



**HANetf ICAV**

**Supplement dated 18 December 2024**

**for**

**Jupiter Global Government Bond Active UCITS ETF**

This Supplement contains specific information in relation to the Jupiter Global Government Bond Active UCITS ETF (the **Sub-Fund**), a sub-fund of HANetf ICAV (the **ICAV**), an Irish collective asset-management vehicle umbrella fund with segregated liability between sub-funds which is registered in Ireland by the Central Bank of Ireland (the **Central Bank**) and authorised under the UCITS Regulations.

**This Supplement forms part of the Prospectus of the ICAV dated 13 May 2024 (the Prospectus) and should be read in the context of and together with the Prospectus. Save as disclosed in this Supplement, there has been no significant change and no significant new matter has arisen since publication of the Prospectus.**

The Directors of the ICAV whose names appear in the section entitled **Directors of the ICAV** in the Prospectus accept responsibility for the information contained in this document. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure such is the case) the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

Words and expressions defined in the Prospectus shall, unless the context otherwise requires, have the same meaning when used in this Supplement.

**Shares purchased on the secondary market cannot usually be sold directly back to the Sub-Fund. Investors must buy and sell Shares on a secondary market with the assistance of an intermediary (e.g. a stockbroker) and may incur fees for doing so. In addition, investors may pay more than the current Net Asset Value when buying Shares and may receive less than the current Net Asset Value per Share when selling them.**

**The value of Shares may go down as well as up and investors may not get back any of the amount invested.**

Prospective investors should review this Supplement and the Prospectus carefully in their entirety and consider the **Risk Factors** set out in the Prospectus and in this Supplement before investing in this Sub-Fund.



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## 1 IMPORTANT INFORMATION

### 1.1 Profile of a typical investor

Investment in the Sub-Fund is suitable for investors seeking income and capital growth over the medium to long term.

The Sub-Fund is available to a wide range of investors seeking access to a portfolio managed in accordance with the investment objective and policy set out below. An investment should only be made by those persons who are able to sustain a loss on their investment. Typical investors in the Sub-Fund are expected to be investors who want to take exposure to the markets covered by the Sub-Fund's investment policy and are prepared to accept the risks associated with an investment of this type, including the volatility of such market.

### 1.2 General

This Supplement sets out information in relation to the Shares and the Sub-Fund. You must also refer to the Prospectus which is separate to this document and describes the ICAV and provides general information about offers of shares in the ICAV. You should not take any action in respect of the Shares unless you have received a copy of the Prospectus. Should there be any inconsistency between the contents of the Prospectus and this Supplement, the contents of this Supplement will, to the extent of any such inconsistency, prevail. This Supplement and the Prospectus should both be carefully read in their entirety before any investment decision with respect to Shares is made.

The Shares in the ETF Classes (as defined below) of the Sub-Fund issued and available for issue are admitted to listing on the Official List and traded on the regulated market of Euronext Dublin.

### 1.3 Suitability of Investment

You should inform yourself as to (a) the possible tax consequences, (b) the legal and regulatory requirements, (c) any foreign exchange restrictions or exchange control requirements and (d) any other requisite governmental or other consents or formalities which you might encounter under the laws of the country of your citizenship, residence or domicile and which might be relevant to your purchase, holding or disposal of the Shares.

The Shares are not principal protected. The value of the Shares may go up or down and you may not get back the amount you have invested. See the section entitled Risk Factors of the Prospectus and the section entitled **Risk Factors** of this Supplement for a discussion of certain risks that should be considered by investors.

An investment in the Shares is only suitable for you if you are a sophisticated investor and (either alone or with the help of an appropriate financial or other advisor) are able to assess the merits and risks of such an investment and have sufficient resources to be able to bear any losses that may result from such an investment. The contents of this document are not intended to contain and should not be regarded as containing advice relating to legal, taxation, investment or any other matters.

### 1.4 Distribution of this Supplement and Selling Restrictions

Distribution of this Supplement is not authorised unless accompanied by a copy of the Prospectus and is not authorised in any jurisdiction after publication of the audited annual report of the ICAV unless a copy of the then latest annual report and, if distributed after the semi-annual report has been produced, a copy of the then latest published semi-annual report and unaudited accounts is made available in conjunction with the Prospectus and this Supplement. The distribution of this Supplement and the offering or purchase of the Shares may be restricted in certain jurisdictions. If you receive a copy of this Supplement and/or the Prospectus you may not treat such document(s) as constituting an offer, invitation or solicitation to you to subscribe for any Shares unless, in the relevant jurisdiction, such an offer, invitation or solicitation could

lawfully be made to you without compliance with any registration or other legal requirement other than those with which the ICAV has already complied. If you wish to apply for the opportunity to purchase any Shares it is your duty to inform yourself of, and to observe, all applicable laws and regulations of any relevant jurisdiction. In particular, you should inform yourself as to the legal requirements of so applying, and any applicable exchange control regulations and taxes in the countries of your respective citizenship, residence or domicile.

## 2 INVESTMENT MANAGER

2.1 The Manager has appointed Jupiter Asset Management Limited as investment manager for the Sub-Fund (the **Investment Manager**) with a discretionary mandate pursuant to an investment management agreement dated 18 December 2024 between the Manager and the Investment Manager (the **Investment Management Agreement**) described under the heading Material Contracts below.

2.2 Under the terms of the Investment Management Agreement, the Investment Manager provides, subject to the overall supervision and control of the Manager, investment management services to the Manager in respect of the Sub-Fund's portfolio of assets. It may delegate all or part of the investment management responsibilities to one or more sub-investment managers, may obtain the services of investment advisers on a non-discretionary basis and may obtain third party research advice with the fees in respect of any such delegation being paid by the Investment Manager out of its own fee.

