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

NOTICE TO THE SHAREHOLDERS

Luxembourg, 27 May 2025

The board of directors (the "**Board of Directors**") of the Company has decided to proceed with the merger of the sub-fund **AILIS FRANKLIN TEMPLETON EMERGING BALANCED** (the "**Absorbed Sub-Fund**") into the sub-fund **FONDITALIA FLEXIBLE EMERGING MARKETS** (the "**Absorbing Sub-Fund**"), a sub-fund of Fonditalia (the "**Absorbing Fund**") in conformity with article 1 (20) and Chapter 8 of the law of December 17, 2010 on undertakings for collective investment, as amended, (hereinafter the "**Law**"), article 19 of the Fund's articles of incorporation (the "**Articles of Incorporation**") and articles 1 and 19 of the Absorbing Fund's management regulations (the "**Management Regulations**").

The Absorbing Fund is organized as a mutual fund (*fonds commun de placement*) managed by FIDEURAM ASSET MANAGEMENT (IRELAND) dac (the "**Management Company**"), having its registered office at International House, 3 Harbourmaster Place, IFSC, Dublin 1, D01 K8F1 IRELAND and qualifies as *fonds commun de placement* organised as an umbrella fund pursuant to Part I of the Law.

Both the Absorbing Fund and the Company have appointed the Management Company as their management company within the meaning of Directive 2009/65/EC of the European Parliament and of the Council of 13 July 2009 on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (UCITS) ("Directive 2009/65/EC").

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

1) Merger type

The Absorbing Sub-Fund will absorb the Absorbed Sub-Fund according to these draft terms of Merger. The merger procedure will be in compliance with article 1 (20) a) of the Law and Chapter 8 of the Law and in accordance with the prospectus (the "**Prospectus**").

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 units of the Absorbing Sub-Fund (the "**Merger**").

2) Reasoning of Merger

The reasons for the Merger are the following:

(i) the economic rationalization of the products range with the aim of offering shareholders of the Absorbed Sub-Fund the benefit of investing in an ESG Promotion Strategy sub-fund offering a potential of future growth leading to an enhanced optimization of costs and seeking to deliver an attractive level of income;

(ii) similarity of the Absorbed Sub-Fund and the Absorbing Sub-Fund. The Absorbed Sub-Fund's investment universe is similar to the one of the Absorbing Sub-Fund as they both have an important exposure to emerging markets;

(iii) the Merger will bring benefit to the investors through economies of scale in the management of the Absorbing Sub-Fund thanks to a consolidated assets under management. The increase in the assets under management as a result of the Merger will reduce the incidence of fixed costs.

In light of the above, the board of directors of the Management Company and the Board of Directors of the Company are of the opinion that the decision to undertake the Merger is in the best interests of the unitholders respectively shareholders of both sub-funds.

Due to these reasons and in accordance with the investment policy of the Absorbed Sub-Fund, the Articles of Incorporation, the Management Regulations and article 66 (4) of the Law, the board of directors of the Management Company and the Board of Directors of the Company are competent to resolve on the Merger.

The modalities of the Merger, which have been approved by the board of directors of the Management Company and the Board of Directors of the Fund, are described below.

3) <u>Impact on unitholders/shareholders and comparison between the Absorbed Sub-Fund and the Absorbing Sub-Fund</u>

Such impact may be described as follows:

Upon the Effective Date, shareholders who have not requested redemption or conversion of their shares in the Absorbed Sub-Fund will receive units of the Absorbing Sub-Fund, as further detailed below and in accordance with the Prospectus. The shareholders of the Absorbed Sub-Fund will thus become unitholders of the Absorbing Sub-Fund and their shares in the Absorbed Sub-Fund will be cancelled. Upon the Effective Date, such shareholders will be bound by the terms and conditions of the prospectus applicable to the Absorbing Sub-Fund and shall be able to exercise their rights as unitholders of the Absorbing Sub-Fund.

Shareholders are advised that the Absorbing Fund is a *fonds commun de placement*. As such, Shareholders who accept to participate in the Merger will become unitholders of the Absorbing Fund.

