market maker in the investments of the Trust; provides broking services to the Trust and/or to other funds or companies; acts as financial adviser, banker, derivatives counterparty or otherwise provides services to the issuer of the investments of the Trust; acts in the same transaction as agent for more than one client; has a material interest in the issue of the investments of the Trust; or earns profits from or has a financial or business interest in any of these activities.

In connection with the above activities, the Trustee, its delegates and their respective affiliates:

- are entitled to receive and retain any compensation and profits, in any form, and are not bound to disclose to the Funds and/or the Manager the nature or amount of any such compensation or profits;

- will provide the same or similar services to other clients, including competitors to the Manager and/or the Funds;
- may be granted creditors rights in respect of the Manager and/or the Funds, which it may exercise.

Potential conflicts of interest may arise in respect of the Trustee's use of the Custodian and any sub-custodians, for example:

- sub-custodians have only indirect relationships with the Funds and look to the Custodian / Trustee as the relevant counterparty, which may create an incentive for the Custodian / Trustee to act in its own interests to the potential detriment of the Funds;
- sub-custodian selection may be influenced by factors such as cost (including lower fee rates, rebates or similar incentives) and the overall commercial relationship between the Custodian/Trustee and the sub-custodian, in which the Custodian/Trustee may act on the economic value of the broader relationship, in addition to other objective evaluation criteria;
- sub-custodians will act for other clients and in their own proprietary interest, which may conflict with the Funds' interests.

In carrying out its duties for the Funds (including in respect of its appointment and monitoring of delegates) the Trustee will have regard to its obligations under the Trust Deed, the Depositary Agreement and the Rules and, in particular, will use reasonable endeavours to ensure that the performance of its duties will not be impaired by any such involvement it may have and that any conflicts which may arise will be resolved fairly and in the best interests of Unitholders collectively so far as practicable, having regard to its obligations to other clients.

The Trustee also has a conflict of interest policy in place to identify, manage and monitor on an on-going basis any actual or potential conflict of interest. The Trustee has functionally and hierarchically separated the performance of its depositary function from its other potentially conflicting activities.

The system of internal controls, the different reporting lines, the allocation of tasks and the management reporting allow potential conflicts of interest and the Trustee issues to be properly identified, managed and monitored.

In respect of its use of the Custodian (and any other sub-custodians), the Trustee: (i) has imposed contractual restrictions to address some of the potential conflicts of interests; and (ii) maintains oversight of sub-custodians to ensure a high level of service by such delegates.

#### Data Protection

In respect of the personal data that you provide to the Manager (or to the Administrator and Registrar acting for and on behalf of the Manager) in connection with your investment, or proposed investment, in Units, the Manager is regarded as a "data controller" under UK data protection laws and is therefore subject to certain legal obligations on how your personal data is used, stored, processed and transferred. You may obtain further information about how the Manager may obtain, use, store and transfer your personal data by reviewing the HL Group's privacy policy at [www.hl.co.uk/privacy-policy](http://www.hl.co.uk/privacy-policy).

If you invest in Units via a platform or other intermediary service provider, that platform / service provider (and not the Manager) may be the data controller of your personal data. In these

circumstances, you should review your platform / service provider's data protection policies to determine how they may use your personal data.

If you hold Units in a Fund directly, you should be aware that the Administrator and Registrar has implemented an operating model which incorporates a single data record for investors in various investment funds which are administered by the Administrator and / or its affiliates, and which facilitates streamlined anti-money laundering customer due diligence processes for those investors, including direct Unitholders, via an online portal (the "NT Portal"). In order to use the NT Portal, a permitted Unitholder must elect to subscribe to and complete an application form on the NT Portal – if you are a direct Unitholder and would like to use the NT Portal, please contact us for further information. Prospective users of the NT Portal should note that by completing the relevant application form(s) they are providing the Administrator with information which may constitute personal data. If you intend to use the NT Portal, please refer to the Administrator and Registrar's data protection notice available at <https://www.northerntrust.com/emea-privacy-notice> for details on how the information (including personal data) will be used and shared by the Administrator and Registrar and its affiliates.

The HL Group privacy policy and cookie policy will apply to you for so long as you hold Units. You can view the HL Group's privacy policy at [www.hl.co.uk/privacy-policy](http://www.hl.co.uk/privacy-policy) and the HL Group's cookie policy at [www.hl.co.uk/cookie-policy](http://www.hl.co.uk/cookie-policy).

If you use the HL Group's website ([www.hl.co.uk](http://www.hl.co.uk)), you accept the relevant terms of use. These terms can be found at [www.hl.co.uk/disclaimer](http://www.hl.co.uk/disclaimer).

In respect of the Trustee, Northern Trust's EMEA Data Privacy Notice sets out how the Trustee will process Unitholders' personal information as a data controller where these details are provided to it in connection with Unitholders' investment in the Trust.

Northern Trust's EMEA Data Privacy Notice may be updated from time to time and readers should confirm that they hold the latest version which can be accessed at [www.northerntrust.com/united-kingdom/privacy/emea-privacy-notice](https://www.northerntrust.com/united-kingdom/privacy/emea-privacy-notice).

Any Unitholder who provides the Manager and its agents with personal information about another individual (such as a joint investor), must show Northern Trust's EMEA Data Privacy Notice to those individuals.

#### Strategy for the exercise of voting rights

The Manager has a strategy for determining when and how voting rights attached to the ownership of Scheme Property are exercised for the benefit of each Fund. A summary of this strategy is available on request (free of charge) from the Manager on: 0117 900 9000. Details of action taken in respect of the exercise of voting rights are available from the Manager upon request.

## SECTION 11: RISK FACTORS

This section is split into three sections:

Part A - sets out a Table of all Funds within the Trust, and which of the Specific Risk Factors apply to each Fund.

Part B - sets out the Fund specific risk descriptions.

Part C – sets out a list of general risks of investing which apply to all of the Funds.

You should be aware of the risks involved in investing in a Fund. Risk warnings must not be taken to be comprehensive, as new risks may arise in the future which could not have been anticipated in advance.

If you have any doubts over the suitability of a Fund please contact a financial adviser for advice.

### Part A – Table of Risk Factors for the Funds

The table below sets out which of the specific investment risks, as detailed in this section, apply to each Fund:

Funds			
	<b>General Risks</b>		
		<b>Investment in other collective investment schemes</b>	
		<b>Concentration: Limited Number of Investments</b>	
		<b>CIS investments and Environmental, social and/or governance (" ESG" ) restrictions</b>	
<u><b>HL Multi-Manager UK Growth</b></u>	X	X	
<u><b>HL European</b></u>	X	X	X
<u><b>HL Emerging Markets</b></u>	X	X	X
<u><b>HL Cautious Managed</b></u>	X	X	
		<b>Equities</b>	
		<b>Debt Securities/ Bonds</b>	
		<b>Asset Backed Securities</b>	
		<b>Mortgage-Backed Securities</b>	
		<b>Contingent Convertible Securities</b>	
		<b>Duration/ Interest Rate Risk</b>	
		<b>Unlisted Securities</b>	
		<b>Smaller Companies</b>	
		<b>Overseas Investment/ currency exchange</b>	
		<b>Emerging Markets</b>	
		<b>Efficient portfolio management Risk</b>	
		<b>Derivative Risk</b>	
		<b>Stock lending, repurchase and reverse repurchase agreements</b>	
		<b>Borrowing/ Leverage Risk</b>	
		<b>Use of Investment Manager</b>	
		<b>Volatility Managed Funds</b>	
		<b>Sub-investment grade Bonds</b>	
		<b>Market Price Risk</b>	
		<b>Charges to Capital</b>	

Funds		
<b><u>HL High Income</u></b>	<b>General Risks</b>	
	X	<b>Investment in other collective investment schemes</b>
	X	<b>Concentration: Limited Number of Investments</b>
		<b>CIS investments and Environmental, social and/or governance (“ ESG” ) restrictions</b>
	X	<b>Equities</b>
	X	<b>Debt Securities/ Bonds</b>
	X	<b>Asset Backed Securities</b>
	X	<b>Mortgage-Backed Securities</b>
	X	<b>Contingent Convertible Securities</b>
	X	<b>Duration/ Interest Rate Risk</b>
		<b>Unlisted Securities</b>
	X	<b>Smaller Companies</b>
	X	<b>Overseas investment/ currency exchange</b>
		<b>Emerging Markets</b>
	X	<b>Efficient portfolio management Risk</b>
		<b>Derivative Risk</b>
		<b>Stock lending, repurchase and reverse repurchase agreements</b>
	X	<b>Borrowing/ Leverage Risk</b>
		<b>Use of Investment Manager</b>
		<b>Volatility Managed Funds</b>
	X	<b>Sub-investment grade Bonds</b>
	X	<b>Market Price Risk</b>
	X	<b>Charges to Capital</b>

## Part B – Fund Specific Risk Factors

### Investment in other collective investment schemes

Each Fund may invest up to 100% in other collective investment schemes ("second schemes"), including in second schemes managed by the Manager or its associates, and may from time to time be principally invested in such second schemes. Unitholders may therefore incur a duplication of fees, including performance fees, custody fees and other administration costs.

A Fund is (to the extent it is invested in second schemes) valued using the latest available price for each underlying second scheme. These prices may not fully reflect changing market conditions. A Fund can apply a 'fair value price' to all or part of its portfolio to mitigate this risk.

Each second scheme can invest in a wide range of asset classes, including unregulated collective investment schemes, private equity and property (for example). The Manager will have no control over the investment choices of such second schemes.

A second scheme may also use derivatives to meet its investment objective. For these schemes, there is no guarantee that the performance of the derivatives will result in a positive effect for those schemes and their investors (including the Funds). The use of derivatives may increase the second scheme's volatility, which may result in higher losses for investors.

### Concentration: Limited Number of Investments

A Fund may at certain times hold relatively few investments. Such a Fund could be subject to significant losses if it holds a large position in a particular investment that declines in value or is otherwise adversely affected, including suspension of a fund. Such Fund may tend to be more volatile than a sub-fund which invests in a more broadly diversified range of securities.

### CIS investments and Environmental, social and/or governance ("ESG") restrictions

A Fund may invest in other collective investment schemes (CISs) including in second schemes managed by the Manager or its associates. The assets held in the CISs and in the second schemes may have certain environmental, social and/or governance ("ESG") requirements applied. This means that a Fund may end up not investing in certain companies, over and/or underweight certain sectors, country and regions; and so the universe of investments available to a Fund may be more limited than other funds that do not apply such requirements. A Fund therefore may have a different opportunity set of returns than a Fund which has no such restrictions.

### Equities

Each Fund may be exposed to equities. Prices of equities fluctuate daily and can be influenced by many factors such as political and economic news, corporate earnings reports, demographic trends and catastrophic events. The value of equities will go up and down, and the value of a Fund investing in equities (or in second schemes which invest in equities) could therefore incur significant losses.

### Debt Securities/Bonds

Each Fund may be exposed to debt securities. Debt securities, such as bonds and other types of floating rate or fixed interest security, are subject to a number of potential risks, including (but not limited to) the following:

- Debt securities are subject to both actual and perceived measures of creditworthiness. The "downgrading" of a rated debt security, adverse publicity and investor perception, or stressed market conditions, could decrease the value and liquidity of the security, making it difficult to dispose of. Where a security held by a Fund (or a second scheme) is subsequently downgraded, it may continue to be held in order to avoid a distressed sale. To the extent that a Fund (or a second scheme) does hold such downgraded bonds, there will be an increased risk of default on repayment, which in turn translates into a risk that the capital value of the Funds will be affected.
- A Fund or a second scheme may invest in non-investment grade debt securities which carry a greater liquidity risk. This could mean that when that Fund (or an underlying second scheme) comes to sell these securities, they have to accept a lower price, which would reduce the value of your investment.
- A debt security is subject to its issuer's ability to service its debt obligations. In the event of the insolvency of an issuer, a Fund may experience losses and incur costs due to the suspension or cessation of interest payments on the relevant security. This would reduce the income received and/or the capital value of the security, which in turn would reduce the value of your investment in the relevant Fund.
- Unrated securities may be subject to greater price volatility and higher credit risk than rated securities.
- Sovereign debt (being a debt security issued or guaranteed by a government or its agencies) involves the potential risk that the issuer may not be able or willing to repay the principal and/or interest when due, due to the financial stability of the relevant country or any other constraints to which a governmental entity may be subject. Holders of sovereign debt may be requested to participate in the rescheduling of such debt and to extend further loans to governmental entities in accordance with the terms of the instrument. Sovereign debt holders may also be affected by additional constraints relating to sovereign issuers which may include: (i) the restructuring of such debt (including the reduction of outstanding principal and interest and or rescheduling of repayment terms) without the consent of the impacted investors (e.g. pursuant to legislative actions unilaterally taken by the sovereign issuer and/or decisions made by a qualified majority of the lenders); and (ii) the limited legal recourses available against the sovereign issuer in case of failure of or delay in repayment (for example there may be no bankruptcy proceedings available by which sovereign debt on which a government entity has defaulted may be recovered).
- Where a Fund has power to invest more than 35% in value of the Fund in government and public securities issued by any one issuer, this represents an increased risk should the issuer default in meeting its obligations.

### Asset Backed Securities

Some Funds may invest in Asset-Backed Securities (ABS). The obligations associated with these securities may be subject to greater credit, liquidity and interest rate risk compared to other debt securities. ABS are debt securities backed or collateralised by the income stream from an underlying pool of assets such as credit cards, automobile loans, student loans, small business loans, mortgages and receivables. Due to the nature of the underlying assets, the ability of an issuer of ABS to enforce its security interest in the underlying assets may be limited. The principal (amount loaned) on asset-backed securities may be prepaid at any time.

Voluntary prepayment of the loan will reduce the yield and market value of an asset-backed security. When interest rates rise this tends to extend the duration of asset-backed securities, making them more sensitive to changes in interest rates and the volatility of asset-backed securities may increase. The risk of default by borrowers is greater during periods of rising interest rates and/or unemployment rates.

When interest rates are declining, there tend to be more prepayments of loans as borrowers are motivated to pay off debt and refinance at new lower rates, which will shorten the life of asset-backed securities, reducing the potential capital growth. When prepayments are made the reinvestment of cash will usually be on less attractive terms and at a lower interest rate than the original investment, lowering the yield payable. The incidence of prepayment of asset-backed securities will also be affected by other factors including general economic and other demographic conditions.

### Mortgage-Backed Securities

Some Funds may invest in Mortgage-Backed Securities ("MBS"). MBS are debt securities backed or collateralised by the income stream from an underlying pool of commercial and/or residential mortgages. This type of security is commonly used to redirect the interest and principal payments from the pool of mortgages to investors. A MBS may be issued with different characteristics depending on the risk of the underlying mortgages assessed by reference to their credit quality and term. They can be issued at a fixed or a floating rate. More income is paid for higher risk MBS. When interest rates are falling MBS may be subject to prepayment risk as borrowers refinance or otherwise repay their mortgages earlier than scheduled so any proceeds would be invested in securities with lower yields. MBS may also be subject to extension risk, which is, the risk that, in a period of rising interest rates, certain types of MBS will be paid off more slowly than originally anticipated and the value of these securities will fall. Small movements in interest rates (both up or down) may reduce the value of certain MBS significantly. In some circumstances investments in MBS may become less liquid and it may be more difficult to sell the securities or the securities can only be sold at a lower price than expected. The market price for MBS may be volatile.