## 3 INVESTMENT OBJECTIVE AND POLICIES

### 3.1 Investment objective

The Sub-Fund aims to achieve income and capital growth over the medium to long term.

### 3.2 Investment policy

The Sub-Fund is actively managed and in order to achieve its investment objective. The Sub-Fund will invest, in a manner consistent with the UCITS Regulations and Central Bank requirements, at least 70% of its net assets in a portfolio of bonds issued or guaranteed by sovereign and supra-sovereign issuers (issuers controlled by multiple sovereign entities such as the European Investment Bank and the International Bank for Reconstruction and Development), listed or traded on a Regulated Market set out in Appendix 1 of the Prospectus. The Sub-Fund may also, to a lesser extent, invest in other debt securities, being corporate bonds, securitizations or convertible bonds, as well as money market instruments, as described in section 3.3 below.

The average portfolio effective duration of the Sub-Fund is, in normal market conditions, expected to vary within 3 years (plus or minus) of the average portfolio effective duration of the securities comprising the Bloomberg Global Aggregate Treasuries TR Index (USD Hedged) (the **Benchmark**), as calculated by the Investment Manager.

The Investment Manager will select investments as described under the heading **Investment Process** below.

**Given the Sub-Fund's exposure to emerging markets, an investment in the Sub-Fund should not constitute a substantial proportion of an investment portfolio and may not be appropriate for all investors. Please refer to paragraph 15.63 (Emerging Market Risks) of the Prospectus.**

### 3.3 Investment allocation

While the Sub-Fund will invest at least 70% of its net assets in a portfolio of bonds (as described above) and may, to a lesser extent, invest in other debt securities (as described above), the allocation of the portfolio will be subject to the following limits.

The Sub-Fund may invest up to 30% of its net assets in bonds or other debt securities (as described below) with a credit rating that is lower than (i) Baa by Moody's (i.e. rated lower than the lowest Baa rating being Baa3); or (ii) BBB by Standard and Poor's or Fitch (i.e. rated lower than the lowest BBB rating being BBB-), at the time of purchase (or, if unrated by Moody's, Standard and Poor's and Fitch, determined by the Investment Manager to be of comparable quality). In the event that a different rating is provided by more than one of Moody's, Standard and Poor's and Fitch, the Investment Manager shall determine a relevant rating in its discretion. The Sub-Fund may invest up to 10% of its net assets in bonds or other debt securities which are unrated by all of Moody's, Standard & Poor's, Fitch, DBRS Morningstar and any local rating agency.

The Sub-Fund may invest up to 30% of its net assets in bonds which are issued by quasi-sovereign issuers (issuers in respect of which a sovereign or supra-sovereign entity either: (i) owns more than 50% of its equity shares; or (ii) controls more than 50% of the voting rights) such as Federal National Mortgage Association (Fannie Mae) or Federal Home Loan Mortgage Corporation (Freddie Mac).

The Sub-Fund may invest up to 30% of its net assets in corporate bonds, being debt securities issued by corporate issuers, of which, up to 10% of its net assets may be invested in debt securities issued by corporate issuers who are not quasi-sovereign issuers.

Up to 20% of the Sub-Fund's net assets may be invested in debt securities which are securitisations, being asset backed securities and mortgage-backed securities.

The Sub-Fund may also invest up to 20% of its net assets (in aggregate) in: (i) securities that are convertible into equity securities, being convertible bonds; (ii) certificates of deposits; and/or (iii) bankers' acceptances.

The Sub-Fund may invest up to 10% of the Sub-Fund's net assets in distressed securities at the time of purchase.

The Sub-Fund may hold up to 10% of its net assets in equity securities where such equity securities have been received by the Sub-Fund as a result of a restructure of portfolio holdings, such as corporate bonds or bonds issued by quasi-sovereign issuers.

The Sub-Fund is also expected to hold up to 30% of its net assets in money market instruments such as bank deposits or money market funds in order to achieve its investment objective, for treasury purposes or in unfavourable market conditions, such as periods of extreme market volatility.

Investors should also note that the Sub-Fund may invest in ETFs established as collective investment schemes and authorised as UCITS in pursuit of its investment objective, subject to the investment restrictions outlined in the Prospectus.

The transferable securities and FDI (other than permitted unlisted investments) held by the Sub-Fund will be listed or traded on the Regulated Markets referred to in Appendix 1 of the Prospectus.

### **3.4 Investment process**

The Investment Manager will use a combination of top-down macro-economic analysis and bottom-up fundamental research and analysis in order to select the securities for the portfolio.

The focus of the top-down analysis will be to consider the macro-economic outlook and optimise the Sub-Fund's portfolio in order to determine (i) the duration and yield curve positioning of portfolio holdings; and (ii) the level of exposure of the portfolio to a range of risk factors, such as interest rates, credit spreads and currencies.

The focus of the fundamental bottom-up analysis will be to research and assess the debt securities of individual issuer countries and quasi-sovereign issuers. This analysis will include:

- (i) pre-investment research which includes analysing key macroeconomic trends, environmental monetary conditions, political conditions and frameworks, and institutional and private sector conditions; and
- (ii) ongoing monitoring of issuers and positions which involve evaluating and identifying trends which may require or justify a reconsideration or re-evaluation of the issuer or position,

in order to assess default risk and value relative to other similar bonds and debt securities.

In addition, the Investment Manager will consider potential directional value of securities, being the expected direction of the value of such securities, as well as the relative value of securities, being the comparison of the value of securities relative to others, in order to seek to generate value by allocating (i) tactically; and (ii) for long-term opportunities, over the macro-economic cycle.