The constitutive documents of the Absorbing Fund do not foresee that unitholders have voting rights.

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The Absorbed Sub-Fund invests in both developed and emerging markets via a diversified portfolio of fixed income and equity securities. The Absorbed Sub-Fund invests up to 65% of its net assets in emerging markets.

The Absorbing Sub-Fund primarily invests in emerging markets equities and bonds, and short term Euro area government bond with a flexible approach. It can take long and short positions in equities or equity related derivative contracts of companies in emerging countries or having predominant activities in such countries.

Both the Absorbed Sub-Fund and the Absorbing Sub-Fund may invest in debt securities. The Absorbed Sub-Fund may invest in non IG debt securities, including debt issued by emerging markets. The Absorbing Sub Fund may be invested at any point in time entirely in bonds or notes.

Both the Absorbed Sub-Fund and the Absorbing Sub-Fund may make use of securities lending in the same proportion of their net assets and use financial derivative instruments for investment and/or hedging purposes.

Both the Absorbed Sub-Fund and the Absorbing Sub-Fund invest up to 10% of their net assets in China onshore market.

The other differences between the investment policy of both the Absorbed Sub-Fund and the Absorbing Sub-Fund are:

- the Absorbed Sub-Fund is suitable for investors who search medium term investments while the Absorbing Sub-Fund is suitable for investors who search long-term investments;

- the Absorbing Sub-Fund qualifies as an ESG Promotion Strategy sub-fund (Article 8 SFDR), where the Absorbed Sub-Fund qualifies as an Article 6 SFDR financial product;

- the Management Fee of the Absorbed Sub-Fund is 1,10%, while the Management Fee of the Absorbing Sub-Fund is up to 1.50%;

- the synthetic risk indicator ("**SRI**") of the Absorbing Sub-Fund is 3 (three), it is higher than the SRI of the Absorbed Sub-Fund which is 2 (two). This is due to the higher level of equity securities in the Absorbing Sub-Fund;

- the Absorbed Sub-Fund may invest up to 50% of its net asset value in equities instruments, while the Absorbing Sub-Fund may have a net equity exposure (mainly emerging markets) from 40% net short to 60% net long;

- the Absorbed Sub-Fund will not enter into total return swaps ("**TRS**") nor in repurchase or reverse repurchase agreements, when the Absorbing Sub-Fund has a maximum portion of assets that can be subject to TRS of 30% and an expected portion of assets that can be subject to TRS of 7%;

- The Investment Manager of he Absorbed Sub-Fund is Franklin Templeton International Services S.À R.L The Sub-Investment Manager of the Absorbed Sub-Fund is Franklin Templeton Investment Management Limited. The Absorbing Sub-Fund is directly managed by the Management Company;

- The R and S share classes of the Absorbing Sub-Fund are subject to a performance fee, while the share classes of the Absorbed Sub-Fund are not subject to any performance fee. The performance fee is due if during the performance reference period, the new High on High (HoH), at a class level, increased by the hurdle rate exceeds the last HoH increased by the hurdle rate. For the sake of clarity, the reference indicator is defined as HoH increased by the hurdle rate and a performance fee may only be charged if the reference indicator exceeds the reference indicator at which the performance fee was last crystallized. In the case of underperformance, the shortfall, inclusive of any unmet Hurdle Rate, is carried forward for 5 years and must be offset by future performance before a performance fee is due. The performance fee rate of the Absorbing Sub-Fund is 20% and the hurdle rate of the Absorbing Sub-Fund is of 2.10%. The performance fee of the Absorbing Sub-Fund is calculated/accrued daily and paid annually at the end of the calendar year. A performance fee is not paid in case the Sub-fund has a negative performance. Shareholders of the Absorbed Sub-Fund will receive shares in the Absorbing Sub-Fund based on the NAV of the Absorbing Sub-Fund, which includes any existing performance fee accrual and will benefit from not being subject to a performance fee until any prior underperformance is recovered and as set out above.

