AILIS
Société d'investissement à capital variable
28, boulevard de Kockelscheuer
L-1821 Luxembourg
RCS Luxembourg number: B215916
(the "**Company**")

NOTICE TO THE SHAREHOLDERS OF
AILIS – BLACKROCK MULTI-ASSET INCOME AND AILIS – BLACKROCK BALANCED ESG

Luxembourg, April 25, 2024

Dear Shareholder,

The board of directors of the Company (the "**Board of Directors**") has decided to proceed with the merger of the sub-fund AILIS – BLACKROCK MULTI-ASSET INCOME (the "**Absorbed Sub-fund**") into the sub-fund AILIS – BLACKROCK BALANCED ESG (the "**Absorbing Sub-fund**") (together the "**Sub-funds**").

The present notice provides appropriate and accurate information on the proposed Merger so as to enable Shareholders to make an informed judgement of the impact of the Merger on their investment.

a. **Merger type**

The Absorbing Sub-fund will absorb the Absorbed Sub-fund according to this notice and the common merger plan. The Sub-funds will be merged in compliance with article 1 (20) a) and Chapter 8 of the law of 17 December 2010 on undertakings for collective investment, as amended (the "**Law**").

The Absorbed Sub-fund will be dissolved without going into liquidation and all its assets and liabilities will be transferred on the Effective Date (as defined below) to the Absorbing Sub-fund in exchange for the issuing to its Shareholders of new shares of the Absorbing Sub-fund (the "**Merger**").

b. **Reasoning of Merger**

The reasons for the Merger are the following:

(i) the Absorbed Sub-fund has a pre-defined period of five (5) years (ending April 25, 2024). Once the terms of five (5) years have expired (April 26, 2024), there will be progressive investment seeking to consolidate the performance achieved, as described in the prospectus of the Company (the "**Prospectus**") with reference to the Post-Investment Period, as defined in the Prospectus;

(ii) to provide the Shareholders of the Sub-funds with the benefits of greater fund size. The Merger will increase the assets under management of the Absorbing Sub-fund and will therefore apportion the costs on a wider pool of assets;

(iii) similarity of the investment strategy and risk profile of the Absorbed Sub-fund and the Absorbing Sub-fund;

(iv) similarity of the asset allocation in terms of asset classes and geographic exposure of the underlying investments of the Absorbed Sub-fund and the Absorbing Sub-fund, both offering diversified investments in varied multi assets;

(v) rationalization of the products range with the aim of offering the Shareholders of the Absorbed Sub-fund to invest in a similar investment strategy (that of the Absorbing Sub-fund) with the added value of the integration of environmental, social and governance ("**ESG**") and sustainability factors, and to benefit from the expertise of a specialized ESG investment team.

In light of the above, the Board of Directors is of the opinion that the decision to undertake the Merger is in the best interests of the Shareholders of both Sub-funds.

Due to these reasons and in accordance with the investment policy of the Absorbed Sub-fund and article 66 (4) of the Law, the Board of Directors is competent to resolve on the Merger.

The modalities of the Merger, which have been approved by the Board of Directors, are described below.

c. **Impact on Shareholders and comparison between the Absorbed Sub-fund and the Absorbing Sub-fund**

Upon the Effective Date, Shareholders who have not requested redemption or conversion of their shares in the Absorbed Sub-fund will receive shares of the Absorbing Sub-fund, as further detailed below and in accordance with section 22.3 "Amalgamation, Division or Transfer of Sub-funds" of the Prospectus. The Shareholders of the Absorbed Sub-fund will thus become Shareholders of the Absorbing Sub-fund.

The synthetic risk indicator ("**SRI**") of the Absorbing Sub-fund is 4 and is the same as the SRI of the Absorbed Sub-fund, also SRI 4.

The management fees of the Absorbed Sub-fund will raise from 0.8% (previously 1.4% during the "Principal Investment Period") to 1.60%.

The ongoing charges of the Absorbed Sub-fund are lower than those of the Absorbing Sub-fund.

Neither the Absorbing Sub-fund nor the Absorbed Sub-fund apply performance fees.

The investment manager of the Sub-funds is BlackRock Investment Management (UK) Limited.

The sub-investment manager of the Sub-funds is BlackRock Investment Management, LLC.

A comparison between the Absorbed Sub-fund and the Absorbing Sub-fund's investment policies and main characteristics is provided in the table under Appendix I.

The differences between the Absorbed Sub-fund and the Absorbing Sub-fund are highlighted in the said table.

The main differences between the investment policy of both the Absorbed Sub-fund and the Absorbing Sub-fund is:

- the Absorbing Sub-fund seeks to achieve its investment objective by investing in a diversified portfolio of assets. The asset allocation policy is consistent with the principles of ESG focused investing. The investments include: equities, fixed-interest and floating rate securities, non-investment grade securities, units / shares of UCITS and / or UCIs, as well as currencies and cash. The Absorbing Sub-Fund invests in securities issued by corporations, governments and government related issuers, other non-government issuers, located in both developed and emerging markets, and denominated in global currencies. Such issuers are systematically screened and considered suitable according to the investment manager's assessment and ESG criteria analysis and policy;
- the Absorbed Sub-fund seeks to generate positive total returns, over the Principal Investment Period, defined as a mix of income and capital growth by providing dynamic exposure to a diversified range of asset classes. The Absorbed Sub-fund's exposure includes equities, debt securities, high yield corporate or government floating rate notes, asset backed securities and mortgage backed securities, contingent convertible securities, currencies and cash. The Absorbed Sub-fund has a pre-defined period of five (5) years (ending April 26, 2024);
- the Absorbed Sub-fund invests up to 60% of its net assets in equity securities. The Absorbing Sub-fund may invest up to 65% of its net asset value in equities instruments;
- the Absorbed Sub-fund is subject to the disclosure regime of Article 6 of the SFDR (does not have as its objective the promotion of ESG characteristics or sustainable investments), while the Absorbing Sub-Fund is subject to the disclosure regime of Article 8 of the SFDR and as such has as its objectives the promotion of ESG characteristics;
- the Absorbing Sub-fund may invest up to 20% of its net asset value (cumulatively) in ABS, MBS, CLOs, CDOs and CMBS. The Absorbed Sub-fund may invest no more than 20% of its net asset value (cumulatively) in ABS and MBS;
- the Absorbing Sub-fund may invest up to 10% of its net assets in China A-Shares via the Shanghai-Hong Kong Stock Connect program, and up to 10% of its net assets in debt securities issued by Mainland China issuers through Bond Connect program;
- the Absorbing Sub-fund may invest up to 20% of its net assets in non-investment grade debt securities. The exposure to non-investment grade instruments does not exceed 50% of the Absorbed Sub-fund's net assets.;
- the Absorbing Sub-fund invests a maximum portion of 30% of its assets into total return swaps, while the Absorbed Sub-fund does not enter into total return swaps;
- the Absorbing Sub-fund's global exposure determination is based on the absolute VaR approach, while the Absorbed Sub-fund's global exposure determination relies on the commitment approach. The Absorbing Sub-fund's average level of leverage is expected to be approximately 100%.