### 3.5 Sustainability approach

The Investment Manager will integrate material Sustainability Risks (as defined in the Prospectus) into the investment decision making process and risk management process. The impacts following the occurrence of a Sustainability Risk may be numerous and may vary depending on the specific risk, region and or asset type. In general, where a Sustainability Risk occurs in respect of an asset of the Sub-Fund, there could be a negative impact on, or entire loss of, its value and consequently the returns of the Sub-Fund. The consideration of Sustainability Risks will form part of the ongoing monitoring of investments. In order to strengthen the assessment of risks and opportunities and drive long-term value, the Sub-Fund will consider material ESG factors (such as environmental or social considerations) and principal adverse impacts on sustainability factors with a view to enhancing investment decision making and achieving better investor outcomes. In order to achieve these goals, the Investment Manager will consider a combination of the following:

- (i) primary research;
- (ii) third party ESG risk data (including climate analysis and principal adverse impact data);
- (iii) proxy voting research;
- (iv) direct and collaborative engagement with companies and other investors / industry bodies; and
- (v) commitment to responsible investment codes.

There are no Sustainability Risk-related limits or ESG investment restrictions applicable to the Sub-Fund, save for such restrictions as may arise in line with regulatory requirements. Low ranking or negative third-party scores from third party ESG data providers will not automatically prohibit investment. The Investment Manager retains discretion to divest or engage with a company when considering adverse Sustainability Risks or events. The above activities are conducted by the Investment Manager because it is responsible for the integration of Sustainability Risks within the investment decision-making process. In the Investment Manager's view, the integration of material Sustainability Risks in the investment process informs investment decisions and contributes to stronger risk adjusted returns over the long-term. The assessment of the likely impact of Sustainability Risks on returns involves both quantitative and qualitative judgments. The outcomes in accordance with the responsible investment policy of the Jupiter Group (the **Responsible Investment Policy**) can be realised in the short term or achieved over multiple periods. Impact may also be influenced by market conditions.

The Responsible Investment Policy sets out full details of the ESG policy of the Investment Manager, including a description of the process and methodology for selecting ESG investments and determining whether an investment fulfils the ESG criteria or not and the constraints imposed on the Investment Manager.

For further details on the Responsible Investment Policy, please refer to the Jupiter Group website (as amended from time to time), <https://www.jupiteram.com/board-and-governance/#sustainable-finance-disclosures>.

For the purposes of SFDR, the Sub-Fund is not deemed (i) a fund that promotes environmental or social characteristics; (ii) a fund that has sustainable investment as its objective; or (iii) a fund with reduction in carbon emissions as its objective. As such, the Sub-Fund discloses under Article 6 of the SFDR and does not disclose under Articles 8 or 9 of the SFDR.

### 3.6 EU Taxonomy

The investments underlying this Sub-Fund do not take into account the EU criteria for environmentally sustainable economic activities.

### 3.7 Use of financial derivative instruments and efficient portfolio management

Investors should note that the Sub-Fund may also invest in FDIs for investment, efficient portfolio management and/or hedging purposes. The Sub-Fund may use FDIs such as futures, options, forward contracts, non-deliverable forward contracts, credit default swaps (**CDS**), interest rate swaps, inflation swaps, including total return swaps (**TRS**) which are described in the section entitled **Use of Financial Derivative Instruments and Efficient Portfolio Management** in the Prospectus. This may on occasion lead to an increase in the risk profile of the Sub-Fund or result in a fluctuation in the expected level of volatility. Please see the section entitled **Risk Factors** in the Prospectus in relation to such risks.

Such FDIs may be used for investment purposes to gain exposure to certain positions, including (i) interest rates and maturity segments of the bond market; (ii) to increase or decrease the level of credit risk inherent in the portfolio or on single issuers; and (iii) foreign exchange rates. The Investment Manager may wish to use such FDIs to obtain exposures, such as credit risk protection through CDS, that may not be available without the ability to use FDIs for investment purposes.

Investment in FDIs is subject to the conditions and limits contained in the Central Bank UCITS Regulations issued by the Central Bank. Subject to these limits, the Sub-Fund may invest in FDIs dealt on any of the regulated markets set out in the list of Regulated Markets in Appendix 1 to the Prospectus (and/or over the counter FDIs (**OTCs**)) which will be used for investment, efficient portfolio management and/or for hedging purposes.

The ICAV employs a risk management process which enables it to accurately measure, monitor and manage at any time the various risks associated with FDIs and their contribution to the overall risk profile of the portfolio of assets of the Sub-Fund. The ICAV will, on request, provide supplementary information to Shareholders relating to the risk management methods employed, including the quantitative limits that are applied and any recent developments in the risk and yield characteristics of the main categories of investments. The Sub-Fund will only invest in FDIs in accordance with the risk management policy filed with the Central Bank.

The Sub-Fund may invest in FDIs dealt over the counter provided that the counterparties to over-the-counter transactions are institutions subject to prudential supervision and belonging to categories approved by the Central Bank.

Position exposure to the underlying assets of FDIs, when combined where relevant with positions resulting from direct investments, may not exceed the investment limits set out in the Central Bank UCITS Regulations.

Please see the section entitled **Use of Financial Derivative Instruments and Efficient Portfolio Management** in the Prospectus in relation to FDI.

### 3.8 Hedged Currency Share Classes

The Sub-Fund will seek to hedge against exchange rate fluctuation risks between the denominated currency of the Hedged Share Classes and the Base Currency of the Sub-Fund. Information in relation to share class hedging is set out in the sections of the Prospectus entitled **Share Class Hedging** and **Share Class Currency Risk**.