### Contingent Convertible Securities

Contingent convertible securities are a type of debt security, issued by a financial institution, that may be converted into equity or may be forced to suffer a write down of value upon the occurrence of a pre-determined event ("trigger event"). These securities can be exposed to several risks, including:

- Trigger levels and conversion risks: contingent convertible debt securities are complex financial instruments in respect of which, trigger levels (and thus exposure to conversion

risk) differ widely. In particular, conversion may cause the value of the investment to fall significantly and irreversibly, and in some cases even to zero.

- Pricing and liquidity risk: During a financial crisis or period of uncertainty around financial institutions, the complexity of contingent convertible debt security structures may lead to price contagion and volatility across the entire contingent convertible debt securities asset class due to increased uncertainty in valuations. In certain circumstances finding a ready buyer for contingent convertible bonds may be difficult and the seller may have to accept a significant discount to the expected value of the bond in order to sell it.
- Write-down and capital structure inversion risks: the investment in contingent convertible debt securities may also result in material losses to a Fund as the contingent convertible debt security may suffer capital market loss by decreasing the face value ("write-down") on the occurrence of certain trigger events. In this event, holders of contingent convertible debt securities may suffer losses ahead of holders of equity securities issued by the same issuer, contrary to the classic order of capital structure hierarchy where equity holders are expected to suffer the loss before debt holders.
- Call extension risk: as contingent convertible debt securities may be perpetual instruments which may not be called on the predefined call date and investors may not receive return of principal on the call date or at any date.
- Coupon cancellation risk: In addition, some contingent convertible debt securities are also subject to the risk of discretionary cancellation of coupon payments by the issuer at any point, for any reason, and for any length of time.

#### Duration / Interest Rate Risk

This is the risk of losses to a Fund due to changes in interest rates. Those investments (both direct and indirect via second schemes) in floating and fixed-interest securities are directly exposed to interest rate risk depending on their duration, while other assets such as equities may be indirectly affected.

In particular, if a Fund has exposure to a higher concentration of fixed interest or index-linked securities, fluctuations in interest rates are likely to affect the capital value of investments. If long-term interest rates rise, the capital value of your Units is likely to fall and vice versa.

In addition, a Fund's cash balances are interest-bearing financial assets, on which interest is calculated at a variable rate by reference to Sterling bank deposit rates. Each Fund is intended to provide return through investments, and returns are not actively sought from cash. However, each Fund will passively receive interest on un-invested cash which will be affected by a change in interest rates.

#### Unlisted securities

Subject to the Rules in COLL, each Fund may hold up to 20% of Scheme Property in unlisted securities (in aggregate with unregulated collective investment schemes – see Appendix 1 for further information). Each Fund may also have exposure to unlisted securities through investment in second schemes. Such securities are generally not publicly traded, may be unregistered for securities law purposes and may only be able to be resold in privately

negotiated transactions with a limited number of purchasers. The difficulties and delays associated with such transactions could result in a second scheme's inability to realise a favourable price upon disposal of such securities, and at times might make disposition of such securities impossible.

#### Smaller Companies

A Fund may have exposure to smaller companies, which are more volatile and sometimes more difficult to trade or price than larger companies. While investment in smaller companies' shares may offer the potential for increased returns, investors should understand that investment in such assets is likely to involve greater risk of loss than investment in larger companies.

A Fund may invest in (or invest in second schemes that invest in) initial public offerings, which frequently are smaller companies. Such securities have no trading history, and information about these companies may only be available for limited periods. The prices of securities involved in initial public offerings may be subject to greater price volatility than more established securities.

#### Overseas investment/currency exchange

A Fund may have exposure to overseas holdings. Overseas investments can involve certain risks, including that the value of the assets of the Fund may be affected by uncertainties such as changes in government policies, taxation, fluctuations in foreign exchange rates, the imposition of currency repatriation restrictions, social and religious instability, political, economic or other developments in the law or regulations of the countries in which the Fund may invest, including changes in legislation relating to the level of foreign ownership in the countries in which the Fund may invest.

A Fund may have exposure to currencies other than Sterling, particularly where it has an overseas focus. Changes in currency exchange rates may cause the value of units in the relevant Fund to go up or down, independently of movements in the value of the underlying investments, which would affect the value of your investment in the Fund.

#### Emerging Markets

A Fund may have exposure to emerging or less developed markets, where the legal, judicial and regulatory infrastructure is still developing. Investing in these markets involves increased risks and special considerations not typically associated with investment in major developed markets. For example:

- some emerging markets may carry higher risks, such as liquidity risks, currency risks/ control, political and economic uncertainties, legal and taxation risks, settlement risks, custody risk, an increased risk that a proposed investment is found to be fraudulent and an increased likelihood of a high degree of volatility, for investors such as the Fund;
- there may be less state regulation and supervision of these emerging markets, less reliable information available to brokers and investors than in relation to major western markets, and consequently less investor protection;
- the accounting, auditing and financial reporting standards and requirements in emerging / developing markets are often less stringent and less consistent than those applicable in developed markets;

- corporate legislation regarding the fiduciary responsibility of directors and officers, as well as protection of shareholders, is also often significantly less developed, and may impose inconsistent or even contradictory requirements on companies;
- less information may be available to investors investing in securities of companies in emerging / developing markets, and the historic information which is available is not necessarily comparable with or of relevance to many developed countries.

The risk of concentration may arise when a Fund is predominantly invested in a single country and/or geographic area, or has limited industry diversification. A Fund may intentionally hold a small number of investments, which will also give rise to concentration risk. The price of such a Fund may be more volatile than that of more broadly diversified funds.

#### Efficient portfolio management risk

A Fund may make use of efficient portfolio management techniques (including hedging transactions) to reduce risk and/or costs in that Fund and to produce additional capital or income in the Fund in a manner which is economically appropriate and with an acceptable level of risk. Techniques used by a Fund may include using derivatives, sale and repurchase agreements, purchase and resale agreements and stock lending (as described below). Further details on efficient portfolio management can be found in Appendix 1. **It is not intended that using such efficient portfolio management techniques will increase the volatility of a Fund.**

A Fund's ability to use such techniques may be limited by market conditions, regulatory limits and tax considerations. There is no guarantee that a Fund will achieve the objective for which it entered into a transaction undertaken for efficient portfolio management purposes.

Efficient Portfolio Management techniques may involve a Fund entering into transactions with a counterparty where there may be a risk that the counterparty may wholly or partially fail to honour their obligations (see "counterparty risk" below).

#### Derivative Risk

Derivative transactions may be used for the purposes of efficient portfolio management, including hedging. The type of derivative transactions that the Manager may use for a Fund includes, but is not limited to:

- using currency derivatives such as forward currency transactions to buy or sell currency risk;
- entering into swap contracts to hedge against interest rate risk;
- using volatility derivatives to hedge against volatility risk;
- buying or selling options to gain market exposure;
- using credit default swaps to buy or sell credit risk.

**The Manager does not anticipate that its use of derivatives will increase the volatility of a Fund or have any detrimental effect on the overall risk profile of that Fund.**

The use of derivatives may expose Funds to a higher degree of risk. These risks may include (but are not limited to) credit risk with regard to counterparties with whom the Funds trade, the risk of settlement default, lack of liquidity of the derivatives, imperfect tracking between the change in value of the derivative and the change in value of the underlying asset that the relevant Fund is seeking to track. Derivative contracts can be volatile, and a relatively small market movement may

have a potentially larger impact on derivatives than on standard bonds or equities. Leveraged derivative positions can therefore increase Fund volatility. The Fund may borrow money which can create leverage within the Fund.

Derivatives may be exchange traded or over-the counter ("OTC"). The price of OTC instruments may be more volatile than instruments principally traded on securities exchanges. Such instruments may be less liquid than more widely traded securities.

The Manager uses a risk management process which enables it to monitor and measure on a daily basis the risk of a Fund's derivatives and forwards positions and their impact on the overall risk profile and leverage of that Fund. Further information on the Manager's use of derivatives for the Funds is set out in Appendix 1.

#### Stock lending, repurchase and reverse repurchase agreements

Although the Funds may enter into stock lending transactions and repurchase transactions, such techniques are currently not used in respect of the Funds. However, a Fund may invest in second schemes that engage in stock lending and repurchase transactions which involve certain risks.

In summary, repurchase and reverse repurchase transactions might expose a second scheme to risks similar to those associated with optional or forward derivative financial instruments (as described above). Stock loans may, in the event of an operational difficulty or due to counterparty risk (see below) be recovered late and only in part, which might restrict the second scheme's ability to complete the sale of securities or to meet redemption requests. There is no assurance that a second scheme will achieve the objective for which it entered into a transaction.

#### Borrowing / Leverage risk

A Fund may be leveraged through use of its overdraft facility and/or its use of derivatives for efficient portfolio management, as described above. While leverage presents opportunities for increasing capital return, it may also have the effect of potentially increasing Fund losses. Any event which adversely affects the underlying investments of a Fund could be magnified to the extent that capital is leveraged. The cumulative effect of the use of leverage in a market that moves adversely to the underlying investments could result in a loss to capital which could be greater than if capital were not leveraged.

#### Use of Investment Manager

If a Fund uses one or more Investment Manager, that Fund may be subject to the following potential risks:

- while each Investment Manager may have a performance record reflecting its prior experience, this performance cannot be used to predict future performance;
- each Investment Manager may be subject to capacity limitations on the amount of money it can manage. Any such limitations could prevent the Manager from allocating Fund assets to certain Investment Manager with which the Manager would otherwise like to invest;
- the success of a particular Investment Manager may be dependent on the expertise of certain key individuals. The loss of one or more such key individuals from an Investment

Manager could have a materially adverse effect on the performance of the relevant Fund's assets that are managed by such Investment Manager which, in turn, could adversely affect the performance of the relevant Fund as a whole;

- the Manager will rely on information provided to it by the Investment Manager and there may be limited ability to confirm or verify such information;
- if the Manager has appointed more than one Investment Manager in respect of a Fund, there are no assurances that their collective performance will result in profitable returns or avoid losses for the relevant Fund as a whole. Positive performance achieved by one Investment Manager may be neutralised by negative performance attributed to other Investment Manager.

#### Volatility Managed Funds range

The volatility of the Managed Funds range are assessed using forecasted volatility figures at least monthly. A Fund's volatility may not remain within the risk range stated in the Investment Objective of the Fund and, accordingly, there may be periods, for example in extreme market conditions, when the Fund's volatility either exceeds or falls below this range.

#### Sub-Investment grade Bonds

Bonds or issuers of bonds rated below investment grade have a greater risk of default such as being unable to make interest payments or to return the principal value when the bond matures. They may also be less liquid than investment grade bonds and more sensitive to interest rate movements, economic uncertainty, and financial market volatility.

#### Market Price Risk

Market Risk refers to the potential for investment losses due to fluctuations in overall market conditions. This includes, but is not limited to, changes in equity prices, interest rates, exchange rates, and broader economic or geopolitical events that may impact the value of investments.

#### Charges to Capital

Funds which may deduct charges from capital rather than income may allow more income to be distributed to Unitholders, but it may also have the effect of reducing capital and potential capital growth, as well as potentially increasing capital losses (see Section 5 above under "Charges to Capital" for more information).

## Part C – General Risks

The following general risks apply to all Funds:

- The price of Units (and the income from them) can go down as well as up, and are not guaranteed. You may not receive back the amount you invest in a Fund.
- An investment in a Fund is not intended to be a complete investment programme. Units should be regarded by you as a medium-to-long term investment.
- Past performance is not a guide to future performance. Each Fund's investment objective is an intended result but there is no guarantee that such a result will be achieved. There are no express or implied assurances as to the likelihood of achieving a Fund's investment objectives, as this will depend (in part) on evolving market conditions and the available investment opportunities over time.
- A Fund's Net Asset Value can be influenced by factors such as stock market fluctuations, political and economic events, corporate earnings reports and catastrophic events. This means that in any particular period, a Fund may suffer losses and should not be regarded as a short term investment.
- In extreme liquidity conditions, redemptions in the underlying assets, and/or a Fund itself, may need to be deferred or suspended.
- Economic factors such as changes in interest rates, inflation, deflation and supply and demand can affect the price of all investments, and so affect the value of your investment in a Fund. As with any investment, inflation will reduce the real value (i.e. purchasing power) of the capital over time.
- All Funds are potentially exposed to adverse movements in equity, bond, commodity, currency and other market prices, indices or rates (market risk) or changes in the anticipated or calculated volatility of these movements (volatility risk). This could result in a Fund losing value.
- The tax summary set out in Section 8 is believed to be accurate as at the date of this Prospectus. It is subject to change in the future. Investors should consider their own tax position which will depend on their personal circumstances and may therefore not be covered by the general tax summary set out above.
- Operational risk

The operations of a Fund could be subject to human error, faulty processes or governance, or technological failures. Operational risks may subject a Fund to errors affecting valuation, pricing, accounting, tax reporting, financial reporting, custody and trading, among other things. Any such errors may have a negative impact on the return of your investments.

- Regulatory and governance policy

The laws that govern a Fund may change in the future. Any such changes may not be in the best interest of the Manager and may have a negative impact on the value of your investment.

- Information Security

The use of the internet and other electronic media and technology exposes the Manager and its Funds, the Manager's service providers, and their respective operations, to potential risks from information security attacks or incidents (collectively, "information-events"). Information-events may include, for example, unauthorised access to systems, networks or devices (such as, for example, through "hacking" activity), infection from computer viruses or other malicious software code, and attacks which shut down, disable, slow or otherwise disrupt operations, business processes or website access or functionality. In addition to intentional information-events, unintentional information events can occur, such as, for example, the inadvertent release of confidential information. Any information-event could adversely impact the Manager and the Unitholders and cause a Fund to incur financial loss and expense, as well as face exposure to regulatory penalties, reputational damage, and additional compliance costs associated with corrective measures.

- Effects of Health Crises and Other Catastrophic Events

Health crises, such as pandemic and epidemic diseases, as well as other catastrophes such as natural disasters, war or civil disturbance, acts of terrorism, power outages and other unforeseeable and external events, that result in disrupted markets and/or interrupt the expected course of events, and public response to or fear of such crises or events, may have an adverse effect on the operations of and, where applicable investments made by the Manager and the Investment Manager(s). For example, any preventative or protective actions taken by governments in respect to such crises or events may result in periods of regional, national or international business disruptions. Such actions may significantly disrupt the operations of the Manager, the Investment Manager(s) and the other service providers to the Manager. Further, the occurrence and duration of such crises or events could adversely affect economies and financial markets either in specific countries or worldwide. The impact of such crises or events could lead to negative consequences for the Manager and its Funds, including, without limitation, significant reduction in the Net Asset Value of a Fund, reduced liquidity of a Fund's investments, restrictions on the ability to value investments and the potential suspension of the calculation of the Net Asset Value and the suspension of issues, redemption and/or exchanges of Units (see Section 6 for further information).