The ongoing charges of the Absorbing Sub-Fund are higher than those of the Absorbed Sub-Fund.

A comparison between the Absorbed Sub-Fund and the Absorbing Sub-Fund's investment policies and main characteristics (including the fees) is provided in the table under **Appendix I**.

For a complete description of the respective investment objectives and policies and related risks of the Absorbed Sub-Fund and the Absorbing Sub-Fund, please refer to the prospectuses, Articles/ management regulations of the Absorbing Fund and the attached Packaged Retail and Insurance-based Investment Products Key Investor Information Document ("**PRIIPs KID**") of the Absorbing Sub-Fund (**Appendix II**). Shareholders of the Absorbed Sub-Fund will be 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.

4) <u>Risk of performance dilution / portfolio rebalancing</u>

The portfolio of the Absorbed Sub-Fund will not be realised upon the Merger but will be transferred to the Absorbing Sub-Fund before the Effective Date (as defined below). 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.

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

The portfolio of the Absorbing Sub-Fund will not be rebalanced due to the Merger. The securities and cash transferred from the Absorbed Sub-Fund on the Effective Date will be fully aligned to the Absorbing Sub-Fund's investment policy over the following ten (10) business days according to the investment policy of the Absorbing Sub-Fund.

The portfolio of the Absorbed Sub-Fund can be rebalanced from June 17, 2025 to June 30, 2025, minimizing the number of trades, in order to be as consistent as possible with the portfolio and investment policy of the Absorbing Sub-Fund. During this time, 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.

The assets and liabilities of the Absorbed Sub-Fund will be transferred to the Absorbing Sub-Fund in the most effective and efficient manner.

Any transaction costs associated with the rebalancing of the Absorbed Sub-Fund portfolio will be borne by the Absorbed Sub-Fund.

5) <u>Effective Date</u>

The effective date of the Merger ("**Effective Date**") shall be July 4, 2025 or any other later date decided by the Management Company, Board of Directors of the Company and notified to shareholders.

In order to ensure a swift Merger procedure, shares of the Absorbed Sub-Fund and units of the Absorbing Sub-Fund can be redeemed or converted free of charges until 2.00 p.m. Luxembourg time on June 27, 2025.

Subscriptions and redemptions for units of the Absorbing Sub-Fund will not be suspended in view of the Merger.

Subscriptions and Redemptions for shares of the Absorbed Sub-Fund will be suspended in view of the Merger from 2.00 p.m. Luxembourg time on June 27, to July 4, 2025.

The date on which the unit exchange ratio is established will be July 4, 2025 ("**Exchange Ratio Date**").

Redemptions free of charge for shareholders of the Absorbed Sub-Fund and for the unitholders of the Absorbing Sub-Fund shall only be possible provided such redemption request is received by the Management Company, the Company or STATE STREET BANK INTERNATIONAL GmbH, Luxembourg Branch from the date of publication of the notice to the unitholders / shareholders for the involved Sub-Fund to June 27, 2025 at 2.00 p.m. Luxembourg time, at the latest.

6) <u>Criteria adopted for the valuation of assets and liabilities / exchange ratio / issue of New Units</u>

The assets of the Absorbed Sub-Fund and the Absorbing Sub-Fund will be valued in accordance with principles laid down in the Articles of Incorporation, management regulations of the Absorbing Fund and the prospectuses and in accordance with the valuation regulations and guidelines adopted by the board of directors of the Management Company and the Board of Directors of the Company on the Effective Date.

The number of newly issued units ("**New Units**") 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 **("NAV")** of the involved Sub-Funds. The exchange ratio will be equal to the NAV per share of each class of share prior to the Exchange Date Ratio of the Absorbed Sub-Fund divided by the NAV per unit of each class of unit prior to the Exchange Ratio Date of the Absorbing Sub-Fund.

The NAV per share/unit 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 units in the corresponding class of units of the Absorbing Sub-Fund than they had previously held in the Absorbed Sub-Fund.