### 3.9 Global Exposure and Leverage

The Sub-Fund will employ the absolute Value-at-Risk (**VaR**) approach to assess the Sub-Fund's global exposure and to ensure that the Sub-Fund's use of derivative instruments is within the limits specified by the Central Bank. The absolute VaR of the Sub-Fund will not exceed an absolute limit of 20% of Net Asset Value. The calculation of VaR shall be carried out in accordance with a one-tailed confidence interval of 99%, holding period equivalent to 1 month, calculated by taking the 20 business day VaR, an effective observation period (history of risk of at least 1 year (250 Business Days) unless a shorter observation period is justified by a significant increase in price volatility), a quarterly data set updates or more frequent when market prices are subject to material changes and at least daily calculation. Global exposure will be calculated daily.

The level of leverage calculated on the basis of the gross sum of the notionals, is expected to range from 0 to 350% and is not expected to exceed 350%. In case of higher levels of leverage, the risk profile of the Sub-Fund will remain unchanged.

The gross sum of notionals may vary depending on the Investment Manager's analysis and views on market conditions. The level of leverage may increase to higher levels, for example, at times when the Investment Manager deems it most appropriate to use derivative instruments to alter the Sub-Fund's interest rate, currency or credit exposure.

## 4 PORTFOLIO TRANSPARENCY

Information about the Investments of the Sub-Fund shall be made available on a daily basis. The Sub-Fund will disclose on [www.HANetf.com](http://www.HANetf.com) at the start of each Business Day the identities and quantities of the securities and other assets held by it. The portfolio holdings will be based on information as of the close of business on the prior Business Day and/or trades that have been completed prior to the opening of business on that Business Day and that are expected to settle on that Business Day.

## 5 BENCHMARK

The Sub-Fund is actively managed however, it will use the Benchmark for duration measurement and performance comparison purposes. The Sub-Fund will not replicate or track the Benchmark and may invest in securities not included in the Benchmark. Investment returns may deviate materially from the performance of the Benchmark. The Sub-Fund is monitored and will measure the duration of investments by reference to, but is not constrained by, the Benchmark.

## 6 INVESTMENT RESTRICTIONS

The general investment restrictions as set out in the Prospectus shall apply.

The Sub-Fund may not invest more than 10% of its net assets in open-ended collective investment schemes.

The Sub-Fund has no restrictions as to the proportion of assets allocated to emerging markets.

The Directors may from time to time impose such further investment restrictions as shall be compatible with or in the interests of Shareholders.



## 7 **BORROWING**

- 7.1 The Sub-Fund may borrow money in an amount up to 10% of the market value of its net assets at any time for the account of the Sub-Fund and the Depositary may charge the assets of the Sub-Fund as security for any such borrowing, provided that such borrowing is only for temporary purposes.

## 8 **RISK FACTORS**

- 8.1 While the general risk factors set out in the section entitled **Risk Factors** in the Prospectus apply to the Sub-Fund, the following risk factors described in the Prospectus under the headings FDI Risk, Derivatives Risk, Counterparty Risk, OTC Markets Risk **Secondary Market Trading Risk, Capital Controls and Sanctions Risk, Concentration Risk, Emerging Markets Risk, Currency Risk, ETF Class and Non-ETF Class Risk, Interest Rate Risk, Liquidity of Investments, Political and/or Legal/Regulatory Risk, Regulatory Restrictions, Issuer-specific Risk and Sustainability Risks** are particularly relevant for the Sub-Fund.

The following risks relate specifically to the Sub-Fund:

### 8.2 **Fixed income investments**

Comparatively, the bond market has been less vulnerable to price swings or volatility than other investment products as most bonds pay investors a fixed rate of interest income that is also backed by a promise from the issuer. Apart from the general investment risks, there are also risks which arise from investing in bonds and these include the interest rate risk (bond prices usually fall when the interest rate rises); inflation risk (this usually reduces the purchasing power of a bond) and market risk (the risk that the bond market as a whole would decline).

#### *a) Credit/counterparty risk*

The Sub-Fund is exposed to the credit/default risk of the issuers of the fixed-income securities that the Sub-Fund may invest in. An issuer suffering an adverse change in its financial condition could lower the credit quality of a security, leading to greater price volatility of the security. A lowering of the credit rating of a security or its issuer may also affect the security's liquidity, making it more difficult to sell. The Sub-Fund's investment is also subject to the risk that issuers may not make timely payments on principal and/or interests of the securities they issue. If the issuers of any of the securities in which the Sub-Fund's assets are invested default, the performance of the Sub-Fund will be adversely affected.

The fixed-income securities that the Sub-Fund invests in may be offered on an unsecured basis without collateral. In such circumstances, the Sub-Fund will rank equally with other unsecured creditors of the relevant issuer. As a result, if the issuer becomes bankrupt, proceeds from the liquidation of the issuer's assets will be paid to holders of the relevant fixed-income instrument issued by it only after all secured claims have been satisfied in full. The Sub-Fund is therefore fully exposed to the credit/insolvency risk of its counterparties as an unsecured creditor.

#### *b) Credit ratings risk*

The ratings of fixed-income securities by credit rating agencies are a generally accepted barometer of credit risk. They are, however, subject to certain limitations and do not guarantee the creditworthiness of the security and/or issuer at all times. The rating of an issuer is heavily weighted by past performance and does not necessarily reflect probable future conditions. Rating agencies might not always change their credit rating of an issuer in a timely manner to reflect events that could affect the issuer's ability to make scheduled payment on its obligations. In addition, there may be varying degrees of difference in credit risk of securities within each rating category.