- Fund liability risk

The Trust is structured as an umbrella fund with segregated liability between its Funds. This means that the assets of one Fund will not be available to meet the liabilities of another (as is explained in more detail in Section 3). However, whilst the Trust Deed provides for segregated liability between the Funds, the concept of segregated liability may not be recognised and given effect by a court in certain contexts including where the relevant contractual documents involving the Fund are not construed in a manner to provide for segregated liability. Where claims are brought by local creditors in foreign courts or under foreign law contracts, and the liability relates to one Fund which is unable to discharge that liability, it is not clear whether a foreign court would give effect to the segregated liability contained in the Trust Deed. Therefore, it is not possible to be certain that the assets of a Fund will always be completely insulated from the liabilities of another Fund of the Trust in every circumstance.

- Inflation Risk

Inflation is the risk that a Fund's assets or income from a Fund's investments may be worth less in the future as inflation decreases the value of money. As inflation increases, the real value of a Fund's portfolio could decline.

- Counterparty Risk

The Manager will conduct transactions for the Funds with or through brokers, clearing houses, market counterparties, fund distributors and other agents ("counterparties") and will therefore be exposed to the risk that such counterparties fail to perform their obligations. For example, in the case of a counterparty's insolvency, the relevant Fund might recover only a pro rata share of all property available for distribution to such counterparty's creditors/customers, and such an amount may be less than the amounts actually owed to the relevant Fund. Also, the relevant Fund may bear the risk of loss because a counterparty does not have the legal authority to enter into a transaction, or if the relevant transaction becomes unenforceable due to a change of law affecting the counterparty.

To mitigate counterparty risk, the Manager will typically only use preferred counterparties which it believes (following its due diligence procedures) are of good repute and are sufficiently creditworthy. All approved counterparties are monitored and reviewed on an ongoing basis.

- Credit Risk

This is the risk that the counterparty to a financial instrument fails to discharge its obligations to the relevant Fund (or second scheme). Credit risk is monitored through the Manager's exposure monitoring work.

- Liquidity Risk

Liquidity risk exists where the sale of assets or the exit of trading positions is impaired by factors such as decreasing trading volume, price volatility, industry and government regulations and overall position size and complexity. It may be difficult for the Manager to liquidate the relevant Fund's positions rapidly, particularly if: (i) other market participants are also seeking to disinvest; (ii) trading halts, is suspended or is otherwise limited in some way. Investments in, or exposure to, smaller companies, smaller or more specialist stock markets or particular sectors of the economy can be less liquid than other kinds of investments. The less liquid an investment is, the more its value can fluctuate and the harder it is to realise value.

In accordance with UK requirements, the Manager maintains a liquidity management policy to monitor the liquidity risk to the relevant Fund. This includes the use of stress testing under both normal and exceptional circumstances, to allow the Manager to measure the liquidity of the relevant Fund's portfolio against thresholds set by reference to the relevant Fund's redemption policy. The Manager seeks to ensure that each Fund will remain within the liquidity limits set for the Fund so that, in normal circumstances, redemption requests will be processed as set out in Section 6. In exceptional circumstances, the Manager may use other arrangements in response to redemption requests, including use of its deferral and suspension powers as set out in Section 6.

- Cash Flow Risk

This is the risk that a Fund will have insufficient cash to cover all transactions (related to liquidity risk). Cash flow risk is monitored and mitigated by understanding various transactions in a Fund, such as trades that are currently being placed or due to be placed, purchases, sales, income received and expenses due from a Fund. Thereby recognising all cash flows.

The Manager reflects these transactions the following business morning within 'live' portfolios, even though those transactions may not yet have settled, so that its portfolio management function has the clearest possible picture of the cash movements within each Fund. Cash flow risk is further mitigated through the maintenance of an overdraft facility with the Custodian.

- Valuation Risk

This is the risk that the valuation of investments may not be accurate, therefore adversely affecting the Unit price. This risk will increase with the complexity of the transactions entered into. Also, financial instruments that are illiquid and/or not publicly traded may not have readily available prices and may therefore be difficult to value. Determinations as to their fair value may not represent the actual amount that will be realised on the eventual disposal of such assets.

Although the Manager retains overall responsibility for the valuation, it has delegated fund accounting (including valuation of the Funds) to the Administrator and Registrar, a specialist fund accounting service provider. However, investors should be aware that there is a possible conflict of interest in the involvement of the Manager and the Administrator and Registrar in the valuation process, in that their fees are affected by the Net Asset Value of the Funds (i.e. the higher the valuation of the Funds, the higher the fees payable to the Manager and the Administrator and Registrar).

To monitor and mitigate valuation risk, there are several stages of review, conducted by separate functions, to ensure a proper, accurate and impartial valuation that is performed in accordance with the Trust Deed, the Rules and with all due skill, care and diligence.

- Legal Risk

Legal, tax and regulatory changes could occur during the term of a Fund, potentially affecting the Fund's ability to pursue its investment objective.

- Custody risk

The cash and assets of each Fund are held in safekeeping by the Trustee, as outlined in Section 2. The assets of a Fund will normally be identified in the Trustee's books as belonging to that Fund and segregated from other assets of the Trustee, which mitigates but does not exclude the risk of non-restitution in the case of the Trustee's insolvency. However, no such segregation applies to cash which increases the risk of non-restitution in the case of the Trustee's insolvency.

The Trustee does not hold all the assets of each Fund itself but uses a network of custodians and sub-custodians. Such custodians and sub-custodians are not all part of the same group of companies as the Trustee. Unitholders may therefore be exposed to the risk of insolvency of the sub-custodians in the same manner as they are to the risk of insolvency of the Trustee. A Fund may invest in assets which invest in markets where custodial and/or settlement systems

are not fully developed. The Trustee may have no liability where the assets of the Funds are traded in such markets.

- **Currency Risk**

Base currency risk exists where a Fund invests in assets denominated in a currency other than its base currency. Changes in exchange rate between a Fund's base currency and the currency in which an asset is denominated will cause the value of that asset (expressed in the base currency) to fall or rise. The Manager may use investment techniques and derivative instruments to attempt to mitigate such base currency risk, however, the Manager is not obliged to do so and (where used) such techniques may not be successful.

A Unitholder may also experience currency risk where the base currency of a Fund varies from the Unitholder's home currency. In these circumstances, a Unitholder may risk potential capital losses resulting from the movements of the exchange rate between the Fund's base currency and the Unitholder's home currency.

- **Asset Selection Risk**

The performance of a Fund will depend significantly upon the ability of the Manager and/or the relevant Investment Manager to select profitable investments and, to the extent a Fund is invested in second schemes, the ability of investment managers of such schemes to do likewise.

- **Tax considerations**

Each Fund may be subject to withholding, capital gains or other taxes on income and/or gains arising from its investment portfolio, including without limitation taxes imposed by the jurisdiction in which the issuer of securities held by that Fund is incorporated, established or resident for tax purposes. Each Fund may also incur or bear transaction or other similar taxes in respect of the actual or notional amount of any acquisition, disposal or transaction relating to its investment portfolio, including without limitation taxes imposed by the jurisdiction in which the issuer of securities held by that Fund or the counterparty to a transaction involving that Fund is incorporated, established or resident for tax purposes. Where a Fund invests in securities or enters into transactions that are not subject to withholding, capital gains, transaction or other taxes at the time of acquisition, there can be no assurance that tax may not be withheld or imposed in the future as a result of any change in applicable laws, treaties, rules or regulations or the interpretation thereof. That Fund may not be able to recover such tax and so any change could have an adverse effect on the Net Asset Value of the Units.

Where a Fund chooses or is required to pay taxation liabilities and/or account for reserves in respect of taxes that are or may be payable in respect of current or prior periods by that Fund (whether in accordance with current or future accounting standards), this would have an adverse effect on the Net Asset Value of the Units. This could cause benefits or detriments to certain Unitholders, depending on the timing of their entry to and exit from that Fund.

## Appendix 1

### Investment and Borrowing Powers

The Scheme Property of each Fund will be invested with the aim of achieving the investment objective of that Fund but subject to the limits set in each Fund's investment policy, Trust Deed and the limits set out in Chapter 5 of the COLL Sourcebook ("COLL 5") which apply to Non-UCITS Retail Scheme and this Prospectus. These limits apply to each Fund as summarised below.

The Manager shall ensure that, taking into account the investment objective and investment policy of the relevant Fund, the Scheme Property of each Fund will be invested with the aim of providing a prudent spread of risk.

The Manager uses a risk management process, as reviewed by the Trustee, enabling it to monitor and measure as frequently as appropriate the risk of the relevant Fund's portfolio and contribution of the underlying investments to the overall risk profile of that Fund. The details of the risk management process have been notified by the Manager to the FCA, and includes the following information:

- the types of investments to be used within a Fund together with their underlying risks and any relevant quantitative limits;
- the methods for estimating risks in the portfolio to ensure these are adequately captured; and
- the risks relating to the Fund's other investments.

The Manager must notify the FCA in advance of any material alteration to its risk management policy.

### *General*

Subject to the investment objective and policy of the relevant Fund, the Scheme Property of a Fund may consist of one or more of the following assets or investments:

- transferable securities;
- money market instruments;
- units / shares in permitted collective investment schemes;
- permitted derivatives and forward transactions;
- permitted deposits;
- cash and near cash.

It is not intended that a Fund will have a direct interest in any: (i) immovable or tangible moveable property; or (ii) gold.

The following investment restrictions under the relevant Trust Deed and the Rules currently apply to each Fund.

### *Collective investment schemes*

Subject to further restrictions in respect of individuals Funds, up to 100% of the Scheme Property of each Fund may consist of units and/or shares in other collective investment schemes. Not more than 35% in value of the property of a Fund may consist of units or shares in any one collective investment scheme.

A Fund must not invest in units or shares of a collective investment scheme (the "second scheme") unless the second scheme satisfies all of the requirements referred to in (a) to (d) below:

- (a) the second scheme:
  - (i) is a UK UCITS (as defined in the Rules) or satisfies the conditions necessary for it to enjoy the rights conferred by the UCITS Directive as implemented in the EEA; or
  - (ii) is a Non-UCITS Retail Scheme; or
  - (iii) is a recognised scheme for the purposes of the Financial Services and Markets Act 2000 (as amended); or
  - (iv) is constituted outside the United Kingdom and the investment and borrowing powers of which are the same or more restrictive than those of a Non-UCITS Retail Scheme; or
  - (v) is a second scheme which does not fall within any of the above categories and in respect of which no more than 20% in value of the property of the scheme (including any transferable securities which are not approved securities) is invested.
- (b) the second scheme must operate on the principle of the prudent spread of risk;
- (c) the second scheme must have terms which prohibit more than 15% in value of the Scheme Property consisting of units and/or shares in other collective investment schemes;
- (d) the participants in the second scheme must be entitled to have their units redeemed in accordance with the scheme at a price:
  - (i) to the net value of the property to which the units relate; and
  - (ii) which are determined in accordance with the scheme.

Where the second scheme is an umbrella scheme, the above provisions apply to each sub-fund of the umbrella scheme as if it were a second scheme.

Each Fund may invest in shares or units of second schemes which are managed or operated by (or, in the case of companies incorporated under the OEIC Regulations, have as their authorised corporate director) the Manager or an associate of the Manager. However, if a Fund invests in units or shares in another collective investment scheme managed or operated by the Manager or by an associate of the Manager, the Manager must pay into the property of the relevant Fund before the close of the business on the third business day after the agreement to invest or dispose of units for the HL Emerging Markets and the second business day, for HL Multi-Manager UK Growth , HL Cautious Managed, HL European and HL High Income :

- (a) on investment – if the Manager pays more for the units issued to it than the then prevailing creation price, the full amount of the difference or, if this is not known, the maximum permitted amount of any charge which may be made by the issuer on the issue of the units; and
- (b) on a disposal – any amount charged by the issuer on the redemption of such units.

A Fund may invest in the Units of another Fund (the "Second Fund") provided that:

- (a) the Second Fund does not hold Units in any other Fund;
- (b) the requirements set out above in relation to charging are complied with; and
- (c) not more than 35% in value of the investing Fund is to consist of Units in the Second Fund.

#### *Transferable Securities*

The Scheme Property may consist of transferable securities (as defined in the Rules) which are admitted to or dealt in on an eligible market (as set out in **Error! Reference source not found.**). Not more than 20% in value of the Scheme Property may consist of transferable securities which are not admitted to or dealt in an eligible market (aggregated with the value of Scheme Property which can be invested in unregulated collective investment schemes) and/or money market instruments which do not fall within the criteria set out under the section entitled "Money Market Instruments" below.

Not more than 10% in value of the Scheme Property may consist of transferable securities or money market instrument (referred to below) issued by any single body. However this rule: (a) does not apply in respect of government and public securities (as is explained below); and (b) is raised to 25% in respect of covered bonds. A covered bond is a bond issued by a credit institution which has its registered office in the UK or an EEA State and is subject by law to special public supervision designed to protect bondholders and in particular protection under which sums deriving from the issue of the bond must be invested in conformity with the law in assets which, during the whole period of validity of the bond, are capable of covering claims attaching to the bond and which, in the event of failure of the issuer, would be used on a priority basis for the reimbursement of the principal and payment of the accrued interest, and which may be collateralised.

Not more than 5% in value of the Scheme Property may consist of warrants. Warrants may only be held if it is reasonably foreseeable that the exercise of the rights conferred by the warrants will not contravene the Rules. Securities on which any sum is unpaid may be held provided that it is reasonably foreseeable that the amount of any existing and potential call for any sum unpaid could be paid by the relevant Fund at any time when the payment is required without contravening the Rules.

In respect of nil and partly paid securities a transferable security or approved money-market instrument on which any sum is unpaid falls within a power of investment only if it is reasonably foreseeable that the amount of any existing and potential call for any sum unpaid could be paid by the relevant Fund, at the time when payment is required, without contravening the rules in COLL 5.

#### *Money Market Instruments*

The Scheme Property may consist of money market instruments which are normally dealt in on the money market, are liquid and whose value can be accurately determined at any time, provided such money market instrument is:

- (a) issued or guaranteed by: (i) a central authority of the UK or an EEA State or, if the EEA State is a federal state, one of the members making up the federation; (ii) a regional or local authority of the UK or an EEA State; (iii) the Bank of England, the central bank of an EEA state, the European Central Bank, the European Union or the European Investment Bank; (iv) a non-EEA state or, in the case of a federal state, by one of the members making up the federation; or (v) a public international body to which the UK or one or more EEA states belongs; or
- (b) issued or guaranteed by an establishment subject to prudential supervision in accordance with criteria defined by UK or EEA Law or an establishment which is subject to and complies with prudential rules governed by the FCA to be at least as stringent as those laid down by UK or EEA Law; or
- (c) issued by a body, any securities of which are dealt in on an eligible market.

### *Derivatives*

The Scheme Property may consist of derivatives or forward transactions for the purposes of 'efficient portfolio management' (including "hedging"). This is set out in more detail in the next sub-section.

Derivatives transactions must either be in an approved derivative (being a derivative which is dealt in on an eligible derivatives market as set out in Appendix 2) or an over the counter derivative with an approved counterparty as defined in the Glossary to the FCA Handbook.