A complete description of the respective investment objectives and policies and related risks of the Absorbed Sub-fund and the Absorbing Sub-fund can be found in the Prospectus and the attached Packaged Retail and Insurance-based Investment Products Key Investor Information Document ("**PRIIPs KID**") of the Absorbing Sub-fund (**Appendix II**). Shareholders are invited to carefully read the attached PRIIPs KID of the Absorbing Sub-fund.

The Absorbed Sub-fund is registered in the same jurisdictions for marketing to the public as the Absorbing Sub-fund.

d. **<u>Risk of performance dilution / portfolio rebalancing</u>**

During the period preceding the Merger, the Absorbed Sub-fund is being managed in line with its Post-Investment Period investment policy, i.e. making progressive investments seeking to consolidate the achieved performance (e.g. government bonds and liquid assets). A proportion of the portfolio of the Absorbed Sub-fund may be held in cash which will be transferred to the Absorbing Sub-fund on the Effective Date and reinvested.

The implementation of this strategy should minimize the impact of performance dilution.

The portfolio of the Absorbed Sub-fund will be realised over a period of five (5) business days before the Effective Date (as defined below), the underlying assets of the Absorbed Sub-fund will be liquid assets.

The portfolio of the Absorbing Sub-fund will not be rebalanced. The cash transferred by the Absorbed Sub-fund on the Effective Date will be invested over the following five (5) business days according to the investment policy of the Absorbing Sub-fund.

The assets and liabilities of the Absorbed Sub-fund will be transferred to the Absorbing Sub-fund in the most effective and efficient manner. No adverse effect is expected for any of the Sub-funds.

e. **Effective Date**

The effective date of the Merger ("**Effective Date**") shall be June 21, 2024 or any other later date decided by the Board of Directors and notified to Shareholders.

In order to ensure a swift Merger procedure, shares of the Absorbed Sub-fund and of the Absorbing Sub fund can be redeemed free of charges until 2.00 p.m. Luxembourg time on June 14, 2024.

Subscriptions or conversions in the Absorbed Sub-fund are not possible as it is closed for subscriptions. Redemptions for shares of the Absorbed Sub-fund will be suspended after 2.00 p.m. Luxembourg time on June 14, 2024 to the Effective Date in view of the Merger.

Subscriptions or conversions in the Absorbing Sub-fund are not possible as it is closed for subscriptions. Redemptions for shares of the Absorbing Sub-fund will be suspended after 2.00 p.m. Luxembourg time on June 14, 2024 to the Effective Date in view of the Merger.

The date on which the share exchange ratio is established will be June 21, 2024 ("**Exchange Ratio Date**").

From June 22, 2024, the Absorbing Sub-Fund will be reopened for subscriptions, with a subscription commission of up to 3.00%.

Redemptions free of charge for Shareholders of the Absorbed Sub-fund and the Absorbing Sub-fund shall only be possible provided such redemption request is received by the Management Company or STATE STREET BANK INTERNATIONAL GmbH, Luxembourg Branch from May 8, 2024 to June 14, 2024 at 2.00 p.m. Luxembourg time, at the latest (the "**Cut-Off Point**"). **After the Cut-Off Point, dealing in the Sub-funds will be suspended up to and including the Effective Date. In the event that the suspension is required on another date and/or needs to be extended due to unforeseen circumstances, Shareholders will be informed accordingly.**

On an extraordinary and temporary basis, there will be a temporary suspension of all shareholders' activity, including redemptions free of charge, from May 22, 2024 to May 24, 2024 due to the migration of local Paying Agent activities in Italy.

f. **<u>Criteria Adopted for the Valuation of Assets and Liabilities / Exchange Ratio / Issue of New Shares</u>**

The assets of the Absorbed Sub-fund and the Absorbing Sub-fund will be valued in accordance with principles laid down in the Prospectus and in accordance with the valuation regulations and guidelines adopted by the Board of Directors on the Effective Date.

The number of newly issued shares ("**New Shares**") in the Absorbing Sub-fund to Shareholders of the Absorbed Sub-fund will be determined on the basis of the exchange ratio corresponding to the respective net asset value ("N**AV**") of the involved Sub-funds. The exchange ratio will be equal to the NAV per share of each class of shares prior to the Exchange Ratio Date of the Absorbed Sub-fund divided by the NAV per share of each class of shares prior to the Exchange Ratio Date of the Absorbing Sub-fund.

The NAV per share of the Sub-funds on the Effective Date will not necessarily be the same. Therefore, while the overall value of the Shareholders' holding will remain the same, Shareholders may receive a different number of share in the corresponding class of share of the Absorbing Sub-fund than they had previously held in the Absorbed Sub-fund.

The number and value of New Shares will be calculated as of the Effective Date and in accordance with the following formula:

$$A = \frac{(B \times C)}{D}$$

Where:

A is the number of New Shares to be issued in Absorbing Sub-fund;
B is the number of shares of the relevant class in the Absorbed Sub-fund immediately prior to the Effective Date;
C is the NAV per share of the relevant class of the Absorbed Sub-fund valued on the Effective Date;
D is the NAV per share of the relevant class of the Absorbing Sub-fund on the Effective Date.