The number and value of New Units 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 Units 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 unit 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 of the Management Company on behalf of the Absorbing Fund and the Board of Directors of the Company have appointed the Funds' 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 units 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 and any accrued income will be reflected in the net asset value of the respective units of the Absorbing Sub-Fund after the Effective Date. 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 Units will be realized by way of book-entry in the involved Sub-Funds' accounts and unitholders' register as kept by the respective service provider of the Company and Absorbing Fund on the Effective Date.

The shareholders of the Absorbed Sub-Fund who have not redeemed or converted their shares until June 13, 2025 will, as of the Effective Date, become unitholders of the Absorbing Sub-Fund and their shares will be automatically exchanged against New Units, which will be issued without charge, as detailed in the table below.

Absorbed Sub-Fund Ailis Franklin Templeton Emerging Balanced		**Absorbing Sub-Fund** Fonditalia Flexible Emerging Markets	
Absorbed share classes	**ISIN code**	**Absorbing unit classes**	**ISIN code**
Class R	LU2104931311	Class R	LU0058495358
Class S	LU2104931584	Class S	LU3063703162

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

7) Figures comparison of the Absorbed Sub-Fund and the Absorbing Sub-Fund as of April 9, 2025

Absorbed Sub-Fund:

Name Sub-Fund	AuM (million EUR)	Range of direct or indirect investment
AILIS FRANKLIN TEMPLETON EMERGING BALANCED	37	EQUITY 3% EQUITY FUNDS 21% BOND FUNDS 25% GOV BONDS 43% CASH 8%

Absorbing Sub-Fund:

Name Sub-Fund	AuM (million EUR)	Range of direct or indirect investment
FONDITALIA FLEXIBLE EMERGING MARKETS	104	EQUITY 36% BOND 52% CASH 14% INDEX FUTURES -2%

8) Costs of the Merger

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 expenses, stamp duty, financial transaction taxes or audit costs linked to the transfer of the assets and liabilities of the Absorbed Sub-Fund as a result of the Merger will be borne by the Absorbed Sub-Fund.

The depositary bank of the Company and Absorbing Fund 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 the date of the publication of the notice until 2.00 p.m. Luxembourg time on June 27, 2025.

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 unitholder, is in line with your requirements and situation.

Further information pertaining to the Merger (including the latest version of the Prospectus and the relevant PRIIPs KID) will be available at the registered office of the Management Company as well as on the website of the Management Company (www.fideuramireland.ie).

A copy of the reports of the approved statutory auditor of the Funds relating to the Merger is available upon request and free of charge to the shareholders of the Absorbed Sub-Fund and the unitholders of the Absorbing Sub-Fund at the registered office of the Funds.

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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 FRANKLIN TEMPLETON EMERGING BLANCED **(Absorbed Sub-Fund)**	FONDITALIA FLEXIBLE EMERGING MARKETS **(Absorbing Sub-Fund)**
Investment policy	The FRANKLIN TEMPLETON Emerging Balanced Sub-fund, expressed in Euro, aims to generate positive total returns measured in Euro. 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 Sub-fund will seek to achieve its investment objective by investing in a diversified portfolio which may include: fixed income securities, equities, non-investment grade securities, asset backed securities ("ABS"), mortgage backed securities ("MBS"), contingent convertible securities ("CoCos"), currencies and cash. The Sub-fund will invest in securities issued by corporations, other non-government issuers, governments and government related issuers located in both developed and emerging markets and denominated in global currencies. The Sub-fund may invest up to 70% of its net asset value in non-investment grade instruments (including non-investment grade debt securities issued by emerging market issuers). The Sub-fund may invest up to 50% of its net asset value in equities instruments, including in depositary receipts (such as American depository receipts ("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 2010 Law, as amended from time to time. Although there are no particular geographic investment limits, the Sub-fund may invest no more than 65% of its net asset value in government bonds, corporate bonds (investment grade and non-investment grade) 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	FONDITALIA FLEXIBLE EMERGING MARKETS**,** expressed in EURO, aims to achieve a positive absolute return for investors, over the long-term regardless of market movements primarily through investing in emerging markets' equities, which comply with Environmental, Social and Governance ("ESG") criteria. An absolute return performance is not guaranteed however and while the Sub-fund aims to achieve positive return in all markets, it may not always achieve this objective. The Sub-fund aims to achieve a positive absolute return over the long term regardless of market conditions, by taking long and short positions in equities or equity related derivative contracts of: • companies incorporated in emerging countries • companies not incorporated in emerging countries but either (i) carrying out a predominant proportion of their business activity in such countries, or (ii) being holding companies which predominantly own companies incorporated in emerging countries. The Sub-fund will invest in companies of any market capitalisation. The Sub-fund may also invest at the Investment Manager's discretion in other transferable securities, derivative instruments or in units/shares of any UCITS and/or UCIs, including Exchanged Traded Funds. Investment in derivative financial instruments (including FX forward contracts) may be used both in order to cover risks and for the purposes of investment. The Sub-fund may invest in China A-shares ("China A-Shares") via the Shanghai-Hong Kong Stock Connect program (the "Stock Connect"). China A-Shares are shares of