A counterparty to a transaction in derivatives is approved only if the counterparty is:

- (i) an eligible institution or an approved bank;
- (ii) a person whose permission (as published on the Financial Services Register), or whose home state authorisation, permits it to enter into such transactions as principal off exchange;
- (iii) a CCP that is authorised in that capacity for the purposes of EMIR;
- (iv) a CCP that is recognised in that capacity in accordance with the process set out in article 25 of EMIR; or
- (v) to the extent not already covered above, a CCP supervised in a jurisdiction that:
  - (A) has implemented the relevant G20 reforms on over-the-counter derivatives to at least the same extent as the United Kingdom; and
  - (B) is identified as having done so by the Financial Stability Board in its summary report on progress in implementation of G20 financial regulatory reforms dated 25 June 2019

Any over the counter transactions in derivatives must also be:

- (i) on approved terms, i.e. the Manager:
  - (A) carries out, at least daily, a reliable and verifiable valuation in respect of that transaction corresponding to its fair value (being the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction) and which does not rely only on market quotations by the counterparty; and
  - (B) can enter into one or more further transactions to sell, liquidate or close out that transaction at any time, at a fair value.
- (ii) capable of reliable valuation in that, a transaction in derivatives is capable of reliable valuation only if the Manager having taken reasonable care determines that, throughout the life of the derivative (if the transaction is entered into), it will be able to value the investment concerned with reasonable accuracy (A) on the basis of an up-to-date market value which the Manager and the Trustee have agreed is reliable or (B) if the value referred to in (A) is not available, on the basis of a pricing model which the Manager and the Trustee have agreed uses an adequate recognised methodology; and
- (iii) subject to verifiable valuation in that, a transaction in derivatives is subject to verifiable valuation only if throughout the life of the derivative (if the transaction is entered into) verification of the valuation is carried out by (A) an appropriate third party which is independent from the counterparty of the derivative, at an adequate frequency and in such a way that the Manager is able to check it; or (B) a department within the Manager which is independent from the department in charge of managing the Scheme Property and which is adequately equipped for such a purpose.

Any forward transaction must be made with an eligible institution or an approved bank in accordance with the Rules.

The underlying assets of a transaction in a derivative may only consist of any one or more of the following:

- (a) transferable security;
- (b) money market instruments;
- (c) deposits;
- (d) derivatives;
- (e) collective investment schemes;
- (f) financial indices;
- (g) interest rates;

- (h) foreign exchange rates; and
- (i) currencies.

Where a Fund invests in derivatives, the exposure to the underlying assets must not exceed the limits set out in the COLL Sourcebook in relation to spread, except for index based derivatives. A transaction in a derivative must not be entered into if the intended effect is to create the potential for an uncovered sale of one or more transferable securities, money market instruments, units or shares in collective investment schemes or derivatives.

A derivatives or forward transaction which would or could lead to delivery of property to the Trustee may be entered into only if such property can be held by a Fund and the Manager has taken reasonable care to determine that delivery of the property pursuant to the transaction will not lead to a breach of the relevant provisions in the Rules.

Where a Fund invests in an index based derivative, provided the relevant index falls within COLL 5.6.23 R, the underlying constituents of the index do not have to be taken into account for the purposes of COLL 5.6.7 R and COLL 5.6.8 R.

Where a transferable security or money market instrument embeds a derivative, this must be taken into account for the purposes of complying with the Rules.

The Manager will ensure that any transaction in derivatives and forward transactions is covered in accordance with the COLL Sourcebook. This includes ensuring that at all times, a Fund has enough assets to sufficiently cover its derivative positions. In determining the adequacy of the cover for such positions, the Manager will take into account the value of the underlying assets, counterparty risk, the time taken to liquidate any derivative position, and any reasonably foreseeable market movement.

The Manager uses a risk management process which enables it to monitor and measure on a daily basis the risk of a Fund's derivatives and forwards positions and their impact on the overall risk profile and leverage of each Fund. The global exposure relating to derivative instruments will be calculated using the commitment approach. The commitment approach (in summary) aggregates the market (or notional) values of derivative instruments, after netting and hedging, to determine the degree of global exposure of a Fund to derivative instruments. The global exposure of a Fund under the commitment approach must not exceed the Net Asset Value of that Fund.

*Meaning of 'Efficient Portfolio Management (including "hedging")'*

A Fund may enter into derivative and forward transactions for efficient portfolio management (including hedging) purposes provided the following requirements are satisfied:

- the transaction is economically appropriate,
- the exposure on the transaction is fully covered, and,
- the transaction is entered into for either of the following specific aims:
  - (i) the reduction of risk; or
  - (ii) the reduction of costs; or
  - (iii) generation of additional capital or income for the scheme with a risk level which is consistent with the risk profile of the scheme and risk diversification rules laid down in the Rules.

A transaction which is regarded as speculative will not be permitted. A list of the current eligible derivatives markets is set out in Appendix 2. Further derivatives markets may be added to the list following consultation with the Trustee in accordance with the Rules.

Where a transaction is entered into for efficient portfolio management (including hedging) purposes and relates to the actual or potential acquisition of transferable securities, the Manager must intend that a Fund should invest in such transferable securities within a reasonable time and the Manager must ensure that, unless the position has itself been closed out, that intention is realised within such time.

The Manager does not anticipate the intended use of derivatives and forwards transactions as set out above to have any detrimental effect on the overall risk profile of a Fund.

#### *Cash and near cash*

The Scheme Property may consist of cash or near cash to enable:

- (a) the pursuit of each Fund's investment objectives; or
- (b) the redemption of shares; or
- (c) the efficient management of the relevant Fund in accordance with its objectives or any other purposes which may reasonably be regarded as ancillary to the objectives of the relevant Fund.

The Manager does not anticipate a Fund consisting of more than a proportion to be specified in Appendix 1 of cash or near cash at any one time. Liquidity may be at the upper end of, or even exceed this range under certain short-term circumstances such as where large market movements and/or an exceptional number of redemptions are anticipated or the Fund is in receipt of large cash sums upon the creation of units or realisation of investments.

Cash forming part of the property of a Fund may be placed in any current or deposit account with the Trustee, the Manager or any associate of any of them provided it is an eligible institution or approved bank and the arrangements are at least as favourable to the Fund as would be those of any comparable arrangements effected on normal commercial terms negotiated at arm's length between two independent parties.

#### *Deposits*

The Scheme Property may consist of deposits (as defined in the Rules) but only if it:

- is with an approved bank;
- is repayable on demand or has the right to be withdrawn; and
- matures in no more than 12 months.

#### *Spread-general*

In applying any of the restrictions referred to above:

- Not more than 10% in value of the Scheme Property of a Fund is to consist of transferable securities or money market instruments issued by any single body (subject to the Rules in

COLL 5.6.23R). This limit is raised to 25% in value of the Scheme Property of a Fund in respect of covered bonds. In applying any limit to transferable securities or money market instruments, any certificates representing certain securities are to be treated as equivalent to the underlying security.

- The exposure to any one counterparty in an over-the-counter derivative transaction must not exceed 10% in value of the Scheme Property of a Fund.
- Not more than 20% in value of the Scheme Property of a Fund is to consist of deposits with a single body.

The rules relating to the spread of investments will not apply during any period in which it is not reasonably practical to comply, provided that at all times the Scheme Property of each Fund aims to provide a prudent spread of risk.

The above restrictions do not apply to in respect of government and public securities.

#### *Spread - Government and public securities*

Up to 100% of the Scheme Property of a Fund may consist of transferable securities or approved money market instruments ("such securities") that are issued or guaranteed by the UK or an EEA State, a local authority of the UK or an EEA State, a non-EEA State or a public international body to which the UK or one or more EEA States belong.

Where no more than 35% in value of the Scheme Property of a Fund is invested in such securities issued by any one body, there is no limit on the amount which can be invested in such securities or in any one issue. A Fund may invest more than 35% in value of the Scheme Property in such securities issued by any one body provided such securities satisfy the following conditions

- a) the Manager has before any such investment is made consulted with the Trustee, and as a result considers that the issue of such securities is one which is appropriate in accordance with the investment objective of a Fund;
- b) no more than 30% in value of the Scheme Property consists of such securities of any one issue;
- c) the Scheme Property of the relevant Fund includes such securities issued by that or another issuer, of at least six different issues;
- d) the disclosures in COLL 3.2.6R(8) (Table: contents of the instrument constituting the fund) and COLL 4.2.5R (3)(i) (Table: contents of the prospectus) have been made.

#### *Borrowing*

Subject to the Trust Deed and the Rules (such as relate to Non-UCITS Retail Schemes), a Fund may borrow money for the purposes of achieving the objectives of a Fund on terms that such borrowings are to be repaid out of the Scheme Property. The Manager does not anticipate significant use of this borrowing power. Such borrowing may only be made from an eligible institution or approved bank (as defined in the Rules). The borrowing of a Fund must not, on any Business Day, exceed 10% of the value of the Scheme Property of a Fund.

The above provisions on borrowing do not apply to "back to back" borrowing for hedging purposes, being an arrangement under which an amount of currency is borrowed from an eligible institution

and an amount in another currency at least equal to the amount of currency borrowed is kept on deposit with the lender (or his agent or nominee).

Borrowings may be made from the Trustee, the Manager, or any associate of any of them provided that such lender is an eligible institution or approved bank and the arrangements are at least as favourable to the relevant Fund as would be those of any comparable arrangements effected on normal commercial terms negotiated at arm's length between two independent parties.

The Scheme Property of a Fund must not be lent. Further a Fund may not grant credit facilities nor act as a guarantor on behalf of third parties, provided that for the purpose of this restriction: (i) the acquisition of transferable securities, approved money market instruments or other permitted financial instruments; and (ii) the permitted lending of portfolio securities, shall be deemed not to constitute the making of a loan.

### *Stock lending*

Stock lending and repo contracts may be entered into by the Trustee on behalf of a Fund when it reasonably appears to the Manager to be appropriate to do so with a view to generating additional income for the relevant Fund with an acceptable degree of risk.

The Trustee, at the request of the Manager, may enter into a stock lending arrangement or repo contract of the kind described in section 263B of the Taxation of Chargeable Gains Act 1992 (without extension by Section 263C of that Act) but only if:

- (a) all the terms of the agreement under which securities are to be reacquired by the Trustee for the account of the relevant Fund are in a form which is acceptable to the Trustee and are in accordance with good market practice;
- (b) the counterparty meets the criteria set out in COLL 5.4.4 R; and
- (c) collateral is obtained to secure the obligation of the counterparty under the terms referred to in (a) above. Collateral must be acceptable to the Trustee, adequate and sufficiently immediate (in each case, in accordance with the Rules).

Although the Funds may enter repurchase transactions and stock lending transactions, the Funds do not currently use such techniques. Should any Fund use such techniques and instruments in the future, the Manager will comply with the applicable regulations and in particular the UK version of Regulation (EU) 2015/2365 of 25 November 2015 on transparency of securities financing transactions and of reuse (the "SFTR"). In these circumstances, the Prospectus will be updated prior to the use of any such techniques and instruments in order to contain all of the information required by the SFTR.

### *General power to accept or underwrite placings*

Any power in the Rules to invest in transferable securities may be used for the purpose of entering into any agreement or understanding which is an underwriting or sub-underwriting agreement, or which contemplates that securities will or may be issued or subscribed for or acquired for the account of a Fund.

This authority does not apply to an option, or a purchase of a transferable security which confers a right to subscribe for or to acquire a transferable security, or to convert one transferable security into another.

The exposure of the Fund to agreements and understandings set out above, on any Business Day, must be covered and be such that, if all possible obligations arising under the arrangements had to be immediately met in full, there would be no breach of any of the investment limits set out in this Appendix.

## Appendix 2

### Eligible Securities Markets and Eligible Derivatives Markets

#### Eligible Securities Markets

Set out below are the securities markets through which each Fund may invest or deal in approved securities (subject to the investment objective and investment policy of the relevant Fund):

- (a) a "regulated market" as defined in the Rules;
- (b) a securities market established in the UK and any EEA state (which as at the date of this Prospectus includes Austria, Belgium, Bulgaria, Croatia, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Italy, Latvia, Liechtenstein, Lithuania, Luxembourg, Malta, Netherlands, Norway, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, and Sweden) which is regulated, operates regularly and is open to the public; or
- (c) the principal or only market established under the rules of any of the following investment exchanges:

Country	Market
Australia	Australian Securities Exchange (ASX)
Canada	Toronto Stock Exchange (TSX)
Hong Kong	Hong Kong Exchanges and Clearing Limited (HKEX)
Japan	Tokyo Stock Exchange (TSE)
New Zealand	New Zealand Exchange Ltd (NZX)
Singapore	Singapore Exchange - Securities Trading (SGX-ST)
Switzerland	SIX Swiss Exchange
United States of America	New York Stock Exchange
	NASDAQ Global Select Market
	NASDAQ Capital Market

The alternative investment market (AIM) of the London Stock Exchange is also an eligible securities market for the purposes of the Funds.

Eligible Derivatives Markets

Country	Market
Australia	Australian Securities Exchange (ASX24)
Canada	Montreal Exchange (MX)
Japan	Osaka Exchange
UK	ICE Futures Europe
	LCH
The United States of America	Chicago Board of Trade
	Chicago Mercantile Exchange
	ICE Futures US
Europe	Eurex Deutschland (XEUR)

## Appendix 3

### Valuation of the property of the Funds

The Net Asset Value of the Scheme Property of a Fund shall be the value of its assets less the value of its liabilities, and shall be determined in accordance with the following provisions:

- 1 All the Scheme Property of a Fund (including receivables) as at the Valuation Point is to be included in the valuation, subject to the following provisions.
- 2 Property which is not cash (or other assets set out in paragraph (3) below) or a contingent liability transaction shall be valued as follows and the prices used shall be the most recent prices which it is practicable to obtain:
  - 2.1 Units/shares in a collective investment scheme:
    - (a) if a single price for buying and selling units/shares is quoted, that price;
    - (b) if separate buying and selling prices are quoted, at the average of the two prices provided that the buying price has been reduced by any initial charge included therein and the selling price has been increased by any exit charges attributable thereto; or
    - (c) if, in the opinion of the Manager, the price obtained is unreliable or no recent traded price is available or exists, at a value which in the opinion of the Manager is fair and reasonable;
  - 2.2 exchange-traded derivative contracts:
    - (a) if a single price for buying and selling the exchange-traded derivative contract is quoted, at that price;
    - (b) if separate buying and selling prices are quoted, at the average of the two prices;
  - 2.3 over-the-counter derivative contracts shall be valued in accordance with the method of valuation agreed between the Manager and the Trustee;
  - 2.4 any other transferable security:
    - (a) if a single price for buying and selling the security is quoted, at that price;
    - (b) if separate buying and selling prices are quoted, at the average of the two prices;
    - (c) if, in the opinion of the Manager, the price obtained is unreliable or no recent traded price is available or exists, at a value which in the opinion of the Manager is fair and reasonable;
  - 2.5 property other than that described in paragraphs 2.1 to 2.4 above, at a value which in the opinion of the Manager represents a fair and reasonable mid-market price.
- 3 Cash and amounts held in current and deposit accounts (and in other time-related deposits) shall be valued at their nominal values.
- 4 Property which is a contingent liability transaction shall be treated on the following basis:

- 4.1 if a written option (and the premium for writing the option has become part of the Scheme Property), the amount of the net valuation of premium receivable shall be deducted. If the property is an off exchange derivative, the method of valuation shall be as agreed between the Manager and the Trustee;
- 4.2 if an off exchange future, the net value of closing-out (in accordance with a valuation method agreed by the Manager and the Trustee) shall be included;
- 4.3 if any other form of contingent liability transaction, the net value of margin on closing-out (in accordance with a valuation method agreed by the Manager and the Trustee) shall be included.
- 5 In determining the value of the Scheme Property of a Fund, all instructions given to issue or cancel units shall be assumed to have been taken, regardless of whether or not this is the case.
- 6 Subject to paragraphs (7) and (8) below, agreements for the unconditional sale or purchase of property which are in existence but uncompleted will be treated as having been completed and all necessary consequential actions having been taken. Such unconditional agreements need not be taken into account if they are made shortly before the valuation takes place and, in the opinion of the Manager, their omission will not materially affect the final net asset amount.
- 7 Futures or contracts for differences which are not yet due to be performed and unexpired and unexercised written or purchased options shall not be included under paragraph (6).
- 8 All agreements are to be included under paragraph (6) which are, or ought reasonably to have been known, to the person valuing the property.
- 9 An estimated amount will be deducted for anticipated tax liabilities at the point in time including (as applicable and without limitation): capital gains tax, income tax, corporation tax and advance corporation tax, value added tax, stamp duty and stamp duty reserve tax.
- 10 The following will also be deducted:
  - (a) an estimated amount for any liabilities payable out of the property attributable to the relevant Fund and any tax on it (treating any periodic items as accruing from day to day);
  - (b) the principal amount of any outstanding borrowings whenever payable;
  - (c) any accrued but unpaid interest on borrowings.
- 11 An estimated amount will be added for accrued claims for repayment of taxation levied:
  - (a) on capital (including capital gains); or
  - (b) on income.
- 12 The following will also be added:

- (a) any other credit due to be paid into the Scheme Property of the relevant Fund;
- (b) any SDRT provision anticipated to be received.