The exchange ratio will be calculated as of the Exchange Ratio Date.

The Board of Directors has appointed the Company's approved statutory auditor, Ernst & Young, in line with article 71 of the Law to validate the valuation of assets and liabilities and the applicable exchange ratio.

On the Effective Date, the assets and liabilities of the Absorbed Sub-fund will be contributed to the Absorbing Sub-fund and the Shareholders of the Absorbed Sub-fund will receive a number of shares of the Absorbing Sub-fund, the total value of which will correspond to the total value of shares of the Absorbed Sub-fund.
The outstanding liabilities generally comprise fees and expenses due but not paid, as reflected in the assets and liabilities of the Absorbed Sub-fund. The Absorbed Sub-fund will have accrued the sums required to cover known liabilities. Any additional liabilities accruing after 2:00 p.m.

(Luxembourg time) on the Effective Date will be borne by the Absorbing Sub-fund and any asset received as from the Effective Date will be allocated to the Absorbing Sub-fund.

The implementation and issue of New Shares will be realized by way of book-entry in the involved Sub-funds' accounts and Shareholders' register as kept by the respective service provider of the Company on the Effective Date.

The New Shares issued by the Absorbing Sub-fund provide for unrestricted beneficiary rights beginning on the Effective Date.

The New Shares in the Absorbing Sub-fund will have the same characteristics and attributed rights as classes of shares of the relevant share class of the Absorbing Sub-fund in issue prior to the Effective Date.

The Shareholders of the Absorbed Sub-fund who have not redeemed or converted their shares until the Cut-Off Point will, as of the Effective Date, become Shareholders of the Absorbing Sub-fund and their shares will be automatically exchanged against New Shares as detailed in the table below:

Absorbed Sub-fund AILIS – BLACKROCK MULTI-ASSET INCOME		**Absorbing Sub-fund AILIS – BLACKROCK BALANCED ESG**	
Absorbed share classes	**ISIN code**	**Absorbing share classes**	**ISIN code**
R (EURO ACC)	LU1954056112	R (EURO ACC)	LU2293125295
S (EURO DIS)	LU1954056625	S (EURO DIS)	LU2293225378

The shares of the Absorbed Sub-fund will be cancelled and the Absorbed Sub-fund shall cease to exist on the Effective Date.

g. **<u>Figures Comparison of involved Sub-funds as of January 24, 2024</u>**

<u>Absorbed Sub-fund:</u>

Name Sub-fund	**AuM (million EUR)**	**Range of direct or indirect investment**
AILIS – BLACKROCK MULTI-ASSET INCOME	82.3	CORP. BND 37.1% FUND 35.1% EQUITY 23.0% FUTURE 15.3% SWAP 0.5% ABS 0.1% CASH -11.2%

<u>Absorbing Sub-fund:</u>

Name Sub-fund	**AuM (million EUR)**	**Range of direct or indirect investment**
AILIS – BLACKROCK BALANCED ESG	195.2	EQUITY 69.1% GOVT BND 20.0% CORP BND 6%

		CASH	5.0%
		FUND	1.9%
		MBS	0.4%
		OPTION	-0.6%
		FUTURE	-0.9%

h. **<u>Costs of the Merger</u>**

All administrative, legal and where applicable advisory costs in relation with the Merger will be borne by the Management Company, FIDEURAM ASSET MANAGEMENT (IRELAND) dac.

Any transaction costs associated with the disposal of the assets of the Absorbed Sub-fund portfolio will be borne by the Absorbed Sub-fund after the end of the prior notice period.

The depositary bank of the Company has been mandated to verify the conformity of the elements listed in article 69 (1), items a), f) and g) pursuant to article 70 of the Law.

If you are not in agreement with the changes described above, you may request the redemption of your shares free of any redemption charges from May 8, 2024 until June 14, 2024.

Please be aware that the Merger may create a chargeable tax event in your country of tax residence. Your tax position may change as a result of the Merger under the tax laws in the country of your nationality, residence, domicile or incorporation and we strongly suggest seeking advice from your financial advisor to ensure that the Absorbing Sub-fund, in which you will become a Shareholder, is in line with your requirements and situation.

The Prospectus will be updated to *inter alia* reflect the changes described in this notice. A copy of the draft Prospectus, Packaged Retail and Insurance-based Investment Products Key Investor Information Document (PRIIPs KIDs) and copy of the reports of the approved statutory auditor of the Company relating to the Merger will be available free of charge upon request at the registered office of the Company.

The Company

Appendix I: Key features between the Absorbed Sub-fund and the Absorbing Sub-fund

The differences between the Absorbed Sub-fund and the Absorbing Sub-fund's investment policies and characteristics are highlighted in the table below.