	and debt securities issued by Mainland China issuers through Bond Connect program. The Sub-fund may invest in distressed securities or in 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. 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 Investment Manager will ensure that the investment limit in such security will be respected. 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 Investment Manager 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 the investment restrictions concerning exposure in distressed and / or default securities shall be complied with in such situation. The Sub-fund will aim to maintain a portfolio minimum average rating of "BB+" 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. The Sub-fund may invest no more than 10% of its net asset value (cumulatively) in ABS and MBS and no more than 10% of its net asset value in CoCos. 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 UCITS compliant 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	Mainland China based companies traded on Shanghai Stock exchange, denominated in Renminbi (“RMB”), and which may be purchased through the Stock Connect. The Sub-fund may invest up to 10% of its net assets in debt securities issued by Mainland China issuers through Bond Connect program. The Sub-fund may take long or short positions through the use of derivative financial instruments, provided that long positions will always be sufficiently liquid in order to satisfy the Sub-fund’s obligations on its short positions. The choice of investments made by the Sub-fund shall be disclosed in the annual and semi-annual financial reports. On the basis of market conditions, the Sub-fund may at any point in time be entirely invested in equities or in derivative financial instruments or bonds or notes or other investment instruments. A substantial proportion of the assets of the Sub-fund may at any time consist of deposits and/or money market instruments. The Sub-fund will not invest more than 20% of its net assets in cash and deposits at sight (such as cash held in current accounts) for ancillary liquidity purposes in normal market conditions. Under exceptionally unfavourable market conditions and on a temporary basis, this limit may be breached, if justified in the interest of the investors. The Sub-fund can invest a portion of assets in unfunded TRS where the main underlying is a regulated equity market index or a single stock listed in a regulated market. The Sub-fund may be net short of markets or net long of markets. However, the overall net market exposure of the Sub-fund will not exceed a range from 40% net short to 60% net long. Leverage will be achieved through both OTC and listed derivative contracts. Gross exposure will be capped at 200%. The Sub-fund is actively managed. The Sub-fund is not managed in reference to a benchmark. The Sub-fund has been categorized as an ESG Promotion Strategy Sub-fund, as promoting, among other characteristics environmental and social characteristics,