13 Currencies or values in currencies other than the base currency shall be converted at the relevant Valuation Point at a rate of exchange that is not likely to result in any material prejudice to the interests of Unitholders or potential Unitholders.

### Proportion Accounts

If more than one class of Unit are in issue in a Fund, the proportionate interests of each class in the assets and income of the Funds shall be ascertained as set out in the Trust Deed, the relevant provisions being set out as follows:

A notional account will be maintained for each Unit class. Each account will be referred to as a **"Proportion Account"**. The word "proportion" in the following paragraphs means the proportion which the balance on a Proportion Account at the relevant time bears to the balance on all the Proportion Accounts of a Fund at that time. The proportionate interest of a class of Unit in the assets and income of a Fund is its **"proportion"**.

These will be credited to a Proportion Account:

- the subscription money (excluding any initial charges) for the issue of Units of the relevant class;
- that class's proportion of the amount by which the Net Asset Value of the relevant Fund exceeds the total subscription money for all Units in that Fund;
- that class's proportion of the Fund's income received and receivable; and
- any notional tax benefit.

These will be debited to a Proportion Account:

- the redemption payment for the cancellation of Units of the relevant class;
- the Unit class's proportion of the amount by which the Net Asset Value of the relevant Fund falls short of the total subscription money for all Units in that Fund;
- all distributions of income (including equalisation, if any) made to Unitholders of that class;
- all costs, charges and expenses incurred solely in respect of that class;
- that Unit class's share of the costs, charges and expenses incurred in respect of that class and one or more other classes in the relevant Fund, but not in respect of the relevant Fund as a whole;
- that class's share of the costs, charges and expenses incurred in respect of or attributable to the relevant Fund as a whole; and
- any notional tax liability.

Any tax liability in respect of the relevant Fund, and any tax benefit received or receivable in respect of that Fund, will be allocated between classes in order to achieve, so far as possible, the same result as not materially to prejudice any class. The allocation will be carried out by the Manager after consultation with the Auditors.

The Proportion Accounts are notional accounts maintained for the purpose of calculating proportions. They do not represent debts from the Funds to Unitholders or the other way round. Each credit and debit to a Proportion Account shall be allocated to that account on the basis of that Unit class's proportion immediately before the allocation. All such adjustments shall be made as are necessary to ensure that on no occasion on which the proportions are ascertained is any amount counted more than once. When Units are issued thereafter each such Unit shall represent the same proportionate interest in the property of the relevant Fund as each other Unit of the same category and class then in issue in respect of that Fund.

Each Fund shall allocate the amount available for income allocation (calculated in accordance with the COLL Sourcebook) between the Units in issue relating to the relevant Fund according to the respective proportionate interests in the property of the Fund represented by the Units in issue at the Valuation Point in question.

## Appendix 4

### The Funds

#### HL MULTI-MANAGER UK GROWTH

##### Investment objective

The Fund aims to grow your investment in excess of the FTSE® All-Share Total Return Index, over any 5-year period. Returns are measured after the deduction of the Fund's charges.

##### Investment policy

At least 70% of the Fund will be invested in, or exposed to, shares of companies that:

- (1) Are domiciled, or
- (2) Are incorporated, or
- (3) Have significant operations or exposure to the UK.

The Fund may also invest up to 30% in:

- Shares of non-UK companies listed on a UK exchange,
- Shares of non-UK companies,
- Depositary Receipts (which allow investors to hold equity shares of foreign companies without the need to trade directly on a foreign market),
- Money market instruments (e.g., short term loans that pay interest),
- Deposits, and cash

The Fund will invest a minimum of 85% of its assets directly. It may also invest up to 15% via other regulated collective investment schemes. The collective investment schemes in which the Fund may invest can take a variety of forms. They may be:

- Open or closed-ended
- Exchange traded (ETFs)
- Actively managed or passively managed
- Money market funds.

They may be managed or operated by the Manager or other third-party managers and will be established in Europe, the UK, Jersey, or Guernsey. The Fund may also have exposure to real estate investment trusts.

The Fund may make use of derivative instruments and foreign exchange forwards transactions for the purposes of efficient portfolio management (EPM) including "hedging" techniques. EPM and the hedging techniques used, aim to reduce the risks or costs of managing the Fund.

Where the Fund invests in other collective investment schemes, those schemes may use derivative instruments for EPM or investment purposes.

The Manager may allocate all or a portion of the Fund's assets to one or more Investment Managers. Each Investment Manager will use its own methodology for managing its allocation. Investment

Managers will be subject to the Manager's oversight and the Fund's investment objective and policy. The Manager may choose to retain the investment management of some, or all, of the Fund's portfolio.

The Fund is actively managed. This means that the Manager or delegated Investment Manager decides which investments to buy and sell, and when. When making an investment in a third-party fund, the Manager identifies funds likely to be capable of generating repeatable outperformance. Each fund is selected on the basis of its role in the Fund's overall portfolio.

The Manager may also invest in passive funds where:

- Small market size would make active management inefficient.
- The size of the Fund's investment in the particular market is small
- There is limited choice of active managers in that market
- The cost of investment in an active fund would be prohibitive; or
- For liquidity or risk management purposes.

The percentage investment/exposure levels in company shares described above are not guaranteed. There may be periods when the Fund's total exposure is higher or lower than the percentage levels stated. This could be due to market movements or in extraordinary market conditions. For example, where there is not a steady and constant flow of investment activity or where there is high volatility and a lack of regular pricing information.

#### Benchmarks – measuring the Fund's performance

**Target Benchmark:** The Fund's overall performance targets are measured against the FTSE® All-Share Total Return Index (the "Index"). The Index represents the performance of all eligible companies listed on the London Stock Exchange and is regarded as an appropriate performance measure of the UK stock market, with over 600 companies currently included.

The Fund will not hold the shares of every company in the Index and may also hold the shares of companies that do not form part of it.

**Comparator Benchmark:** Although the Fund is targeting the benchmark set out above for overall performance (total returns), the Manager believes it is appropriate to compare the Fund's performance to the performance of the average of funds in the **Investment Association (IA) UK All Companies** (as a "comparator benchmark"). The IA sector is considered an appropriate benchmark as the funds in the IA sector are run in a similar way to this Fund.

The **IA UK All Companies sector** includes funds which invest at least 80% of their assets in UK equities which have a primary objective of achieving capital growth.

The Investment Association (the UK's trade body for the funds industry) has created IA sectors to help investors compare funds with broadly similar characteristics. These sectors divide funds into groups, with each sector having a different investment focus. This allows investors to make like-for-like comparisons between competitor funds, on factors such as fund charges and performance. In order to be included within an IA sector, a Fund must fulfil certain criteria.

Information on comparative performance of funds in this IA sector is available from various independent data providers including Morningstar and FE Trustnet.

You can find further information on the current Investment Association sectors at the following website: <https://www.theia.org/industry-data/fund-sectors>.

### Borrowing

The Fund has an overdraft facility which may be used for short term liquidity purposes (up to 10% of its Net Asset Value) as set out in Appendix 1. The Fund may use this borrowing power to the extent permitted by the Rules for Non-UCITS Retail Schemes.

### Leverage

For the purposes of this Prospectus, "**leverage**" is any method by which the Fund's exposure is increased beyond its holding of assets and cash. The Fund may incur leverage (whether through borrowing of cash or through its use of derivatives for efficient portfolio management purposes) in the circumstances, and subject to the restrictions, set out in Appendix 1.

Pursuant to the Rules, the Manager is required to set maximum leverage levels and seek to operate the Fund within these levels at all times. The UK AIFM Regime sets out two methodologies for calculating the overall exposure of a fund: the 'gross' method and the 'commitment' method. These methodologies are summarised below but are set out in full in the UK AIFM Regime. The 'commitment' method is the sum of the absolute value of all positions and each derivative position (excluding forward currency positions) will be converted into the equivalent position in the underlying assets. The 'gross' method shall exclude the value of any cash and cash equivalents from the sum of the absolute value of all positions.

The maximum gross leverage in the Fund is 132%, and the maximum commitment leverage is 110%. It is expected that the Manager will operate the Fund well within these limits. The Manager will report on its use of leverage within the Fund, and any change to use of leverage and leverage limits, in the Trust's Annual Report.

### Derivatives - Permitted Instruments

Permitted Instruments
Deliverable Forward Foreign Exchange

The permitted derivative instruments must be traded on an exchange included within the Eligible Derivatives Markets list (see Appendix 2).

### Stock lending

The Manager does not currently use stock lending but is permitted to enter into stocklending arrangements as set out in Appendix 1. Property of the Fund used for stocklending purposes will be delivered to a third party and transferred back to the Fund at a later date. There is no limit on the value of the Fund's property which may be subject to stocklending arrangements.

### Cash

The Fund may hold cash and near cash. The Manager does not anticipate that the Fund will typically hold more than 20% of cash or near cash at any one time. However, liquidity may be at the upper

end of, or even exceed this range, under certain circumstances such as where large market movements and/or an exceptional number of redemptions are anticipated or the Fund is in receipt of large cash sums upon the creation of units or realisation of investments.

A summary of the Fund's investment and borrowing powers is set out in Appendix 1 to this Prospectus.

#### Unit Class Information

Unit Class*	Initial Charge	Annual Management Charge (AMC)	Investment Manager Charge (aggregate) ***	Minimum Initial Investment and Holding	Minimum Subsequent Investment	Minimum Redemption
Class A Accumulation Unit	0%	Up to 0.60%**	Up to 0.6%	£150,000	£150,000	£10,000
Class Z Accumulation Unit ****	0%	0%	Up to 0.6%	£10,000,000	£1,000,000	£10,000,000

\* The Manager has the discretion to offer Income Units in the Fund. No Income Units are currently in issue in the Fund.

\*\* The Manager's AMC is charged on a Tiered Pricing basis and the figure shown reflects the Starting AMC rate (or maximum rate) that may be charged. Please refer to Section 5 of the Prospectus (Charges and Expenses) for further detail.

\*\*\* Where applicable, the Investment Manager charge may vary dependent on the value of the segmented portfolio allocated to the individual Investment Managers from time to time, but will not exceed 0.6% in aggregate.

\*\*\*\* Class Z Units are available only to a company which is associated company or to other collective investment schemes managed by the Manager or a company which the Manager deems to an associated company.

#### Reports and Accounts

Annual accounting reference date	30 September
Interim accounting date	31 March
Income allocation dates	30 November, 31 May
Date of publication of annual reports and accounts	31 January

## Historical Performance Data

	% Growth 31/12/2019 To 31/12/2020	% Growth 31/12/2020 To 31/12/2021	% Growth 31/12/2021 To 31/12/2022	% Growth 31/12/2022 To 31/12/2023	% Growth 31/12/2023 To 31/12/2024
HL Multi- Manager UK Growth (A Acc)	-6.88	14.99	-11.96	8.03	10.55
FTSE® All- Share Total Return	*	*	*	*	*
Investment Association (IA) UK All Companies	*	*	*	*	*

Source: Lipper. Past performance is not an indication of future performance.

## Fund related notes

Performance is shown net of charges (excluding initial) charge and net of tax. Class A Accumulation Units have been used as the representative Unit class. The data reflects that net income has been reinvested.

On 23 October 2024, the Investment Objective and Policy of the Fund was amended to that now stated following prior notice being provided to Unitholders.

\* From 23 October 2024, the Fund has a Target Benchmark of the FTSE® All-Share Total Return Index. Performance information for the FTSE® All-Share Total Return Index will therefore be included in the table above from the full year 31/12/2024 to 31/12/2025 onwards. As the Fund also has a Comparator Benchmark to compare the Fund's performance to the performance of the average of funds in the Investment Association (IA) UK All Companies sector the Manager has decided to also provide performance information for the Investment Association (IA) UK All Companies sector in the table above from the full year 31/12/2024 to 31/12/2025 onwards.

## HL EUROPEAN

### **Investment objective**

The Fund aims to grow your investment in excess of the total return of the MSCI Europe Ex UK NR GBP Index, over any 5-year period. Returns are measured after the deduction of the Fund's charges.

### **Investment policy**

At least 80% of the Fund will be invested in, or exposed to, shares of companies that:

- (i) Are listed on a European exchange (excluding UK exchanges);
- (ii) Are domiciled, incorporated, or headquartered in Europe; or
- (iii) Conduct the majority of their business in Europe.

The Fund may also invest in, or have exposure to, up to 20% in:

- Shares of non-European companies (including up to 5% in UK companies);
- Depositary Receipts (which allow investors to hold equity shares of foreign companies without the need to trade directly on a foreign market);
- Money market instruments (e.g., short term loans that pay interest);
- Deposits, and cash.

The Fund will invest a minimum of 85% of its assets directly. It may also invest up to 15% via other regulated collective investment schemes.

The collective investment schemes in which the Fund may invest can take a variety of forms. They may be:

- Open or closed-ended
- Exchange traded (ETFs)
- Actively managed or passively managed
- Money market funds.

They may be managed or operated by the Manager or other third-party managers and will be established in Europe, the UK, Jersey, or Guernsey. The Fund may also have exposure to real estate investment trusts.

**The Fund may also invest in derivative instruments and forwards transactions for efficient portfolio management purposes (EPM) including "hedging" techniques. EPM and the hedging techniques used, aim to reduce the risks or costs of managing the Fund.**

**Where the Fund invests in other collective investment schemes, those schemes may use derivative instruments for EPM or investment purposes.**

The Manager may allocate all or a portion of the Fund's assets to one or more Investment Managers. Each Investment Manager will use its own methodology for managing its allocation. Investment Manager will be subject to the Manager's oversight and the Fund's investment objective and policy. The Manager may choose to retain the investment management of some, or all, of the Fund's portfolio.