#### *c) Credit rating downgrading risk*

The credit rating assigned to a security or an issuer may be re-evaluated and updated based on recent market events or specific developments. As a result, securities may be subject to the risk of being downgraded. Similarly, an issuer having a certain rating may be downgraded, for example, as a result of deterioration of its financial condition. In the event of downgrading in the credit ratings of a security or an issuer relating to a security, the Sub-Fund's investment value in such security may be adversely affected.

Where a security held in the Sub-Fund's portfolio is downgraded, this will trigger a review of the reasons for the downgrade, which may be independent of the economic fundamentals of the instrument. Holdings are assessed on a case-by-case basis at the point of downgrade and a decision made on whether the downgrade represents a reason to discontinue holding the security. All holdings are monitored on an ongoing basis. The Investment Manager may or may not be able to dispose of the securities that are being downgraded, subject to the investment objectives of the Sub-Fund. In the event of investment grade securities being downgraded to below investment grade and such securities continuing to be held by the Sub-Fund, the Sub-Fund will also be subject to the below investment grade securities risk outlined in the following paragraph. In the event that the downgrade of a security triggers the breach of an investment limit disclosed in the investment policy of the Sub-Fund, the Investment Manager will seek to remedy that situation by selling securities taking due account of the interests of Shareholders.

#### *d) Below investment grade and unrated securities risk*

The Sub-Fund may invest in securities which are below investment grade or which are unrated. In the event of no ratings coverage, internal ratings (aiming to assign a note equivalent to a rating of a recognised credit rating agency) from a credit screening process performed by the investment team are used for internal purposes only to enable management in compliance with investment restrictions (where applicable). The core objective of the screening is to identify issuers at risk of default. All holdings are monitored on an ongoing basis.

Investors should note that securities which are below investment grade or which are unrated would generally be considered to have a higher degree of counterparty risk, credit risk and liquidity risk than higher rated, lower yielding securities and may be subject to greater fluctuation in value and higher chance of default and greater risk of loss of principal and interest. If the issuer of securities defaults, or such securities cannot be realised, or perform badly, investors may suffer substantial losses. The market for these securities may be less active, making it more difficult to sell the securities. Valuation of these securities is more difficult and thus the Sub-Fund's prices may be more volatile.

The value of lower-rated or unrated corporate bonds may be affected by investors' perceptions. When economic conditions appear to be deteriorating, below investment grade or unrated corporate fixed-income securities may decline in market value due to investors' heightened concerns and perceptions over credit quality.

#### *e) Distressed securities*

Securities issued by an issuer that is in default, or in a high risk of default, or the subject of bankruptcy proceedings are considered distressed securities. Investment in these types of securities involve significant risk. The Sub-Fund's investment in securities of an issuer in weak financial condition may include issuers with substantial capital needs or negative net worth or issuers that are, have been or may become, involved in bankruptcy or reorganisation proceedings.

Distressed securities frequently do not produce income while they are outstanding and may require the holders to bear certain extraordinary expenses in order to protect and cover its holding. Typically, an investment in distressed securities will be made when the Investment Manager believes either that the security is offered at a materially different level from what the Investment Manager believes to be its fair value, or that it is reasonably likely that the issuer will make an exchange offer or will be subject to a plan of reorganisation, however, there can be no assurance that such an exchange offer will be made, or such a plan of reorganisation will be adopted, or any securities or other assets received in connection with such an

exchange offer or reorganisation plan will not have a lower value or income potential than anticipated when the initial investment was made.

Before investing in high yield bonds and on an ongoing basis, the Investment Manager will analyse whether such bonds are to be considered as distressed securities (or not) as per the definition contained in the first sentence of the first paragraph of this section and will ensure compliance with the investment policy of the Sub-Fund.

*f) Interest rate risks*

Price changes in fixed-income securities are influenced predominantly by interest rate developments in the capital markets, which in turn are influenced by macro-economic factors. Investment in the Sub-Fund is subject to interest rate risk. In general, the prices of fixed-income securities could suffer when capital market interest rates rise, while they could increase in value when capital market interest rates fall. The price changes also depend on the term or residual time to maturity of the fixed-income securities. In general, fixed-interest securities with shorter terms have less price risks than fixed-income securities with longer terms. However, they generally have lower returns and, because of the more frequent due dates of the securities portfolios, involve higher re-investment costs.

*g) Liquidity risk*

In difficult market conditions, reduced liquidity in bond markets may make it harder for the manager to sell assets at the quoted price. This could have a negative impact on the value of your investment. In extreme market conditions, certain assets may become hard to sell in a timely manner or at a fair price. This could affect the Sub-Fund's ability to meet investors' redemption requests upon demand.

*h) Risks of investing in convertible bonds*

Investments in convertible bonds are subject to the same interest rate, credit and prepayment risks linked to ordinary corporate bonds. Convertible bonds are corporate bonds with an option that allows an investor to convert the bond into shares at a given price at specified times during the life of the convertible bond. This ability to convert allows the investor to benefit directly from the company's success should its share price rise, while also offering the regular income of a conventional corporate bond investment. This exposure to equity movements can lead to more volatility than could be expected from a comparable conventional corporate bond.

*i) Perpetual bonds risk*

Perpetual bonds are debt securities issued with no maturity date, although they will typically have a call date they may not be called by the issuer on the pre-defined call date and the bond may never be called resulting in investors not receiving the return of principal at any date. In certain stressed market conditions, perpetual bonds may be exposed to additional liquidity risks negatively impacting their price. The coupon payments of perpetual bonds may be discretionary and therefore may be cancelled by the issuer.

*j) Asset-Backed Securities (ABS) and Mortgage-Backed Securities (MBS)*

The Sub-Fund may have exposure to a wide range of asset-backed securities (including asset pools in credit card loans, auto loans, residential and commercial mortgage loans, collateralised mortgage obligations and collateralised debt obligations), agency mortgage pass-through securities and covered bonds. The obligations associated with these securities may be subject to greater credit, liquidity and interest rate risk compared to other debt securities such as government issued bonds.