	AILIS – BLACKROCK MULTI-ASSET INCOME (Absorbed Sub-fund)	**AILIS – BLACKROCK BALANCED ESG (Absorbing Sub-fund)**
Investment policy	The BlackRock Multi-Asset Income Sub-fund, expressed in Euro, will be characterised by three separate phases: (i) an initial subscription period running from March 4, 2019 to April 25, 2019 (the "Initial Subscription Period"); (ii) a period of five years after the Initial Subscription Period during which the Sub-fund will pursue its main investment objective (the "Principal Investment Period"); and (iii) a period subsequent to the Principal Investment Period (the "Post-Investment Period"). The Sub-fund has been designed for subscribers investing in the Sub-fund during the Initial Subscription Period and maintaining the investment until the end of the Principal Investment Period. During the Initial Subscription Period, the Sub-fund will hold 100% of its net assets in cash, denominated in Euro. The investment objective is to generate positive total returns, over the Principal Investment Period, defined as a mix of income and capital growth by providing dynamic exposure to a diversified range of asset classes. However, a positive performance is not guaranteed and while the Sub-fund aims to achieve positive return in all market conditions, it may not always achieve this objective. The return forecasts may differ if the investor does not intend to hold the investment until the end of the Principal Investment Period. The Sub-fund's exposure may include equities, debt securities, high yield corporate or government floating rate notes, asset backed securities ("ABS") and mortgage backed securities ("MBS"), contingent convertible securities ("CoCos"), currencies and cash. The exposure to equities instruments will not exceed 60% of the Sub-fund's net assets.	The BlackRock Balanced ESG Sub-fund, expressed in Euro, aims to provide a positive total return, measured in Euro, defined as a mix of capital growth and income. The Sub-fund adopts a flexible asset allocation policy and will invest in a diversified portfolio of assets. The asset allocation policy is consistent with the principles of environmental, social and governance 'ESG' focussed investing. The investments may include: equities, fixed-interest and floating rate securities, non-investment grade securities, units / shares of UCITS and / or UCIs, as well as currencies and cash. The Sub-fund will invest in securities issued by corporations, governments and government related issuers, other non-government issuers, located in both developed and emerging markets, and denominated in global currencies. Such issuers will be systematically screened and considered suitable according to the Investment Manager's assessment and ESG criteria analysis and policy, as detailed below. The investment manager will take into account principles of environmental, social and governance ("ESG") when selecting the securities to be directly held by the Sub-fund (rather than any securities held through units / shares of UCITS and / or UCIs). The Investment Manager is systematically excluding direct investment in securities of issuers: (i) which have exposure to, or ties with, controversial weapons (nuclear, cluster munitions, biological-chemical, landmines, blinding laser, depleted uranium, or incendiary weapons); (ii) deriving over 5% of revenue from thermal coal extraction and generation and issuers deriving over 5% of revenue from oil sands extraction;

	The exposure to non-investment grade instruments will not exceed 50% of the Sub-fund's net assets. The Sub-fund may have exposure to distressed or default securities, up to 10% of its net assets. Securities will be deemed non-investment grade if, at the time of purchase, they are classified below "BBB-" or equivalent and above or equal to "CCC" or equivalent based on rating agencies or equivalent defined on the basis of the internal valuation model implemented by the Investment Manager. In case of downgrade of an existing investment or other events leading to qualify a security of the Sub-fund as distressed or default, the Management Company through its pricing committee, will analyse the situation in the best interest of the Company in order to take actions. Actions may include without limitation selling the security at low value. In any event the Management Company shall ensure that distressed and / or default securities held by the Sub-fund shall not exceed 10% of its net assets. The Sub-fund will aim to maintain a portfolio minimum average rating of "B" or equivalent, (where the portfolio average rating is the market weighted sum of the individual security ratings, which does not include cash), based on the rating agencies or equivalent rating defined on the basis of the internal valuation model implemented by the Investment Manager. Although there are no particular geographic investment limits, the Sub-fund may indirectly invest no more than 15% of its net asset value in instruments issued by entities located in emerging markets. The Sub-fund may invest no more than 20% of its net asset value (cumulatively) in ABS and MBS. The Sub-fund may invest no more than 10% of its net asset value in CoCos. The exposure to ABS, MBS and CoCos instruments will not exceed (cumulatively) 30% of the Sub-fund's net assets. The Sub-fund's exposure to the above-mentioned asset classes may be achieved through direct investments and / or, up to the 49% of the Sub-fund's net assets, through	(iii) tobacco producers and issuers deriving over 5% of revenue from tobacco retailing, distribution and licensing; (iv) which produce firearms intended for retail to civilians and those deriving over 5% of revenue from the retail of firearms to civilians; (v) of securities that are deemed to have breached one or more of the ten United Nations Global Compact Principles ("UNGC"), which cover human rights, labour standards, the environment and anti-corruption. The UNGC is a United Nations initiative to implement universal sustainability principles; (vi) having a MSCI ESG rating below BBB. The investment manager also intends to limit investment in securities of issuers involved: (i) in the production, distribution or licensing of alcoholic products; (ii) the ownership or operation of gambling-related activities or facilities; (iii) production, supply and mining activities related to nuclear power; (iv) and production, distribution and retail of adult entertainment materials. A full list of the limits and/or exclusions being applied by the Investment Manager at any time is available on the website at: https://www.blackrock.com/us/individual/literature/publication/blk-esg-investment-statement-web.pdf. To undertake this ESG criteria analysis and above binding exclusions, the Investment Manager will use data provided by external ESG research providers and data generated internally by the Investment Manager's proprietary models, and local intelligence. In any case, the costs related to the analysis of the issuers and related ESG criteria will be supported by the Investment Manager. Further information about the ESG research provider(s) and/or ESG proprietary models used by the investment manager to manage the Sub-fund can be obtained on request. The Sub-fund may invest up to 65% of its net asset value in equities instruments, in depositary receipts (such as American depository receipts