The Fund is actively managed. This means that the Manager or delegated Investment Manager(s) decides which investments to buy and sell, and when. When making an investment in a third-party fund, the Manager identifies funds likely to be capable of generating repeatable outperformance.

Each fund is selected on the basis of its role in the Fund's overall portfolio.

The Manager may also invest in passive funds where:

- Small market size would make active management inefficient.
- The size of the Fund's investment in the particular market is small
- There is limited choice of active managers in that market
- The cost of investment in an active fund would be prohibitive; or
- For liquidity or risk management purposes.

The percentage investment/exposure levels in company shares described above are not guaranteed. There may be periods when the Fund's total exposure is higher or lower than the percentage levels stated. This could be due to market movements or in extraordinary market conditions. For example, where there is not a steady and constant flow of investment activity or where there is high volatility and a lack of regular pricing information.

#### Benchmarks – measuring the Fund's performance

**Target Benchmark:** The Fund's overall performance targets are measured against the MSCI Europe Ex UK NR GBP Index (the "Index"). The Index is considered an appropriate benchmark as it captures large and mid cap representation across 14 Developed Markets countries in Europe. With 337 constituents, the index covers approximately 85% of the free float-adjusted market capitalization across European Developed Markets excluding the UK.

The Fund will not hold the shares of every company in the Index and may also hold the shares of companies that do not form part of it.

**Comparator Benchmark:** Although the Fund is targeting the benchmark set out above for overall performance (total returns), the Manager believes it is appropriate to compare the Fund's performance to the performance of the average of funds in the **Investment Association (IA) IA Europe ex-UK sector** (as a "comparator benchmark"). The **IA Europe ex-UK sector** is considered an appropriate benchmark as the funds in the IA sector are run in a similar way to this Fund.

The **IA Europe ex-UK sector** includes Funds which invest at least 80% of their assets in European equities (excluding UK securities – although up to 5% in UK equities is permitted).

The Investment Association (the UK's trade body for the funds industry) has created IA sectors to help investors compare funds with broadly similar characteristics. These sectors divide funds into groups, with each sector having a different investment focus. This allows investors to make like-for-like comparisons between competitor funds, on factors such as fund charges and performance. In order to be included within an IA sector, a Fund must fulfil certain criteria.

Information on comparative performance of funds in this IA sector is available from various independent data providers including Morningstar and FE Trustnet.

You can find further information on the current Investment Association sectors at the following website: <https://www.theia.org/industry-data/fund-sectors>.

## Borrowing

The Fund has an overdraft facility which may be used for short term liquidity purposes (up to 10% of its Net Asset Value) as set out in Appendix 1. The Fund may use this borrowing power to the extent permitted by the Rules for Non-UCITS Retail Schemes.

## Leverage

For the purposes of this Prospectus, "leverage" is any method by which the Fund's exposure is increased beyond its holding of assets and cash. The Fund may incur leverage (whether through borrowing of cash or through its use of derivatives for efficient portfolio management purposes) in the circumstances, and subject to the restrictions, set out in Appendix 1.

Pursuant to the Rules, the Manager is required to set maximum leverage levels and seek to operate the Fund within these levels at all times. The UK AIFM Regime sets out two methodologies for calculating the overall exposure of a fund: the 'gross' method and the 'commitment' method. These methodologies are summarised below but are set out in full in the UK AIFM Regime. The 'commitment' method is the sum of the absolute value of all positions and each derivative position (excluding forward currency positions) will be converted into the equivalent position in the underlying assets. The 'gross' method shall exclude the value of any cash and cash equivalents from the sum of the absolute value of all positions.

The maximum gross leverage in the Fund is 220%, and the maximum commitment leverage is 110%. It is expected that the Manager will operate the Fund well within these limits. The Manager will report on its use of leverage within the Fund, and any change to use of leverage and leverage limits, in the Trust's Annual Report.

## Stock lending

The Manager does not currently use stock lending but is permitted to enter into stocklending arrangements as set out in Appendix 1. Property of the Fund used for stocklending purposes will be delivered to a third party and transferred back to the Fund at a later date. There is no limit on the value of the Fund's property which may be subject to stocklending arrangements.

## Cash

The Fund may hold cash and near cash. The Manager does not anticipate that the Fund will typically hold more than 20% of cash or near cash at any one time. However, liquidity may be at the upper end of, or even exceed this range under certain circumstances such as where large market movements and/or an exceptional number of redemptions are anticipated or the Fund is in receipt of large cash sums upon the creation of units or realisation of investments.

A summary of the Fund's investment and borrowing powers is set out in Appendix 1 to this Prospectus.

### Unit Class Information

Unit Class*	Initial Charge	Annual Management Charge (AMC)**	Investment Manager Charge (aggregate) ***	Minimum Initial Investment & Holding	Minimum Subsequent Investment	Minimum Holding
Class A Accumulation Unit	0%	Up to 0.60%	Up to 0.6%	£150,000	£150,000	£10,000
Class Z Accumulation Unit ♦	0%	0%	Up to 0.6%	£10,000,000	£1,000,000	£10,000,000

\* The Manager has the discretion to offer Income Units in the Fund. No Income Units are currently in issue in the Fund.

\*\* The Manager's AMC is charged on a Tiered Pricing basis and the figure shown reflects the Starting AMC rate (or maximum rate) that may be charged. Please refer to Section 5 of the Prospectus (Charges and Expenses) for further detail.

\*\*\* Where applicable, the Investment Manager charge may vary dependent on the value of the segmented portfolio allocated to the individual Investment Managers from time to time but will not exceed 0.6% in aggregate.

♦ Class Z Shares are available only to a company which is an associated company or to other collective investment schemes managed by the Manager or a company which the Manager deems to be an associated company.

### Reports and Accounts

Annual accounting reference date	30 September
Interim accounting date	31 March
Income allocation dates	30 November, 31 May
Date of publication of annual reports and accounts	31 January

### Historical Performance Data

	% Growth 31/12/2019 To 31/12/2020	% Growth 31/12/2020 To 31/12/2021	% Growth 31/12/2021 To 31/12/2022	% Growth 31/12/2022 To 31/12/2023	% Growth 31/12/2023 To 31/12/2024
HL European (A Acc)	13.99	14.83	-15.51	12.89	1.99
MSCI Europe Ex UK NR GBP Index	*	*	*	*	*
Investment Association (IA) IA Europe ex-UK sector	*	*	*	*	*

Source: Lipper. Past performance is not an indication of future performance.

#### Fund related notes

Performance is shown net of charges (excluding initial charge) and net of tax. Class A Accumulation Units has been used as the representative Unit class. The data reflects that net income has been reinvested.

On 23 October 2024, the Investment Objective and Policy of the Fund was amended to that now stated following prior notice being provided to Unitholders.

\* From 23 October 2024, the Fund has a Target Benchmark of the MSCI Europe Ex UK NR GBP Index. Performance information for the MSCI Europe Ex UK NR GBP Index will therefore be included in the table above from the full year 31/12/2024 to 31/12/2025 onwards. As the Fund also has a Comparator Benchmark to compare the Fund's performance to the performance of the average of funds in the Investment Association (IA) IA Europe ex-UK sector the Manager has decided to also provide performance information for the Investment Association (IA) IA Europe ex-UK sector in the table above from the full year 31/12/2024 to 31/12/2025 onwards.

## HL EMERGING MARKETS

### Investment objective

The Fund aims to grow your investment in excess of the total return of the MSCI Emerging Market NR GBP Index, over any 5-year period. Returns are measured after the deduction of the Fund's charges.

### Investment policy

At least 80% of the Fund will be invested in or exposed to, shares of companies from emerging market countries. Emerging market countries are defined according to the MSCI Emerging Markets Indices.

The Fund may also invest in, or have exposure to, up to 20% in:

- Shares of companies from other regions globally (for example, non-emerging market countries such as frontier markets countries and developed market countries as defined by the MSCI Frontier Markets Indices and MSCI Developed Markets Indices); and
- Deposits and cash.

The shares of companies from developed and non-developed countries may be accessed through depositary receipts, which allow investors to hold equity shares of foreign companies without the need to trade directly on a foreign market.

The Fund will gain exposure to assets directly or via other regulated collective investment schemes. The collective investment schemes in which the Fund may invest can take a variety of forms. They may be:

- Open or closed-ended
- Exchange traded (ETFs)
- Actively managed or passively managed
- Money market funds.

They may be managed or operated by the Manager or other third-party managers and will be established in Europe, the UK, Jersey, or Guernsey.

The Fund may also invest in or have exposure to real estate investment trusts.

**The Fund uses derivative instruments and foreign exchange forward transactions for efficient portfolio management purposes (EPM) including "hedging" techniques. EPM and the hedging techniques used aim to reduce the risks or costs of managing the Fund.**

**Where the Fund invests in other collective investment schemes, those schemes may use derivative instruments for efficient portfolio management or investment purposes.**

The Manager may allocate all or a portion of the Fund's assets to one or more Investment Managers. Each Investment Manager will use its own method for managing its allocation. Investment Managers will be subject to the Manager's oversight and the Fund's investment objective and policy. The Manager may choose to retain the investment management of some, or all, of the Fund's portfolio.

The Fund is actively managed. This means the Manager or delegated Investment Manager(s) decides which investments to buy and sell and when. The Fund will use a combination of strategies (including but not limited to growth, value and income) which the Manager believes together offer broad emerging market exposure and the potential for share price and/or dividend growth.

The Manager may also invest in passive funds where:

- Small market size would make active management inefficient;
- The size of the Fund's investment in the particular market is small;
- There is limited choice of active managers in that market;
- The cost of investment in an active fund would be prohibitive; or
- For liquidity or risk management purposes.

The percentage investment levels in different asset classes described above are not guaranteed. This relates to both the equity (shares) exposures and to the level of exposure to companies based in emerging market countries. There may be periods when the Fund's total exposure is higher or lower than the percentage levels stated. This could be due to market movements or in extraordinary market conditions. For example, where there is not a steady and constant flow of investment activity or where there is high volatility and a lack of regular pricing information.

#### Benchmarks – measuring the Fund's performance

Target Benchmark: The Fund's overall performance is measured against the MSCI Emerging Market NR GBP Index. The Manager believes this Index provides a suitable benchmark against which the Fund's performance may be measured because it represents the performance of large and mid-cap segments across 24 Emerging Markets countries. With 1,441 constituents, the index covers approximately 85% of the free float-adjusted market capitalisation of each country.

The Fund would not hold the shares of every company in the Index and may also hold the shares of companies that do not form part of it.

Comparator benchmark: Investment Association (IA) Global Emerging Markets sector.

The Manager also believes it is appropriate for investors to be invited to compare the Fund, for performance purposes, against those funds included in the IA Global Emerging Markets sector.

The IA Global Emerging Markets sector includes Funds which invest 80% or more of their assets in shares of companies from emerging market countries (as defined by the relevant FTSE or MSCI Emerging Markets and Frontier indices), and restrict shares of companies from frontier markets to a maximum of 20% of the total fund.

The Investment Association (the UK's trade body for the funds industry) has created IA sectors to help investors compare funds with broadly similar characteristics. These sectors divide funds into groups, with each sector having a different investment focus. This allows investors to make like-for-like comparisons between competitor funds, on factors such as fund charges and performance. In order to be included within an IA sector, a Fund must fulfil certain criteria.

Information on comparative performance of funds in this IA sector is available from various independent data providers including Morningstar and FE Trustnet.

You can find further information on the current Investment Association sectors at the following website: <https://www.theia.org/industry-data/fund-sectors>.

### Profile of a Typical Investor

The Fund may be suitable for retail investors with a medium risk tolerance or higher who are seeking long term growth (over 5 or more years) through investment in a portfolio of at least 80% shares of companies from Emerging Market countries. The Fund is considered to be appropriate for investors with a basic or higher knowledge and/or experience of financial products.

Investors should, in particular, read the risk factors set out this Prospectus and, if they are in any doubt about making an investment, should consult a professional adviser in respect of the acquisition, holding or disposal of any Units.

### Investment Manager

There are currently no Investment Manager(s) appointed by the Manager in respect of this Fund.

### Borrowing

The Fund has an overdraft facility which may be used for short term liquidity purposes (up to 10% of its Net Asset Value) as set out in Appendix 1. The Fund may use this borrowing power to the extent permitted by the Rules for Non-UCITS Retail Schemes.

### Leverage

For the purposes of this Prospectus, "**leverage**" is any method by which the Fund's exposure is increased beyond its holding of assets and cash. The Fund may incur leverage (whether through borrowing of cash or through its use of derivatives for efficient portfolio management purposes) in the circumstances, and subject to the restrictions, set out in Appendix 1.

Pursuant to the Rules, the Manager is required to set maximum leverage levels and seek to operate the Fund within these levels at all times. The UK AIFM Regime sets out two methodologies for calculating the overall exposure of a fund: the 'gross' method and the 'commitment' method. These methodologies are summarised below but are set out in full in the UK AIFM Regime. The 'commitment' method is the sum of the absolute value of all positions and each derivative position (excluding forward currency positions) will be converted into the equivalent position in the underlying assets. The 'gross' method shall exclude the value of any cash and cash equivalents from the sum of the absolute value of all positions.

The maximum gross leverage in the Fund is 220%, and the maximum commitment leverage is 110%. It is expected that the Manager will operate the Fund well within these limits. The Manager will report on its use of leverage within the Fund, and any change to use of leverage and leverage limits, in the Trust's Annual Report.

## Derivatives – permitted instruments

Permitted instruments
Deliverable Forward Foreign Exchange
Exchange traded Equity Futures

The permitted derivative instruments must be traded on an exchange included within the Eligible Derivatives Markets list (see Appendix 2).

## Stock lending

The Manager does not currently use stock lending but is permitted to enter into stock lending arrangements as set out in Appendix 1. Property of the Fund used for stock lending purposes will be delivered to a third party and transferred back to the Fund at a later date. There is no limit on the value of the Fund's property which may be subject to stock lending arrangements.

## Cash

The Fund may hold cash and near cash. The Manager does not anticipate that the Fund will typically hold more than 20% of cash or near cash at any one time. However, liquidity may be at the upper end of, or even exceed this range under certain circumstances such as where large market movements and/or an exceptional number of redemptions are anticipated or the Fund is in receipt of large cash sums upon the creation of units or realisation of investments.

A summary of the Fund's investment and borrowing powers is set out in Appendix 1 to this Prospectus.

## Unit Class Information

Unit Class*	Initial Charge	Annual Management Charge (AMC)	Investment Manager Charge (aggregate) **	Minimum Initial Investment & Holding	Minimum Subsequent Investment	Minimum Redemption
Class A Accumulation Unit	0%	Up to 0.60%	Up to 0.6%	£150,000	£150,000	£10,000

\* The Manager has the discretion to offer Income Units in the Fund. No Income Units are currently in issue in the Fund.

\*\* Where applicable, the Investment Manager charge may vary dependent on the value of the segmented portfolio allocated to the individual Investment Managers from time to time, but will not exceed 0.6% in aggregate.