ABS and MBS are securities that entitle the holders thereof to receive payments that are primarily dependent upon the cash flow arising from a specified pool of financial assets such as residential or commercial mortgages, motor vehicle loans or credit cards. ABS and MBS are often exposed to extension and

prepayment risks that may have a substantial impact on the timing and size of the cashflows paid by the securities and may negatively impact the returns of the securities. The average life of each individual security may be affected by a large number of factors such as the existence and frequency of exercise of any optional redemption and mandatory prepayment, the prevailing level of interest rates, the actual default rate of the underlying assets, the timing of recoveries and the level of rotation in the underlying assets.

### **8.3 Environmental, Social and Governance (ESG) Investment Risk**

ESG investments are selected or excluded on both financial and non-financial criteria. The Sub-Fund may underperform the broader market or other funds that do not utilize ESG criteria when selecting investments. The Sub-Fund may sell an investment for reasons related to ESG, rather than solely on financial considerations. ESG investing is to a degree subjective and there is no assurance that all investments made by the Sub-Fund will reflect the beliefs or values of any particular investor. Investments in securities deemed to be 'sustainable' may or may not carry additional or lesser risks.

### **8.4 ESG Assessment Risk**

In evaluating an investment based on ESG criteria, the Investment Manager may depend upon publicly available information and data, which may be incomplete, inaccurate, inconsistent or unavailable. Therefore, there is a risk that the Investment Manager may incorrectly assess an investment. There is also a risk that the Investment Manager may not apply the relevant ESG criteria correctly or that the Sub-Fund may gain limited exposure to investments which may not be consistent with the relevant ESG criteria used by the Sub-Fund.

### **8.5 Active Management Risk**

The Sub-Fund's assets will be actively managed by the Investment Manager who will have discretion (subject to the Sub-Fund's investment restrictions) to invest the Sub-Fund's assets in investments that it considers will enable the Sub-Fund to achieve its investment objective. There is no guarantee that the Sub-Fund's investment objective will be achieved based on the investments selected.

## **9 DIVIDEND POLICY**

The Sub-Fund may issue Distributing Shares and Accumulating Shares. Where any Distributing Shares are issued, the Directors may declare dividends quarterly each year to the Shareholders of such Shares out of the net income of the Sub-Fund attributable to the Distributing Shares, in accordance with the terms of the Prospectus. The Directors may also pay dividends in respect of the Distributing Shares out of capital. In this instance the capital of the Sub-Fund will be eroded and such dividends are achieved by foregoing the potential for future capital growth and the cycle may continue until all capital is depleted. Dividends out of capital may have different tax implications to dividends out of income. The profits attributable to the Accumulating Shares in the Sub-Fund shall be retained within the Sub-Fund and will be reflected in the Net Asset Value of the Accumulating Shares.



	ETF Classes	Non-ETF Classes
<b>Base Currency</b>	US Dollar	
<b>Minimum Sub-Fund Size</b>	The minimum size of the Sub-Fund will be \$20,000,000 or foreign currency equivalent thereof or such other amount as may be determined by the Directors at their discretion. When the size of the Sub-Fund is below \$20,000,000 or foreign currency equivalent, the Directors of the ICAV may compulsorily redeem all of the Shares of the Sub-Fund in accordance with the <b>Mandatory Redemptions</b> section of the Prospectus.	
<b>Minimum Initial Investment Amount</b>	US\$150,000	US\$150,000
<b>Business Day</b>	means a day on which markets are open for business in London (or such other day(s) as the Directors may from time to time determine and notify in advance to Shareholders).	
<b>Creation Unit</b>	15,000 Shares or such other amount as may be determined by the Directors at their discretion.	N/A
<b>Dealing Day</b>	In general, each Business Day will be a Dealing Day. However, certain Business Days will not be Dealing Days where, in the sole determination of the Directors: (i) markets on which the Sub-Fund's investments are listed or traded, or (ii) a significant (30% or more) proportion of markets on which investments are listed or traded are closed; provided there is at least one Dealing Day per fortnight. The Dealing Days for the Sub-Fund are available from the Administrator and can be found at <a href="http://www.HANetf.com">www.HANetf.com</a> .	
<b>Dealing Deadline</b>	4.30 pm (Irish time) on the Business Day prior to the relevant Dealing Day.	
<b>Initial Offer Period</b>	<p>The Initial Offer Period shall commence at 9.00 am (Irish time) on 19 December 2024 and close on the earlier of the receipt of an initial subscription and 4.30pm (Irish time) on 16 June 2025 as may be shortened or extended by the Directors and notified to the Central Bank.</p> <p>Shares will be initially offered at a price of approximately US\$ 10 per Share (or its foreign currency equivalent).</p>	