	investments in units / shares of UCITS and / or UCIs, including exchange traded funds ("ETF"). The Sub-fund may also buy money-market instruments up to 10% of its net assets. The holding of ancillary liquid assets (cash and deposits at sight (such as cash held in current accounts)) is limited to 10% of the net assets of the Sub-Fund. Under exceptionally unfavourable market conditions and on a temporary basis, this limit may be increased up to 100% of its net assets, if justified in the interest of the investors. The sub-fund is actively managed. The Sub-fund is not managed in reference to a benchmark. The Sub-fund may use financial derivative instruments for investment purpose, risk hedging and efficient management. The Sub-fund may invest in derivative instruments which may include, without limitation, spot and forward contracts, exchange traded futures, swaps, credit default swaps, options. The Sub-fund may invest without limitation in instruments denominated in currencies other than the reference currency (EUR). The Sub-fund may use strategies to hedge developed market currency risks, in relation to currencies different from the EURO. In aggregate, and accounting for active currency positions as described in the previous paragraph, the non-EURO currency exposure will not exceed 30% of the Sub-fund's net assets. Securities lending: Maximum portion of assets that can be subject to securities lending: 50% Expected portion of assets that will be subject to securities lending: 20% The Sub-fund will not enter into total return swaps nor in repurchase or reverse repurchase agreements. The Sub-fund has a pre-defined period of 5 years (ending April 25, 2024). Once the terms of 5 years have expired (April 26, 2024), there will be progressive investment seeking to consolidate the performance achieved. Therefore, in the months following the end of the Principal Investment Period, the Board of Directors of the Management Company may decide to incorporate this Sub-fund into another sub-fund promoted and/or managed by companies of the group to which the Management Company	("ADRs"), European depository receipts ("EDRs") and global depository receipts ("GDRs"). ADR, GDR and EDR and related underlyings will at any time comply with the eligibility criteria stated in the UCI Law and the Grand Ducal regulation dated 8 February 2008, as amended from time to time. The Sub-fund will not have any restrictions in selecting securities in terms geographical allocation. The Sub-fund may invest up to 100% of its net asset value in fixed-interest and floating rate securities. Although there are no particular geographic investment limits, the Sub-fund may invest no more than 30% of its net asset value in government bonds, corporate bonds (investment grade and non-investment grade debt securities) and equity instruments issued by entities located in emerging markets. The Sub-fund may invest up to 10% of its net assets in China A-Shares via the Shanghai-Hong Kong Stock Connect program and 10% of its net assets in debt securities issued by Mainland China issuers through Bond Connect program. The Sub-fund may invest up to 20% of its net assets in non-investment grade debt securities (including non-investment grade debt securities issued by emerging market issuers). The Sub-fund will not invest in distressed securities nor in default securities. Securities will be deemed non-investment grade if, at the time of purchase, they are classified below "BBB-" or equivalent and above or equal to "CCC" or equivalent based on rating agencies or equivalent such rating shall be based on the lowest available rating from widely recognised rating agencies or an equivalent measure produced by the Investment Manager based on proprietary models. Some "CCC" rated securities may be considered as distressed securities. If a security eligible for the Sub-fund is rated "CCC", the Investment Manager will perform an analysis in order to determine if such security is a distressed security, if so, the Sub-fund will not invest in such security.

	belongs or of another UCITS or to liquidate it or reformulate its investment policy in the best interests of the shareholders. Consequently, in the weeks preceding the end of the Principal Investment Period, the shareholders will receive a notice advising them of the decision of the Board of Directors in this respect. Investors should be aware that cash deposits held in Euro and Euro denominated money market funds may offer negative yields. As a result of the Sub-fund holding such assets during the Initial Subscription Period, the Principal Investment Period and the Post Investment Period, the net asset value of the Sub-fund at the end of such period may be less than the net asset value at the beginning of such period.	In case of downgrade of an existing investment or other events leading to qualify a security of the Sub-fund as distressed or default, the Management Company through its pricing committee, will analyse the situation in the best interest of the Company in order to take actions. Actions may include without limitation selling the security at low value. In any event the Management Company shall ensure that distressed and / or default securities held by the Sub-fund shall not exceed 10% of its net assets. The Sub-fund may invest up to 20% (cumulatively) in asset backed securities (“ABS”), mortgage backed securities (“MBS”), collateralized loan obligations (“CLOs”), collateralised debt obligations (“CDOs”) and in commercial mortgage backed securities (“CMBS”). The Sub-fund may invest no more than 10% of its net asset value in contingent convertible securities (“CoCos”). The Sub-fund may invest up to 5% of its net assets in financial instruments in closed-ended real estate investment trusts (“REITS”) or Listed Closed-Ended Funds. The Sub-fund may invest in initial public offerings (“IPOs”). In this case, there is a risk that the price of the newly floated share may see greater volatility as a result of factors such as the absence of an existing public market, non-seasonal transactions, the limited number of securities that can be traded and the lack of information about the issuer. The Sub-fund’s exposure to the above-mentioned asset classes may be achieved through direct investments and / or, up to the 49% of the Sub-fund’s net assets, through investments in units / shares of UCITS and / or UCIs, including exchange traded funds (“ETF”). At least 51% of such indirect investments shall be in units / shares of UCITS / UCI that promote, among other, environmental or social characteristics, and fall within the scope of article 8 of the Regulation (EU) 2019/2088 (“SFDR”). The Sub-fund’s exposure to commodities may also not exceed 10% of the Sub-fund’s net assets will be achieved through investments in exchange-traded commodities (“ETCs”), which are compliant with the provisions of the Grand Ducal Regulation of February 8, 2008, as amended from time to time.

		The Sub-fund may also buy money-market instruments (including time deposit, certificates of deposit) up to 10% of its net assets. The holding of ancillary liquid assets (cash and deposits at sight (such as cash held in current accounts)) is limited to 20% of the net assets of the Sub-Fund. Under exceptionally unfavourable market conditions and on a temporary basis, this limit may be increased up to 100% of its net assets, if justified in the interest of the investors. The sub-fund is actively managed. The Sub-fund is not managed in reference to a benchmark. The Sub-fund may use financial derivative instruments for the purpose of investment and risk hedging. The Sub-fund may invest in derivative instruments which may include, but are not limited to, exchange traded and over-the-counter options, futures (including equity and bond futures), spot and forward contracts, listed derivatives, swaps (included but not limited to credit default swaps, unfunded total return swaps which underlying assets could be equities, credit default swaps, interest rates swaps, currencies, ETF, and indices on all the aforementioned asset classes), options, swaptions and contract for difference. The Sub-fund may invest without limitation in instruments denominated in currencies other than the reference currency (EUR). The Sub-fund may use strategies to hedge developed market currency risks, in relation to currencies different from the EURO. In aggregate, and accounting for active currency positions as described in the previous paragraph, the non-EURO currency exposure will not exceed 70% (on a look through basis) of the Sub-fund's net assets. Total return swaps: Maximum portion of assets that can be subject to TRS: 30% Expected portion of assets that will be subject to TRS: 10% Securities lending: Maximum portion of assets that can be subject to securities lending: 50% Expected portion of assets that will be subject to securities lending: 20% The Sub-fund will not enter into repurchase nor reverse repurchase agreements. The Sub-fund has been categorised as an ESG Promotion Strategy Sub-fund, by promoting,