## Reports and Accounts

Annual accounting reference date	30 September
Interim accounting date	31 March
Income allocation dates	30 November, 31 May
Date of publication of annual reports and accounts	31 January

## Historical Performance Data

	% Growth 31/12/2019 To 31/12/2020	% Growth 31/12/2020 To 31/12/2021	% Growth 31/12/2021 To 31/12/2022	% Growth 31/12/2022 To 31/12/2023	% Growth 31/12/2023 To 31/12/2024
HL Emerging Markets (A Acc)	13.11	-0.19	-9.69	-3.27	9.35
MSCI Emerging Market NR GBP Index	*	*	*	*	*
Investment Association (IA) Global Emerging Markets	*	*	*	*	*

Source: Lipper. Past performance is not an indication of future performance.

## Fund related notes

Performance is shown net of charges (excluding initial) charge and net of tax. Class A Accumulation Units has been used as the representative Unit class. The data reflects that net income has been reinvested.

On 14 October 2024, the Investment Objective and Policy of the Fund was amended to that now stated following the approval of a resolution of Unitholders who held Units in the Fund at the time.

\* From 14 October 2024, the Fund has a Target Benchmark of the MSCI Emerging Market NR GBP Index. Performance information for the MSCI Emerging Market NR GBP Index will therefore be included in the table above from the full year 31/12/2024 to 31/12/2025 onwards. As the Fund also has a Comparator Benchmark to compare the Fund's performance to the performance of the average of funds in the Investment Association (IA) Global Emerging Markets sector, the Manager has decided to also provide performance information for the Investment Association (IA) Global Emerging Markets sector in the table above from the full year 31/12/2024 to 31/12/2025 onwards.

## HL CAUTIOUS MANAGED

### Investment objective

The Fund aims to maximise total returns for a specified level of risk ranging between 30% and 50% of the forecasted long-term volatility of global equities as represented by the MSCI All Countries World Index (GBP Total Return, Net) over rolling 5-year periods.

The Fund's volatility is assessed using forecasted volatility figures at least monthly. The Fund's volatility may not remain within the risk range and, accordingly, there may be periods, for example in extreme market conditions, when the Fund's volatility either exceeds or falls below this range.

### Investment policy

The Fund will invest in a variety of asset classes globally. At least 80% of the Fund will be invested in assets through other collective investment schemes; it may also invest in assets directly.

Such asset classes are: equity securities (such as shares), fixed income securities (such as corporate bonds and government bonds), commodities, gold, money market instruments, cash and near cash. The Fund may be exposed to both investment grade and non-investment grade fixed income securities.

Due to the risk profile, the expectation is that the Fund will typically have an exposure to shares in between 25% and 40%, however this is not guaranteed. To enable the Fund to meet its investment objective, the exposure to shares may be lower or higher than the stated range in extraordinary market conditions (where there is not a steady and constant flow of investment activity and where there is high volatility and a lack of regular pricing information available).

The Fund is actively managed and uses a mixture of asset allocation techniques to blend asset classes for diversification, aiming to provide returns consistent with the Fund's "Cautious" risk profile and return aim.

The Fund uses an asset allocation model which determines the Fund's allocation to the different asset classes based on a longer-term outlook. The Fund's asset allocation will be recalculated periodically taking into account the results of the model and market conditions.

At any time, the managers may also implement tactical changes to the asset allocation of the Fund to take advantage of short-term investment opportunities.

The collective investment schemes in which the Fund invests will include those managed or operated by Hargreaves Lansdown Fund Managers Ltd., as well as those provided by third parties. The collective investment schemes will be established in Europe, UK, Jersey and Guernsey. Subject to the requirements above, the Fund aims to meet its objective by diversifying across different asset classes, geographies, sectors and industries.

The Fund may make use of foreign exchange forward transactions for the purposes of efficient portfolio management, including hedging (these are methods of managing the Fund in a way that is designed to reduce risk or cost).

Where the Fund invests in assets through collective investment schemes, those schemes may use derivative instruments for efficient portfolio management or investment purposes.

## Benchmarks – measuring the Fund's performance

The Fund does not target the performance of, and is not constrained by, a benchmark. The Fund does not use a benchmark for the purposes of the Benchmark Regulation.

The Fund will be classified within the IA Volatility Managed sector. However, as that sector contains funds that target various levels of volatility, and therefore can give a broad range of risk and return outcomes, it is not considered appropriate to invite clients to compare the Fund's performance against this sector. The Manager believes it is appropriate to compare the Fund's performance to the **Investment Association's (IA) Mixed Investment 0 – 35% Shares sector** average (as a "comparator benchmark").

The **IA Mixed Investment 0 – 35% Shares sector** includes funds that are required to have a range of different investments. Up to 35% of the fund can be invested in company shares (equities). At least 45% of the fund must be in fixed income investments (for example, corporate and government bonds) and/or "cash" investments. "Cash" can include investments such as current account cash, short-term fixed income investments and certificates of deposit. A minimum of 80% of the investment must be in established market currencies (US Dollar, Sterling & Euro) of which 40% must be Sterling. The Sterling requirement includes assets hedged back to Sterling.

Note that the Fund is managed to aim to remain within the risk range set out in the Investment Objective rather than a specified level of exposure to shares. Consequently, the range of exposure to shares set out in the Investment Policy is provided only to give some indication of the level of exposure the Fund may have to this asset class, except in extraordinary market conditions.

Although the indicative range of exposure to shares in the Investment Policy is higher than the IA Mixed Investment 0 – 35% Shares sector, we consider that the sector is still an appropriate comparator for the Fund's performance

If the Fund's exposure to shares goes above the range stated in the investment policy and is expected to remain above the range for an extended period, then the AFM will take action to consider an alternative comparator benchmark.

The Investment Association (the UK's trade body for the funds industry) has created IA sectors to help investors compare funds with broadly similar characteristics. These sectors divide funds into groups, with each sector having a different investment focus. This allows investors to make like-for-like comparisons between competitor funds, on factors such as fund charges and performance. In order to be included within an IA sector, a Fund must fulfil certain criteria.

Information on comparative performance of funds in this IA sector is available from various independent data providers including Morningstar and FE Trustnet.

You can find further information on the current Investment Association sectors at the following website: <https://www.theia.org/industry-data/fund-sectors>.

## Profile of a Typical Investor

The HL Managed fund range comprises four funds, ranging from Cautious Managed (offering the lowest risk profile), to Adventurous Managed (offering the highest risk profile). This Fund is the first in the range (the other funds being sub-funds of HL ICVC 1). Investors should consider their fund

choices in the context of the other funds available within this range, and ensure that the fund selected is the most suitable for their circumstances. The lowest risk profile does not mean 'risk free'.

The Fund is considered to be appropriate for investors with a basic or higher knowledge and/or experience of financial products. The Fund is intended for retail investors that wish to maximise total returns for a specified level of risk ranging between 30% and 50% of the forecasted long-term volatility of global equities (as represented by the MSCI All Countries World Index (GBP Total Return)).

Investors should intend to stay invested for at least 5 years and should understand the risks, investment objective and policy of the Fund.

### Investment Manager

There are no Investment Manager(s) appointed by the Manager in respect of this Fund.

### Borrowing

The Fund has an overdraft facility which may be used for short term liquidity purposes (up to 10% of its Net Asset Value) as set out in Appendix 1. A Fund may use this borrowing power to the extent permitted by the Rules for Non-UCITS Retail Schemes.

### Leverage

For the purposes of this Prospectus, "**leverage**" is any method by which the Fund's exposure is increased beyond its holding of assets and cash. The Fund may incur leverage (whether through borrowing of cash or through its use of derivatives for efficient portfolio management purposes) in the circumstances, and subject to the restrictions, set out in Appendix 1.

Pursuant to the Rules, the Manager is required to set maximum leverage levels and seek to operate the Fund within these levels at all times. The UK AIFM Regime sets out two methodologies for calculating the overall exposure of a fund: the 'gross' method and the 'commitment' method. These methodologies are summarised below but are set out in full in the UK AIFM Regime. The 'commitment' method is the sum of the absolute value of all positions and each derivative position (excluding forward currency positions) will be converted into the equivalent position in the underlying assets. The 'gross' method shall exclude the value of any cash and cash equivalents from the sum of the absolute value of all positions.

The maximum gross leverage in the Fund is 220%, and the maximum commitment leverage is 110%. It is expected that the Manager will operate the Fund well within these limits. The Manager will report on its use of leverage within the Fund, and any change to use of leverage and leverage limits, in the Trust's Annual Report.

### Stock lending

The Manager does not currently use stock lending but is permitted to enter into stocklending arrangements as set out in Appendix 1. Property of the Fund used for stocklending purposes will be delivered to a third party and transferred back to the fund at a later date. There is no limit on the value of the Fund's property which may be subject to stocklending arrangements.

## Cash

The Fund may hold cash and near cash. The Manager does not anticipate that the Fund will typically hold more than 20% of cash or near cash at any one time. However, liquidity may be at the upper end of, or even exceed this range under certain circumstances such as where large market movements and/or an exceptional number of redemptions are anticipated, or the Fund is in receipt of large cash sums upon the creation of units or realisation of investments.

A summary of the Fund's investment and borrowing powers is set out in Appendix 1 to this Prospectus.

## Unit Class Information

Unit Class	Initial Charge	Annual Management Charge (AMC)	Minimum Initial Investment and Holding	Minimum Subsequent Investment	Minimum Redemption
Class A Accumulation Unit	0%	0.50%*	£150,000	£150,000	£10,000
Class A Income Unit	0%	0.50% *	£150,000	£150,000	£10,000

\* The Manager's AMC is charged on a Tiered Pricing basis and the figure shown reflects the Starting AMC rate (or maximum rate) that may be charged. Please refer to Section 5 of the Prospectus (Charges and Expenses) for further detail.

## Reports and Accounts

Annual accounting reference date	30 September
Interim accounting date	31 March
Income allocation dates	30 November, 31 May
Date of publication of annual reports and accounts	31 January

### Historical Performance Data

	% Growth 31/12/2019 To 31/12/2020	% Growth 31/12/2020 To 31/12/2021	% Growth 31/12/2021 To 31/12/2022	% Growth 31/12/2022 To 31/12/2023	% Growth 31/12/2023 To 31/12/2024
HL Cautious Managed (A Acc)	0.85	5.41	-4.91	5.21	5.47
Investment Association's (IA) Mixed Investment 0 – 35% Shares	*	*	*	*	*

Source: Lipper. Past performance is not an indication of future performance.

### Fund related notes

Performance is shown net of charges (excluding initial) charge and net of tax. Class A Accumulation Units has been used as the representative Unit class. The data reflects that net income has been reinvested.

On 20 March 2023, the Investment Objective and Investment Policy of the Fund was amended to that now stated following the approval of a resolution of Unitholders who held Units in the Fund at the time.

As the Fund has a Comparator Benchmark to compare the Fund's performance to the performance of the average of funds in the Investment Association's (IA) Mixed Investment 0 – 35% Shares sector the Manager has decided to also provide performance information for the Investment Association's (IA) Mixed Investment 0 – 35% Shares sector in the table above from the full year 31/12/2024 to 31/12/2025 onwards.

## HL HIGH INCOME

### Investment objective

The Fund aims to:

1. Provide an annual income greater than 75% of funds in the Investment Association Mixed Investment 20-60% Shares sector measured over any 5-year period. The income is distributed monthly.
2. Grow the value of your investment over any 5-year period.

### Investment policy

At least 60% of the Fund will invest in or be exposed to fixed interest securities (such as corporate and government bonds, high yield bonds, index linked and municipal bonds). The Fund will also invest in, or be exposed to, shares of companies that are listed, domiciled, incorporated, or headquartered both in and/or outside the UK.

It is expected that the Fund's exposure to company shares will typically range between 20% and 40% and will not exceed 40%. The Fund will not purchase unlisted shares.

The Fund may also have exposure to property through real estate investment trusts (REITS), either directly or indirectly through other collective investment schemes and exchange traded funds.

The portion of the Fund not invested in/exposed to fixed interest securities, company shares, or REITs may be invested in or exposed to:

- Depositary Receipts (which allow investors to hold equity shares of foreign companies without the need to trade directly on a foreign market);
- Money market instruments (e.g., short term loans that pay interest); and
- Deposits and cash.

A minimum of 30% of the Fund's investments should be denominated in (or hedged back to) Sterling. A minimum of 60% should be invested in "established market currencies". This includes Sterling, US Dollars and Euros.

The Fund is not constrained by issuer credit rating or the 'duration' of a bond. "Duration" measures a bond's sensitivity to movements in interest rates, and interest rate expectations.

The Fund can hold the shares of companies and bond issues from developed and/or emerging markets in any region globally. Total exposure to emerging markets assets is unlikely to exceed 30% of the Fund's value.

The Fund will hold higher yielding fixed interest securities such as high yield bonds issued by global companies or bonds issued by emerging markets issuers, which have greater credit risk (the possibility that a loss occurs due to the issuer of the debt security (e.g., a company) failing to repay the debt to the Fund as holder of the security). However total exposure to such higher risk fixed interest securities is unlikely to exceed 30% of the Fund's value.

The Fund will gain exposure to assets directly or via other regulated collective investment schemes. The collective investment schemes in which the Fund may invest can take a variety of forms. They may be:

- Open or closed-ended
- Exchange traded (ETFs)
- Actively managed or passively managed
- Money market funds.

They may be managed or operated by the Manager or other third-party managers and will be established in Europe, the UK, Jersey, or Guernsey. The Fund may also invest in or have exposure to real estate investment trusts.

The Fund may also invest in derivative instruments and forwards transactions for efficient portfolio management purposes (EPM) including "hedging" techniques. EPM and the hedging techniques used, aim to reduce the risks or costs of managing the Fund.

Where the Fund invests in other collective investment schemes, those schemes may use derivative instruments for efficient portfolio management or investment purposes.

The Manager may allocate all or a portion of the Fund's assets to one or more Investment Managers. Each Investment Manager will use its own method for managing its allocation. Investment Managers will be subject to the Manager's oversight and the Fund's investment objective and policy. The Manager may choose to retain the investment management of some, or all, of the Fund's portfolio.

The Fund is actively managed. This means that the Manager or delegated Investment Manager decides which investments to buy and sell and when. The Fund invests in companies or issuers which the Manager or Investment Manager believe exhibit income generation potential, and/or the potential for capital growth. The Fund will typically invest in asset classes generating higher income. For example, the Fund will hold higher yielding fixed interest securities such as high yield bonds issued by global companies or bonds issued by emerging markets issuers. The Fund's equity exposure will also typically have a bias towards the shares of UK companies as UK companies traditionally pay higher dividends than non-UK companies.

The Manager may also invest in passive funds where:

- Small market size would make active management inefficient;
- The size of the Fund's investment in the particular market is small;
- There is limited choice of active managers in that market;
- The cost of investment in an active fund would be prohibitive; or
- For liquidity or risk management purposes.

The percentage investment levels in different asset classes described above are not guaranteed. This relates to both the equity and fixed interest exposures. This also applies to currency exposure and to the level of exposure to companies based in emerging market countries. There may be periods when the Fund's total exposure is higher or lower than the percentage levels stated. This could be due to market movements or in extraordinary market conditions. For example, where there is not a steady and constant flow of investment activity or where there is high volatility and a lack of regular pricing information.

#### Benchmarks – measuring the Fund's performance

The Fund does not target the performance of, and is not constrained by, a benchmark. The Fund does not use a benchmark for the purposes of the Benchmark Regulation. However, the Manager

believes it is appropriate to compare the Fund's performance to the **Investment Association (IA) Mixed Investment (20% - 60% shares) sector** average (as a "comparator benchmark").