<b>Settlement Date for Subscriptions</b>	<p>In respect of cash subscriptions, on the second Business Day after the relevant Dealing Day; provided that if such day is not a day on which foreign exchange markets are open for settlement of payments in the relevant Share Class Currency (a <b>Currency Day</b>), settlement will be postponed to the immediately following Currency Day;</p> <p>In respect of in-kind subscriptions, on the second Business Day after the relevant Dealing Day or within such other period as the Directors may determine (not exceeding 10 Business Days following the relevant Dealing Deadline).</p>	<p>In respect of cash subscriptions, on the second Business Day after the relevant Dealing Day; provided that if such day is not a day on which foreign exchange markets are open for settlement of payments in the relevant Currency Day settlement will be postponed to the immediately following Currency Day.</p>
<b>Settlement Date for Redemptions</b>	<p><b>Redemptions</b></p> <p>Creation Units may be redeemed on a Dealing Day at a price based on the Net Asset Value per Share multiplied by the number of Shares in a Creation Unit. A redeeming Shareholder will have deducted from redemption proceeds an appropriate amount of Duties and Charges, if applicable.</p> <p>The Shares in the ETF Classes which are the subject of the redemption must be received by the Sub-Fund by the second Business Day after the relevant Dealing Day.</p> <p>Redemption proceeds will typically be transferred within 2 Business Days of the relevant Dealing Day, provided that all required documentation has been furnished to the Administrator and the relevant Shareholder has delivered, in the relevant Securities Settlement System, the Shares to be redeemed.</p>	<p>Shares in Non-ETF Classes may be redeemed on a Dealing Day at a price based on the Net Asset Value per Share. A redeeming Shareholder will have deducted from redemption proceeds an appropriate amount of Duties and Charges, if applicable.</p> <p>The Shares which are the subject of the redemption must be received by the Sub-Fund by the second Business Day after the relevant Dealing Day.</p> <p>Redemption proceeds will typically be transferred within 2 Business Days of the relevant Dealing Day, provided that all required documentation has been furnished to the Administrator.</p>

<b>Valuation Methodology</b>	<p>Assets and liabilities of the Sub-Fund which are listed or traded on one Regulated Market for which quotations are readily available at the valuation point for the relevant dealing day shall be valued at the <b>last traded price</b> or in the case of fixed income securities the latest mid-market prices, on such Regulated Market. Where an investment is quoted, listed or traded on or under the rules of more than one Regulated Market, the Regulated Market which in the Manager's opinion constitutes the main Regulated Market for such investment or the Regulated Market which provides the fairest criteria for valuing the relevant Investment shall be used. Where for specific assets the last traded price or in the case of fixed income securities the latest mid-market prices do not in the opinion of the Manager or its duly authorised delegate, reflect their fair value or are not available, the value shall be calculated with care and in good faith by the Manager or by a competent person appointed by the Manager and approved for purpose by the Depositary or any other means provided the value is approved by the Depositary.</p> <p>This section entitled <b>Valuation Methodology</b> should be read in conjunction with the section entitled <b>Calculation of Net Assets/ Valuation of Assets</b> in the Prospectus.</p>
<b>Publication Time</b>	8.00am (Irish time) on the relevant Dealing Day.
<b>Valuation Point</b>	4.00pm (US EST) on the relevant Dealing Day.
<b>Website</b>	<a href="http://www.HANetf.com">www.HANetf.com</a>



## 11 DESCRIPTION OF AVAILABLE SHARES

### 11.1 ETF Classes and Non-ETF Classes

The Sub-Fund may comprise both listed Classes (being **ETF Classes**) and unlisted Classes (being **Non-ETF Classes**) in accordance with the requirements of the Central Bank. ETF Classes will be identified as such by the denominator "ETF". Classes without the "ETF" denominator are Non-ETF Classes.

In addition, the Sub-Fund may also offer Hedged Share Classes. Hedged Share Classes will be identified as such by the denominator "EUR/GBP Hedged". Classes without the "Hedged" denominator are unhedged Share Classes. Please see the section of the Prospectus headed **Share Class Hedging** and **Share Class Currency Risk** for further details.

Share Class Name	ISIN	Dividend Policy	Hedged/Unhedged	Initial offer price
Accumulating ETF Share Class	IE000GDU4WA8	Accumulating	Unhedged	US\$ 10
Accumulating Share Class	-	Accumulating	Unhedged	US\$ 10
Distributing ETF Share Class	-	Distributing	Unhedged	US\$ 10
Distributing Share Class	-	Distributing	Unhedged	US\$ 10
Accumulating ETF Share Class – EUR Hedged	-	Accumulating	Hedged	US\$ 10
Accumulating Share Class – EUR Hedged	-	Accumulating	Hedged	US\$ 10
Distributing ETF Share Class – EUR Hedged	-	Distributing	Hedged	US\$ 10
Distributing Share Class – EUR Hedged	-	Distributing	Hedged	US\$ 10
Accumulating ETF Share Class – GBP Hedged	-	Accumulating	Hedged	US\$ 10
Accumulating Share Class – GBP Hedged	-	Accumulating	Hedged	US\$ 10
Distributing ETF Share Class – GBP Hedged	-	Distributing	Hedged	US\$ 10
Distributing Share Class – GBP Hedged	-	Distributing	Hedged	US\$ 10
Accumulating ETF Share Class – CHF Hedged	-	Accumulating	Hedged	US\$ 10
Accumulating Share Class – CHF Hedged	-	Accumulating	Hedged	US\$ 10
Distributing ETF Share Class – CHF Hedged	-	Distributing	Hedged	US\$ 10
Distributing Share Class – CHF Hedged	-	Distributing	Hedged	US\$ 10

## 12 CHARGES AND EXPENSES

- 12.1 The following fees may be charged, at the discretion of the Manager, on the Net Asset Value per Share in the Creation Unit subscribed for by Shareholders (and will not be incurred by the ICAV on behalf of the Sub-Fund, and accordingly will not affect the Net Asset Value of the relevant Class of Share of the Sub-Fund).

Share Class	ETF and Non-ETF Class
<b>Preliminary Charge</b>	of up to 5% at the Manager's discretion

<b>Exchange Charge</b>	of up to 3% at the Manager's discretion
<b>Redemption Charge</b>	of up to 3% at the Manager's discretion
<b>Cash Transaction Fee</b>	of up to 3% at the Directors' discretion

The Preliminary Charge is in addition to the investment amount received from an investor for subscription for Shares. Such Preliminary Charge is payable to the Manager.