		among other characteristics, environmental and social characteristics, which are a binding component for the assets selection and investment decision-making process, and the companies in which the Sub-fund shall invest in need to follow good governance practices, in accordance with article 8 of the SFDR. The Sub-fund's environmental and/or social characteristics (within the meaning of Article 8 SFDR) promoted are further detailed in the Appendix B.
Profile of the typical investor	The Sub-fund is suitable for investors who search medium term investments. The investor must be able to accept a certain volatility and the possibility of losing part of the invested amount.	The Sub-fund is suitable for investors who search long-term investments, with an investment strategy promoting environmental and social characteristics, provided that they follow good governance practices, in compliance with Article 8 of the SFDR. The investor must be able to accept a certain volatility and the possibility of losing part of the invested amount.
Risk factors	Investors should refer to the "Risk" section of this Prospectus in terms of risks applicable to investing in the Sub-fund and inter alia "Equity securities", "Emerging Markets", "Options, Futures and Swaps, "Interest Rates", "Credit Default Swaps (CDS) transactions", "Credit Risk", "Asset-Backed-Securities – Mortgage-Backed-Securities", "Non-investment grade securities", "Contingent Convertible Bonds", "Distressed securities", "Default securities", "Securities lending Risks", "Liquidity Risk", "Counterparty Risks", "Legal Risks", "Investment in other UCITS and/or UCIs". Investors should consider this extra risk when evaluating the potential benefits of investing in the Sub-fund.	Investors should refer to the "Risk" section of this Prospectus in terms of risks applicable to investing in the Sub-fund and inter alia "Equity securities", "Emerging Markets", "Options, Futures and Swaps, "Interest Rates", "Credit Default Swaps (CDS) transactions", "Credit Risk", "Asset-Backed-Securities – Mortgage-Backed-Securities", "Non-investment grade securities", "Contingent Convertible Bonds", "Distressed securities", "Default securities", "Securities lending Risks", "Liquidity Risk", "Counterparty Risks", "Legal Risks", "Investment in other UCITS and/or UCIs", "Investments in CDOS, CLOs", "Investments in Real Estate Investment Trust", "Investments in Exchange Trade Commodities", "Total return swap and/or excess return swap", "ESG risks". Investors should consider this extra risk when evaluating the potential benefits of investing in the Sub-fund.
Reference currency	EUR	EUR
Valuation Day	Any Business Day in Luxembourg	Any Business Day in Luxembourg
SFDR categorisation	Art. 6	Art. 8
Benchmark	N/A	N/A
Investment Manager	BlackRock Investment Management (UK) Limited	BlackRock Investment Management (UK) Limited
Sub-Investment Manager(s)	BlackRock Investment Management, LLC	BlackRock Investment Management, LLC
Share Classes	Classes R, S	Classes R, S
Categories of Shares	Accumulation, Distribution	Accumulation, Distribution

Management fees	- 1,40% (during the "Principal Investment Period" running from April 26, 2019 to April 25, 2024) - 0,80% (after the end of the "Principal Investment Period" from April 26, 2024)	- 1.00% (from May 10, 2021 to May 9, 2024) - 1.60% (from May 10, 2024)
Administrative fee	0.135%	0.135%
Performance fees	N/A	N/A
Subscription commission	N/A	N/A The sub-fund will be available for subscriptions as from June 22, 2024. As from this date: up to 3,00%
Placement fee	A placement fee applied at the end of the Initial Subscription Period equals to 2,00% of the initial Net Asset Value per unit/share multiplied by the number of resulting units/shares being issued; it is levied on the Sub-fund's assets collected as formation expenses and is amortised over the next 5 years.	Until May 9, 2024 A placement fee applied at the end of the Initial Subscription Period equals to 1.80% of the initial Net Asset Value per unit/share multiplied by the number of resulting units/shares being issued; it is levied on the Sub-fund's assets collected as formation expenses and is amortised over the next 3 years. As from May 10, 2024: N/A
Redemption commission	0,00%	0.00%
Conversion commission	N/A	N/A
Total Return Swaps (TRS) and other derivatives instruments with the same characteristics	N/A	Maximum portion of assets that can be subject to TRS: 30% Expected portion of assets that will be subject to TRS: 10%
Securities lending	Maximum portion of assets that can be subject to securities lending: 50% Expected portion of assets that will be subject to securities lending: 20%	Maximum portion of assets that can be subject to securities lending: 50% Expected portion of assets that will be subject to securities lending: 20%
Ongoing charges	Class R: 2.11% Class S: 2.15%	Class R: 1.97% Class S: 1.98%
SRI (Risk profile)	4	4
Global Exposure Determination Methodology	Commitment approach	Absolute VaR approach
Expected level of leverage	N/A	The Sub-fund will regularly monitor its leverage and the average level of leverage is expected to be approximately 100%. The Sub-fund's leverage may increase to higher levels, for example, at times when the Investment Manager deems it most appropriate to use financial derivative

		instruments to alter the Sub-fund's interest rate sensitivity. The leverage figure is calculated as the sum of the notionals of the derivatives used as required by the regulations. The notional value of the investments varies significantly from their market value which is why the leverage limits may be high. These leverage limits do not take into account any netting and hedging arrangements that the Sub-fund may have in place at any time even though these netting and hedging arrangements are used for risk reduction purposes. The methodology used to calculate the leverage is the sum of the absolute value of the notionals.

Appendix II: PRIIPs KID of the Absorbing Sub-fund AILIS – BLACKROCK BALANCED ESG

Key Information Document

FIDEURAM ASSET MANAGEMENT IRELAND

Purpose

This document provides you with key information about this investment product. It is not marketing material. The information is required by law to help you understand the nature, risks, costs, potential gains and losses of this product and to help you compare it with other products.

Ailis Blackrock Balanced ESG (ISIN LU2293125295-Class R)

PRODUCT

Product: Ailis Blackrock Balanced ESG - Class R
Manufacturer: Fideuram Asset Management (Ireland) dac
Website: www.fideuramassetmanagement.ie
Contact: +352 1- 6738003

Competent Authority: Fideuram Asset Management (Ireland) dac is authorised in Ireland and regulated by Central Bank of Ireland as a Management Company as defined in Article 2(1), point (b), of Directive 2009/65/EC. This PRIIP is a Luxembourg UCITS managed by Fideuram Asset Management (Ireland) dac under the freedom to provide services in Luxembourg in accordance with Article 16 of Directive 2009/65/EC.