Funds in the **IA Mixed Investment (20% - 60% shares) sector** are required to have a range of different investments. The Fund must have between 20% and 60% invested in company shares (equities). At least 30% of the Fund must be fixed income investments (for example, corporate and government bonds) and/or "cash" investments. "Cash" can include investments such as current account cash, short-term fixed income investments and certificates of deposits.

The Fund must have a minimum 60% investment in established market currencies (US Dollar, Sterling & Euro) of which 30% must be Sterling. The Sterling requirements include assets hedged back to Sterling.

The Investment Association (the UK's trade body for the funds industry) has created IA sectors to help investors compare funds with broadly similar characteristics. These sectors divide funds into groups, with each sector having a different investment focus. This allows investors to make like-for-like comparisons between competitor funds, on factors such as fund charges and performance. In order to be included within an IA sector, a Fund must fulfil certain criteria.

Information on comparative performance of funds in this IA sector is available from various independent data providers including Morningstar and FE Trustnet.

You can find further information on the current Investment Association sectors at the following website: <https://www.theia.org/industry-data/fund-sectors>.

### Borrowing

The Fund has an overdraft facility which may be used for short term liquidity purposes (up to 10% of its Net Asset Value) as set out in Appendix 1. The Fund may use this borrowing power to the extent permitted by the Rules for Non-UCITS Retail Schemes.

### Leverage

For the purposes of this Prospectus, "**leverage**" is any method by which the Fund's exposure is increased beyond its holding of assets and cash. The Fund may incur leverage (whether through borrowing of cash or through its use of derivatives for efficient portfolio management purposes) in the circumstances, and subject to the restrictions, set out in Appendix 1.

Pursuant to the Rules, the Manager is required to set maximum leverage levels and seek to operate the Fund within these levels at all times. The UK AIFM Regime sets out two methodologies for calculating the overall exposure of a fund: the 'gross' method and the 'commitment' method. These methodologies are summarised below but are set out in full in the UK AIFM Regime. The 'commitment' method is the sum of the absolute value of all positions and each derivative position (excluding forward currency positions) will be converted into the equivalent position in the underlying assets. The 'gross' method shall exclude the value of any cash and cash equivalents from the sum of the absolute value of all positions.

The maximum gross leverage in the Fund is 220%, and the maximum commitment leverage is 110%. It is expected that the Manager will operate the Fund well within these limits. The

Manager will report on its use of leverage within the Fund, and any change to use of leverage and leverage limits, in the Trust's Annual Report.

### Stock lending

The Manager does not currently use stock lending but is permitted to enter into stocklending arrangements as set out in Appendix 1. Property of the Fund used for stocklending purposes will be delivered to a third party and transferred back to the fund at a later date. There is no limit on the value of the Fund's property which may be subject to stocklending arrangements.

### Cash

The Fund may hold cash and near cash. The Manager does not anticipate that the Fund will typically hold more than 20% of cash or near cash at any one time. However, liquidity may be at the upper end of, or even exceed this range, under certain circumstances such as where large market movements and/or an exceptional number of redemptions are anticipated or the Fund is in receipt of large cash sums upon the creation of units or realisation of investments.

A summary of the Fund's investment and borrowing powers is set out in Appendix 1 to this Prospectus.

### Unit Class Information

Unit Class	Initial Charge	Annual Management Charge (AMC)*	Investment Manager Charge (aggregate) **	Minimum Initial Investment & Holding	Minimum Subsequent Investment	Minimum Redemption
Class A Accumulation Unit	0%	Up to 0.69%	Up to 0.6%	£150,000	£150,000	£10,000
Class A Income Unit	0%	Up to 0.69%	Up to 0.6%	£150,000	£150,000	£10,000

\* The Manager's AMC is charged on a Tiered Pricing basis and the figure shown reflects the Starting AMC rate (or maximum rate) that may be charged. Please refer to Section 5 of the Prospectus (Charges and Expenses) for further detail.

\*\* Where applicable, the Investment Manager charge may vary dependent on the value of the segmented portfolio allocated to the individual Investment Managers from time to time, but will not exceed 0.6% in aggregate.

### Reports and Accounts

Annual accounting reference date	30 September
Interim accounting date	31 March

Income allocation dates	31 October  In addition, the Manager aims to make income allocations / distributions (where available) on or before the last Business Day of each month.
Date of publication of annual reports and accounts	31 January

### Historical Performance Data

	% Growth 31/12/2019 To 31/12/2020	% Growth 31/12/2020 To 31/12/2021	% Growth 31/12/2021 To 31/12/2022	% Growth 31/12/2022 To 31/12/2023	% Growth 31/12/2023 To 31/12/2024
HL High Income (A Acc)	-3.05	10.78	-9.36	5.20	6.75
Investment Association (IA) Mixed Investment (20% - 60% shares)	*	*	*	*	*

Source: Lipper. Past performance is not an indication of future performance.

### Fund related notes

Performance is shown net of charges (excluding initial charge) and net of tax. Class A Accumulation Units has been used as the representative Unit class. The data reflects that net income has been reinvested.

On 30 September 2024, the Investment Objective and Investment Policy of the Fund were amended to that now stated following the 60 days' notice to Unitholders who held Units in the Fund at the time.

\* As the Fund has a Comparator Benchmark to compare the Fund's performance to the performance of the average of funds in the Investment Association (IA) Mixed Investment (20% - 60% shares) sector the Manager has decided to also provide performance information for Investment Association (IA) Mixed Investment (20% - 60% shares) sector in the table above from the full year 31/12/2024 to 31/12/2025 onwards.

## Appendix 5

### Other Schemes Managed by the Manager

In addition to the Trust, the Manager is also the authorised fund manager of the authorised collective investment schemes set out below. Prospectuses and Key Investor Information Documents are available for these schemes.

- HL Multi-Manager Balanced Managed Trust
- HL Multi-Manager Special Situations Trust
- HL UK Income Fund
- HL Income
- HL Global Bond
- HL Select Umbrella Trust
- HL ICVC 1

Sub-funds managed under the HL Select Umbrella Trust:

- HL Select UK Growth Shares
- HL Select UK Income Shares
- HL Select Global Growth Shares.

Sub-funds managed under HL ICVC 1:

- HL Growth Fund
- HL US Fund
- HL Balanced Managed
- HL Moderately Adventurous Managed
- HL Adventurous Managed
- HL Global Corporate Bond Fund
- HL Multi-Index Cautious
- HL Multi-Index Moderately Adventurous
- HL Multi-Index Balanced
- HL Multi-Index Adventurous
- HL Global Equity Income

## Appendix 6

### Investment Managers

The Manager has delegated investment management to the Investment Managers set out below in relation to the Funds set out below:

Investment Manager	Funds
<u>Artemis Investment Management LLP</u> <p>Artemis Investment Management LLP is a limited liability partnership incorporated in England and Wales, whose registered office in the UK is at Cassini House 57, St James's Street, London SW1A 1LD. The Investment Manager is authorised and regulated by the FCA (FCA registered number: 523180).</p> <p>The principal business activity of the Investment Manager is the provision of financial services, including the provision of discretionary management services.</p>	HL Multi-Manager UK Growth.
<u>Liontrust Investment Partners LLP</u> <p>Liontrust Investment Partners LLP is a limited liability partnership incorporated in England and Wales with partnership number OC351668 whose registered office is at 2 Savoy Court, London WC2R 0EZ. The Investment Manager is authorised and regulated by the FCA (FCA registered number: 518552).</p> <p>The principal business activity of the Investment Manager is the provision of financial services, including the provision of discretionary management services.</p>	HL Multi-Manager UK Growth.
<u>J O Hambro Capital Management Limited</u> <p>J O Hambro Capital Management Limited is a company incorporated in England and Wales, whose registered office and principal place of business in the UK is at Level 3, 1 St James's Market, London SW1Y 4AH. The Investment Manager is authorised and regulated by the FCA. (FCA registered number: 147406).</p> <p>The principal business activity of the Investment Manager is the provision of financial services, including the provision of discretionary management services.</p>	HL Multi-Manager UK Growth.
<u>Royal London Asset Management Limited</u> <p>Royal London Asset Management Limited is a company incorporated in England and Wales, whose registered office in the UK is at 80 Fenchurch Street, London EC3M 4BY. The</p>	HL Multi-Manager UK Growth.

<p>Investment Manager is authorised and regulated by the FCA (FCA registered number: 141665).</p> <p>The principal business activity of the Investment Manager is the provision of financial services, including the provision of discretionary management services.</p>	
<p><u>M&amp;G Investment Management Limited</u></p> <p>M&amp;G Investment Management Limited is a company in England and Wales whose registered office is at 10 Fenchurch Avenue, London, England, EC3M 5AG. The Investment Manager is authorised and regulated by the Financial Conduct Authority (FCA registered number: 119328).</p> <p>The principal business activity of the Investment Manager is the provision of investment management services.</p>	HL European.
<p><u>Blackrock Investment Management (UK) Limited</u></p> <p>Blackrock Investment Management (UK) Limited is a company in England and Wales whose registered office is at 12 Throgmorton Avenue, London, EC2N 2DL. The Investment Manager is authorised and regulated by the Financial Conduct Authority (FCA registered number: 119293).</p> <p>The principal business activity of the Investment Manager is the provision of investment management services.</p>	HL European
<p><u>JPMorgan Asset Management (UK) Limited</u></p> <p>JPMorgan Asset Management (UK) Limited is a company in England and Wales whose registered office is at 25 Bank Street, London E14 5JP. The Investment Manager is authorised and regulated by the Financial Conduct Authority (FCA registered number: 119337).</p> <p>The principal business activity of the Investment Manager is the provision of investment management services.</p> <p>JPMorgan Asset Management (UK) Limited has sub-delegated certain investment management duties to JP Morgan Investment Mgmt Inc</p>	HL European
<p><u>MFS International (U.K.) Limited</u></p>	HL European

MFS International (U.K.) Limited is a company in England and Wales whose registered office is at One Carter Lane, London EC4V 5ER. The Investment Manager is authorised and regulated by the Financial Conduct Authority (FCA registered number: 181136).

The principal business activity of the Investment Manager is the provision of investment management services.

## Appendix 7

### Sub-custodians

Country	Sub-Custodian	Country	Sub-Custodian
Argentina	Citibank, N.A.	Luxembourg	Euroclear Bank S.A./N.V.
Australia	HSBC Bank Australia Limited	Malaysia	HSBC Bank Malaysia Berhad
Austria	UniCredit Bank Austria A.G	Mauritius	The Hongkong and Shanghai Banking Corporation Limited
Bahrain	HSBC Bank Middle East Limited	Mexico	Banco Nacional de Mexico, S.A. integrante del Grupo Financiero Banamex
Bangladesh	Standard Chartered Bank	Morocco	Societe Generale Marocaine de Banques
Belgium	The Northern Trust Company	Namibia	Standard Bank Namibia Ltd
Bosnia and Herzegovina - Federation of B & H	Raiffeisen Bank Bosnia DD BiH	Netherlands	The Northern Trust Company
Bosnia and Herzegovina - Republic of Srpska	Raiffeisen Bank Bosnia DD BiH	New Zealand	The Hongkong and Shanghai Banking Corporation Limited
Botswana	Standard Chartered Bank Botswana Limited	Nigeria	Stanbic IBTC Bank Plc
Brazil	Citibank Distribuidora de Titulos e Valores Mobiliarios S.A.	Norway	Skandinaviska Enskilda Banken AB (publ)
Bulgaria	Citibank Europe plc	Oman	First Abu Dhabi PJSC
CD's-USD	Deutsche Bank AG	Pakistan	Citibank, N.A.
CD's-USD	The Northern Trust Company, Canada	Panama	Citibank, N.A.
Canada	Royal Bank of Canada	Peru	Citibank del Peru S.A.
Chile	Banco de Chile	Philippines	The Hongkong and Shanghai Banking Corporation Limited

Country	Sub-Custodian	Country	Sub-Custodian
China A Share	HSBC Bank (China) Company Limited	Poland	Bank Handlowy w Warszawie S.A.
China B Share	HSBC Bank (China) Company Limited	Portugal	BNP Paribas Securities Services
Colombia	Cititrust Colombia S.A. Sociedad Fiduciaria	Qatar	HSBC Bank Middle East Limited
Costa Rica	Banco Nacional de Costa Rica	Romania	Citibank Europe plc
Croatia	Zagrebacka Banka d.d.	Saudi Arabia	The Northern Trust Company of Saudi Arabia
Cyprus	Citibank Europe PLC	Serbia	UniCredit Bank Serbia JSC
Czech Republic	UniCredit Bank Czech Republic and Slovenia, a.s.	Singapore	The Hongkong and Shanghai Banking Corporation Limited
Denmark	Skandinaviska Enskilda Banken AB (publ)	Slovakia	Citibank Europe plc
Egypt	Citibank, N.A.	Slovenia	UniCredit Banka Slovenija d.d.
Estonia	Swedbank AS	South Africa	The Standard Bank of South Africa Limited
Eswatini	Standard Bank Eswatini Ltd.	South Korea	The Hongkong and Shanghai Banking Corporation Limited
Finland	Skandinaviska Enskilda Banken AB (publ)	Spain	Citibank Europe plc
France	The Northern Trust Company	Sri Lanka	Standard Chartered Bank
Germany	The Northern Trust Company	Sweden	Svenska Handelsbanken AB (publ)
Ghana	Standard Chartered Bank Ghana Limited	Switzerland	Credit Suisse (Switzerland) Ltd
Greece	Citibank Europe PLC	Taiwan	HSBC Bank (Taiwan) Limited

Country	Sub-Custodian	Country	Sub-Custodian
Hong Kong	The Hongkong and Shanghai Banking Corporation Limited	Tanzania	Standard Chartered Bank Tanzania Limited
Hong Kong (Stock Connect Shanghai/Shenzhen)	The Hongkong and Shanghai Banking Corporation Limited	Thailand	Citibank, N.A.
Hungary	Citibank Europe plc.	Tunisia	Union Internationale de Banques
Iceland	Landsbankinn hf	Turkey	Citibank A.S.
India	Citibank, N.A.	Uganda	Standard Chartered Bank Uganda Limited
Indonesia	Standard Chartered Bank	United Arab Emirates - ADX	HSBC Bank Middle East Limited
Ireland	The Northern Trust Company	United Arab Emirates - DFM	HSBC Bank Middle East Limited
Israel	Citibank, N.A.	United Arab Emirates - NASDAQ Dubai	HSBC Bank Middle East Limited
Italy	Citibank Europe plc	United Kingdom	Euroclear UK and Ireland Limited (Northern Trust self custody)
Japan	The Hongkong and Shanghai Banking Corporation Limited	United States	The Northern Trust Company
Jordan	Bank of Jordan Plc	Uruguay	Banco Itau Uruguay S.A.
Kazakhstan	Citibank Kazakhstan JSC	Vietnam	HSBC Bank (Vietnam) Ltd
Kenya	Standard Chartered Bank Kenya Limited	West Africa (UEMOA)	Standard Chartered Bank Cote d'Ivoire SA
Kuwait	HSBC Bank Middle East Limited	Zambia	Standard Chartered Bank Zambia plc
Latvia	Swedbank AS	Zimbabwe	Stanbic Bank Zimbabwe Limited
Lithuania	AB SEB Bankas		