- 12.2 The following fees and expenses will be incurred by the ICAV on behalf of the Sub-Fund and will affect the Net Asset Value of the relevant Class of Share of the Sub-Fund:

<b>Share Class</b>	<b>ETF Class</b>	<b>Non-ETF Class</b>
<b>Total Expense Ratio or TER</b>	Up to 0.30 % per annum	Up to 0.30 % per annum

- 12.3 The Total Expense Ratio or TER, a percentage of the Net Asset Value of the relevant Class of Shares (plus VAT, if any), is payable by the ICAV out of the Sub-Fund Assets to the Manager. The TER will accrue on each day and will be calculated on each Dealing Day and paid monthly in arrears. The TER will cover all of the ordinary fees, operating costs and expenses payable by the Sub-Fund including fees and expenses paid to the Manager, all ordinary costs and expenses connected with the management and operating activities of the Sub-Fund, including investment management and advisory fees, Director's fees, registration, transfer agency, administration and custody fees, registrar fees, regulators and auditors and certain legal expenses of the ICAV.
- 12.4 The TER does not include extraordinary/other costs and expenses (including but not limited to transaction charges, stamp duty or other taxes on the investments of the ICAV including duty charges for portfolio re-balancing, withholding taxes, commissions and brokerage fees incurred with respect to the ICAV's investments, interest on any non-overdraft credit facility and charges incurred in negotiating, effecting or varying the terms of such facility, any commissions charged by intermediaries in relation to an investment in the Sub-Fund and such extraordinary or exceptional costs and expenses (if any) as may arise from time to time, such as material litigation in relation to the ICAV all of which will be paid separately out of the assets of the Sub-Fund).
- 12.5 The TER may be charged to the capital of the Sub-Fund to assist in addressing the objective of providing investors with a combination of income and capital growth over the medium to long term. This may have the effect of lowering the capital value of a Shareholder's investment by forgoing the potential for future capital growth.
- 12.6 This section entitled **Charges and Expenses** should be read in conjunction with the sections entitled **General Charges and Expenses** and **Management Charges and Expenses** in the Prospectus. The establishment costs for the Sub-Fund will be paid by the Manager.

### 13 MATERIAL CONTRACTS

The Investment Management Agreement provides that the appointment of the Investment Manager as investment manager will continue in force unless and until terminated by the Manager immediately on written notice to the Investment Manager or by the Investment Manager giving not less than ninety (90) days' notice in writing to the Manager although in certain circumstances the agreement may be terminated forthwith by notice in writing by either party to the other. Under this agreement, the Investment Manager shall not be liable to the Manager or any Shareholders or otherwise for any error of judgement or loss suffered by the Manager or any such Shareholder in connection with the Investment Management Agreement unless such loss arises from the fraud, bad faith, negligence or wilful default in the performance or non-performance by

the Investment Manager or persons designated by it of its obligations or duties under the agreement or breach of contract on the part of the Investment Manager or any of its agents or delegates or their agents.

## 14 **REGISTRATION FOR PUBLIC DISTRIBUTION AND LISTING**

Application is expected to be made to register the Sub-Fund for public distribution in various European countries.

Application has been made to list the Shares in the ETF Classes on Euronext Dublin. Through the operation of such a secondary market, persons who are not Authorised Participants or not able or willing to subscribe for and redeem Creation Units will be able to buy or sell Shares in the ETF Classes from or to other retail investors or market makers, broker/dealers, or other Authorised Participants at prices which should approximate, after currency conversion, the Net Asset Value of the Shares in the ETF Classes.

## 15 **HOW TO BUY AND SELL SHARES**

Applicants should note that investors in a Non-ETF Class can subscribe and redeem their Shares directly from the ICAV, whereas investors who have purchased Shares in an ETF Class on the secondary market should be aware that such shares cannot usually be sold directly back to the ICAV. Additionally, if exchanges are closed but it is a Dealing Day for the Sub-Fund, then Non-ETF Class investors may be able to subscribe and redeem with the Sub-Fund, while other investors will likely have to wait for the Exchanges to open again to buy and sell Shares.

Investors in an ETF Class can purchase or sell Shares on a stock exchange through an intermediary at any time during the trading day whereas investors in a Non-ETF Class may only purchase and sell shares directly with the ICAV prior to the Dealing Deadline for that Dealing Day.

### 15.1 **ETF Classes**

Investors can buy and sell Shares in the ETF Classes on the secondary market with the assistance of an intermediary (e.g., a broker-dealer) as described above in accordance with the procedures set out in the section entitled **Secondary Market** in the Prospectus and may incur fees charged by their intermediary or broker. In addition, investors in ETF Classes may pay more than the current Net Asset Value when buying Shares and may receive less than the current Net Asset Value when selling them.

Investors can otherwise subscribe for or redeem Creation Units in accordance with the procedures set out in the section entitled **Primary Market** in the Prospectus.

### 15.2 **Non-ETF Classes**

Investors can buy and sell Shares in the Non-ETF Classes in accordance with the procedures set out in the section entitled **Share Dealing – Non-ETF Sub-Funds** in the Prospectus. Investors in Non-ETF Classes may pay the Preliminary Charge and the Redemption Charge in the section entitled **Charges and Expenses** to cover transactions costs of purchasing and selling Shares of the Sub-Fund.

## 16 **OTHER INFORMATION**

New Sub-Funds may be created from time to time by the Directors with the prior approval of the Central Bank in which case further Supplements incorporating provisions relating to those Sub-Funds will be issued by the ICAV.

The names of the Sub-Funds currently approved by the Central Bank are listed in the Global Supplement.