This key information document is valid as at 2024-06-22.
You are about to purchase a product that is not simple and may be difficult to understand.

WHAT IS THE PRODUCT?

Type:
Umbrella investment company with variable capital (société d'investissement à capital variable) incorporated as a public limited company (société anonyme) in the Grand Duchy of Luxembourg, qualifying as an undertaking for collective investment in transferable securities (UCITS) under Part I of the Luxembourg Law dated December 17, 2010.

Term:
This sub-fund is not subject to any fixed term. The SICAV's liquidation shall be decided by the general meeting of shareholders, in accordance with the applicable law and the Articles of Incorporation. The Company may also enter into liquidation by judicial decision according to the Law of December 17, 2010. The Board of Directors may decide to liquidate the Sub-Fund in case of extraordinary events such as changes in the political, economical or monetary situation or when the net asset of the Sub-Fund is less than a minimum level for the Sub-Fund to be operated in an economically efficient manner, as further described in the Prospectus.

Objectives:
The Sub-fund has been categorised as an ESG Promotion Strategy Sub-fund in accordance with article 8 of the regulation (UE) 2019/2088 on sustainability-related disclosures in the financial services sector ("SFDR").
The Sub-Fund, expressed in Euro, aims to provide a positive return, measured in Euro, defined as a mix of capital growth and income.
The Sub-fund will invest in a diversified portfolio of assets with an asset allocation policy that is consistent with the principles of environmental, social and governance 'ESG' focussed investing.
The Investment Manager will take into account principles of environmental, social and governance "ESG" when selecting the securities to be directly held by the Fund (rather than any securities held through units / shares of UCITS and / or UCIs), by systematically excluding direct investment in certain securities of issuers.
The Sub-Fund may invest:
- Up to 100% of its net assets in fixed-interest and floating rate securities;
- Up to 65% of its net asset value in equities instruments, including depositary receipts (such as American depository receipts "ADRs", European depository receipts "EDRs" and global depository receipts "GDRs");
- Up to 30% of its net assets in government bonds, corporate bonds (investment grade and non-investment grade) and equity instruments issued by entities located in emerging markets;
- Up to 20% of its net assets in non-investment grade instruments (including those issued by emerging markets issuers);
- Up to 20% (cumulatively) in asset backed securities ("ABS"), mortgage backed securities ("MBS"), collateralized loan obligations ("CLOs"), collateralised debt obligations ("CDOs") and in commercial mortgage backed securities ("CMBS");
- Up to 49% of its net assets in units/shares of UCITS and/or other UCIs including UCITS compliant exchange traded funds ("ETF") which provide exposure to the mentioned asset classes, with at least 51% of such investments to be in units / shares of UCITS / UCI that promote, among other, environmental or social characteristics, and fall within the scope of article 8 of the Regulation (EU) 2019/2088 ("SFDR");
- Up to 10% of its net asset value in contingent convertible securities ("CoCos");
- Up to 10% of its net assets in China-A shares via the Shanghai-HK Stock Connect program and up to 10% of its net assets debt securities issued by Mainland China issuers through Bond Connect program;
- Up to 10% of its net assets in exchange-traded commodities ("ETCs");
- Up to 10% of its net assets in money-market instruments;
- Up to 5% of its net assets in closed-ended real estate investment trusts (REITs) or Listed Closed-ended Funds.
The Sub-fund will not invest in distressed securities nor in defaulted securities.
The non-EURO currency exposure will not exceed 70% of the Sub-fund's net assets. The Sub-Fund may use financial derivative instruments for investment and for risk hedging purposes. The Sub-Fund will not enter into repurchase or reverse repurchase agreements. The Sub-Fund is suitable for investors who search long-term investments. The investor must be able to accept a certain volatility and the possibility of losing part of the invested amount.
The Sub-Fund is not managed in reference to a benchmark. The Sub-Fund is actively managed.
This is a capitalization class.
You may request to redeem the share held at any moment, in accordance with the Prospectus.

Intended Retail Investor:
The Sub-fund is suitable for investors who look for medium term investments and have a preference for sustainable ESG strategies.The investor must be able to accept a certain volatility and the possibility of losing a part of the invested amount. This product is for investors who meet the conditions for accessing the product in question (see prospectus) with any level of knowledge and experience. Investors should understand the product risks and only invest if they can bear potentially substantial losses.

Depositary: STATE STREET BANK INTERNATIONAL GmbH, Luxembourg Branch. Copies in English of the latest annual and half-yearly reports, and of the Prospectus may be obtained free of charge at any moment at the registered office of the Management Company, at the offices of STATE STREET BANK INTERNATIONAL GmbH, Luxembourg Branch, of the SICAV, and of the Distributor. They are also available on the website www.fideuramireland.ie.The latest price of the unit is available every business day in Luxembourg at the offices of the Depositary and on the website www.fideuramireland.ie.The Remuneration policy is available on the website http://www.fideuramireland.ie/en/policy/. A paper copy of the summarized remuneration policy is available free of charge upon request.For information on Reg. 2019/2088 ("SFDR"), please refer to the "Sustainability" section on the website www.fideuramireland.ie.The SICAV is subject to the Luxembourg tax legislation. Said legislation may have an impact on your personal tax position.

WHAT ARE THE RISKS AND WHAT COULD I GET IN RETURN?

Risk indicator

1	2	3	**4**	5	6	7

Lower risk — Higher risk

⚠ The risk indicator assumes you keep the product for a minimum of 4 years.
The actual risk can vary significantly if you cash in at an early stage and you may get back less.
You may not be able to sell your product easily or may have to sell at a price that significantly impacts on how much you get back. The redemption price may, depending on the evolution of the net asset value, be higher or lower than the paid issue price.