	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 maturity date of the debt securities held by the Sub-fund may change over time, according to investment targets and specific market developments. 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 40% of the Sub-fund's net assets. In respect of investments held in currencies different from the Euro, the Investment Manager will normally use strategies to hedge currency risks, and the Investment Manager may make use of exchange traded and over-the-counter options, futures, credit default swaps and other derivatives for investment and/or hedging purposes. 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.	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. More information relating to the environmental and social characteristics of the Sub-fund is provided in the Appendix to the Prospectus in accordance with SFDR and Commission Delegated Regulation (EU) 2022/1288. *Total Return Swap:* • Maximum portion of assets that can be subject to TRS: 30%. • Expected portion of assets that will be subject to TRS: 7%. *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%. **INVESTMENTS IN EMERGING COUNTRIES ARE SUBJECT TO PARTICULAR RISKS SUCH AS DESCRIBED BELOW.** *Risk transparency:* • Global Exposure Determination Methodology: commitment approach *Risk profile of the typical investor:* This 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 a part of the invested amount. The Sub-fund may invest in China A-Shares through the Stock Connect, which is subject to regulatory change, quota limitations and also operational constraints, which may result in increased counterparty risk.
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. The investor must be able to accept a certain volatility and the possibility of losing a 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, "Non-investment grade securities", "Credit Risk", "Emerging Markets", "Options, Futures and Swaps", "Interest Rates", "Exchange Rates", "Credit Default Swaps (CDS) transactions",	Risk factors are listed in the general part of the prospectus.

	"Asset-Backed-Securities – Mortgage-Backed-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.	
Reference currency	EUR	EUR
Net Asset Value Calculation Frequency and Valuation Day	The Net Asset Value is calculated by the Administrator on each Calculation Day, on the basis of the prices on the Valuation Day.	The Net Asset Value is calculated by the Administrator on each Calculation Day, on the basis of the prices on the Valuation Day.
SFDR categorisation	Art.6	Art. 8
Benchmark	The Sub-fund is actively managed. The Sub-fund is not managed in reference to a benchmark.	The Sub-fund is actively managed. The Sub-fund is not managed in reference to a benchmark.
Investment Manager	FRANKLIN TEMPLETON INTERNATIONAL SERVICES S.À R.L. 8A, rue Albert Borschette, L-1246 Luxembourg GRAND DUCHY OF LUXEMBOURG	N/A
Sub-Investment Manager(s)	FRANKLIN TEMPLETON INVESTMENT MANAGEMENT LIMITED Cannon Place, 78 Cannon Street, EC4N 6HL London, United Kingdom	N/A
Unit Classes	Class R Class S	Class R Class S
Subscription	14:00 CET of the Valuation Day	14:00 CET of the Valuation Day
Conversion	14:00 CET of the Valuation Day	14:00 CET of the Valuation Day
Redemption	14:00 CET of the Valuation Day	14:00 CET of the Valuation Day
Distribution policy	Class R: Capitalisation Class S: Distribution	Class R: Capitalisation Class S: Distribution

Target Investors	All categories of Investors	All categories of Investors
Management fees	1.10%	For Class R: 1.50% For Class S: up to 1.50%
Ongoing charges	1.67%	1.75% from the Effective Date
Administrative fee	N/A	N/A
Performance fees	N/A	20% of the excess between the new High on High (HoH) at Unit-Class level increased by the hurdle rate and the last HoH increased by the hurdle rate, during the previous five years. The hurdle rate is of 2.10%.
Subscription commission	Up to 3.00%	N/A
Placement fee	N/A	N/A
Redemption commission	N/A	N/A
Conversion commission	N/A	N/A
Total Return Swaps (TRS) and other derivatives instruments with the same characteristics	<u>The Sub-fund will not enter into total return swaps nor in repurchase or reverse repurchase agreements.</u>	<u>Total Return Swaps:</u> • Maximum portion of assets that can be subject to TRS: 30%. • Expected portion of assets that will be subject to TRS: 7%.
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%.
SRI	2 (two)	3 (three)
Global Exposure Determination Methodology	Commitment approach	Commitment approach

Expected level of leverage	The Sub-fund will regularly monitor its leverage and the average level of leverage is expected to be approximately 250%. 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.	Leverage will be achieved through both OTC and listed derivative contracts. Gross exposure will be capped at 200%.

Appendix II

PRIIPs KID of the Absorbing Sub-Fund

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.

Fonditalia Flexible Emerging Mkt (ISIN LU0058495358-Class R)

PRODUCT

Product: Fonditalia Flexible Emerging Mkt - 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 2025-05-30.

WHAT IS THE PRODUCT?

Type:
Mutual Investment Fund under Luxembourg Law governed by Part I of the Law of December 17, 2010.