Specific reasons, such as change restrictions or circumstances outside the control of the Depositary Bank, may render impossible the transfer of redemption amount in the country where the redemption is requested.
In case of mass redemptions, the Management Company may decide to suspend the redemptions until it has sold the necessary assets.
The summary risk indicator ("SRI") is a guide to the level of risk of this product compared to other products. It shows how likely it is that the product will lose money because of movements in the markets or because we are not able to pay you.
We have classified this product as class 4 out of 7, which is a medium risk class.
This rates the potential losses from future performance at a **medium** level, and poor market conditions could impact the capacity of the fund to pay you.

Other risks materially relevant not included in the SRI: Credit Risk, Cocos risk, Developing Markets Risk, China Risk, ESG Risk, Regulatory risk, This product does not include any protection from future market performance. Please refer to the 'Risk' section of the prospectus for more details.

Performance scenarios

Recommended minimum holding period: 4 years **Investment: 10 000 EUR** **Scenarios** **Scenarios Minimum: There is no minimum guaranteed return. You could lose some or all of your investment.**		**1 year**	**4 years** (recommended holding period)
Stress	**What you might get back after costs**	4 240 EUR	**4 340 EUR**
	Average return each year	- 57.6%	- 15.4%
Unfavourable	**What you might get back after costs**	7 940 EUR	**7 980 EUR**
	Average return each year	- 20.6%	- 4.4%
Moderate	**What you might get back after costs**	9 800 EUR	**10 580 EUR**
	Average return each year	- 2%	1.1%
Favourable	**What you might get back after costs**	11 330 EUR	**11 690 EUR**
	Average return each year	13.3%	3.2%

What you will get from this product depends on future market performance. Market developments in the future are uncertain and cannot be accurately predicted.
The unfavourable, moderate, and favourable scenarios shown are illustrations using the worst, average, and best performance of the fund completed where applicable by that of its reference framework over the last 10 years. Markets could develop very differently in the future.
The stress scenario shows what you might get back in extreme market circumstances.
This type of scenario occurred for an investment between 2014 - 2024.
The figures shown include all the costs of the product itself, but may not include all the costs that you pay to your advisor or distributor. The figures do not take into account your personal tax situation, which may also affect how much you get back.

WHAT HAPPENS IF FIDEURAM ASSET MANAGEMENT (IRELAND) DAC IS UNABLE TO PAY OUT?

There is no compensation or guarantees for investors in the event of the insolvency of the Management company. It is specified that each mutual investment fund constitutes an autonomous and separate asset in all respects from the assets of the Management company and from that of each investor as well as from any other assets managed by the same Management company. Furthermore, the Management company is liable exclusively for the obligations contracted on behalf of the sub-fund with the assets of the same fund. On those assets actions by creditors of the Management company or creditors of the depositary or sub-depositary are not permitted. The creditors of individual investors are permitted to take action only on the units/shares held by the individual investors. The Management company may in no case use, in its own interest or in the interest of third parties, the assets belonging to the managed funds.

WHAT ARE THE COSTS?

The person selling or advising this product may charge other costs, in which case this person will provide you with information about these costs, and should show you the impact that all costs will have on your investment over time.

Costs over Time

The tables show the amounts that are taken from your investment to cover different types of costs. These amounts depend on how much you invest, how long you hold the product and how well the product does. The amounts shown here are illustrations based on an example investment amount and different possible investment periods:

We have assumed:

- In the first year you would get back the amount that you invested (0% annual return). For the other holding periods we have assumed the product performs as shown in the moderate scenario.

- EUR 10 000 is invested.

Investment: 10 000 EUR	If you exit after 1 year	If you exit after 4 years
Total Costs	541 EUR	**1 600 EUR**
Annual Cost Impact*	5.4%	2.9%

*This illustrates how costs reduce your return each year over the holding period. For example it shows that if you exit at the recommended holding period your average return per year is projected to be 4.0% before costs and 1.1% after costs.

Composition of Costs

One-off costs upon entry or exit		If you exit after 1 year
Entry costs	3.01% of the amount you pay in when entering this investment (including fixed fees)	301 EUR
Exit costs	0.05% of your investment before it is paid out to you (including fixed fees)	5 EUR
Ongoing costs		
Management fees and other administrative or operating costs	1.98% of the value of your investment per year. This amount is based on costs incurred for the custody, the administration and the management of the product.	208 EUR
Portfolio transaction costs	0.28% of the value of your investment per year. This is an estimate of the costs incurred when we buy and sell the underlying investments for the product. The actual amount will vary depending on how much we buy and sell.	27 EUR
Incidental costs taken under specific conditions		
Performance Fee	There is no performance fee for this product.	N/A

HOW LONG SHOULD I HOLD IT AND CAN I TAKE MY MONEY OUT EARLY?

Recommended minimum holding period: 4 years

The above mentioned period has been defined in accordance to the product characteristics. It is determined on the basis of the sub-fund's risk and reward profile. Your ideal holding period may be different from this minimum recommended holding period. If the holding period is shorter than the recommended minimum, this may have a negative impact on the sub-fund's risk and reward profile. We recommend that you discuss this with your advisor. You may request to redeem the units held at any moment, and on any business day, in accordance with the Prospectus. Any costs are shown under "Composition of costs" above.

HOW CAN I COMPLAIN?

Any complaints must be sent by the investor to Fideuram Asset Management (Ireland) DAC in writing and according to one of the following methods indicated: registered letter with return receipt; e-mail to the address: info@fideuramireland.com. Complaints are considered validly received by the Management Company if they contain at least the following information: identification details of the person submitting the complaint; reasons for the complaint, details of the economic damage; sign-off or other element allowing for the identification of the investor.Complaints can also be sent by the investor to the authorized Distributors in the countries where the units of the sub-fund are distributed.

OTHER RELEVANT INFORMATION

Alongside this document, we invite you to carefully consult the Prospectus on our website.
The past performances of this product can be found here (http://www.fideuramireland.ie/past-perf/LU2293125295_en). Please note that past performance is not indicative of future performance. It cannot provide a guarantee of returns that you will receive in the future.
The previous scenarios document for this product can be found here (http://www.fideuramireland.ie/previous-perf-scenarios/LU2293125295_en).