Term:
This sub-fund is not subject to any fixed term.The Fund is established for an unlimited duration; it may be dissolved at any time with the mutual approval of the Management Company and the Depositary Bank.The Fund shall be liquidated in the cases provided for in Article 22 of the Law of December 17, 2010.The Management Company may decide to enter into liquidation 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 categorized as an ESG Promotion Strategy Sub-fund in accordance with article 8 of the SFDR.
The Sub-Fund, expressed in Euro, aims at increasing over the long term the capital by mainly, and under certain market condition, entirely investing in:
a) stocks of companies incorporated in Emerging Countries and of companies not incorporated in Emerging Countries but either (i) carrying out a predominant proportion of their business activities in such countries, or (ii) being holding companies which predominantly own companies incorporated in Emerging Countries;
b) units/shares of funds;c) bonds, certificates or other investment instruments.
The Management Company's ESG criteria analysis incorporates elements of negative and positive screening alongside general and security specific Socially Responsible Investing ("SRI") / ESG-related analysis and ultimately, in alignment with the investment objective and policy of the sub-fund.
The detailed ESG criteria and exclusions applied are available in the Investment Policy of the Sub-Fund in the Prospectus.
The Sub-Fund may invest in China A-shares via the Shanghai-Hong Kong Stock Connect program which allows foreign investors to trade certain Shanghai Stock Exchange listed China A-Shares through Hong Kong based brokers.
The Sub-Fund may invest up to 10% of its net assets in debt securities issued by Mainland China issuers through the Bond Connect Program.
The Sub-Fund may use financial derivative instruments for the purpose of risk hedging and for investment purposes.
The Sub-Fund is not managed in reference to a benchmark. The Sub-fund is actively managed.
This is a capitalization Unit-Class which reinvests all income generated by the Sub-Fund.
You may request to redeem the units held at any moment, in accordance with the Prospectus.

Intended Retail Investor:
The Sub-fund is suitable for investors who look for long 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 semi-annual reports, of the Prospectus, and of the Management Regulations 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, 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 Fund 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 5 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 3 out of 7, which is a medium-low risk class.
This rates the potential losses from future performance at a medium-low level, and poor market conditions are unlikely to impact the capacity of the fund to pay you.

Other risks materially relevant not included in the SRI: Counterparty Risk, Credit Risk, Derivatives Risk, Developing Markets Risk, China Risk, Emerging Market risk,ESG Risk, Liquidity 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: 5 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**	**5 years** (recommended holding period)
Stress	**What you might get back after costs**	6 900 EUR	**6 870 EUR**
	Average return each year	- 31%	- 7.2%
Unfavourable	**What you might get back after costs**	8 780 EUR	**8 580 EUR**
	Average return each year	- 12.2%	- 3%
Moderate	**What you might get back after costs**	9 820 EUR	**9 610 EUR**
	Average return each year	- 1.8%	- 0.8%
Favourable	**What you might get back after costs**	11 190 EUR	**10 470 EUR**
	Average return each year	11.9%	0.9%

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 5 years
Total Costs	**344 EUR**	**1 514 EUR**
Annual Cost Impact*	3.4%	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 2.1% before costs and -0.8% after costs.

Composition of Costs

One-off costs upon entry or exit		If you exit after 1 year
Entry costs	1.01% of the amount you pay in when entering this investment (including fixed fees)	101 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	1.75% 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.	175 EUR
Portfolio transaction costs	0.31% 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.	31 EUR
Incidental costs taken under specific conditions		
Performance Fee	20% of the excess between the new High on High (HoH) at Unit-Class level increased by the hurdle rate and the last HoH increased by the hurdle rate, during the previous five years. The hurdle rate is of 2.10%. The performance fee is calculated/accrued daily and paid annually. The actual amount will vary depending on how well your investment performs. The aggregated cost estimation above includes the average over the last 5 years.	32 EUR

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

Recommended minimum holding period: 5 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/LU0058495358_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/LU0058495358_en).