

BPER International SICAV
Société d'investissement à capital variable
Organisée sous la forme d'une société anonyme
2C, rue Albert Borschette
L-1246 Luxembourg
Grand Duchy of Luxembourg
R.C.S. Luxembourg: B61517
(the **Fund**)

**INFORMATION AND REDEMPTION NOTICE TO THE SHAREHOLDERS OF
BPER INTERNATIONAL SICAV – EUROPEAN EQUITIES SMALL CAP**

The board of directors of the Fund (the **Board**) accepts responsibility for the accuracy of the contents of this notice.

Capitalised terms used herein without definition have the meaning ascribed to them in the latest visa stamped version of the prospectus of the Fund dated June 2019 (the **Prospectus**).

Luxembourg, 18 April 2020

RE: Changes relating to BPER International SICAV – European Equities Small Cap

Dear Shareholder,

We are writing to you in your capacity as Shareholder of BPER International SICAV – European Equities Small Cap (the **Sub-Fund**) to inform you that the Board has decided to amend the Prospectus as further described under section 1.1 and section 1.2 below (the **Amendments**).

1. AMENDMENTS TO THE PROSPECTUS

1.1 Amendments to the appendix relating to the Sub-Fund

Change of name

The Board intends to change the name of the Sub-Fund into "BPER International SICAV – Global Balanced Risk Control".

Change of portfolio manager

The Board intends to replace the current portfolio manager of the Sub-Fund, UBS Asset Management Switzerland AG, by Morgan Stanley Investment Management Limited (**Morgan Stanley**).

Change of investment policy

The Board intends to amend and restate the investment policy of the Sub-Fund in its entirety so that the new wording contained under the header "Investment Policy" of Section I of the Prospectus dedicated to the Sub-Fund will read as follows:

“The Sub-Fund’s investment objective is to provide an attractive level of total return, measured in Euro, through investing primarily in a portfolio of transferable securities and money market

instruments globally and through the use of financial derivative instruments. The Sub-Fund will implement top-down, tactical views on global asset classes across (i) equity including closed-end real estate investments trusts (REITs); (ii) fixed income securities and (iii) cash and money market instruments. The Sub-Fund may invest up to 80% of its net assets in equities of which up to 30% can be made in emerging markets including China via Stock Connect. The risks associated to the Sub-Fund's investments in China via Stock Connect are described in Chapter 3 "Risk Profile" of this Sales Prospectus, sub-sections "Risks relating to securities trading in mainland China via Stock Connect" and "Beneficial owner of SSE shares/SZSE shares".

The Sub-Fund will primarily invest directly or via derivatives, into equity securities, including closed-end REITs; fixed income securities with a duration of up to ten years (including investment grade, non-investment grade of which 30% may be invested in emerging market and government bonds) and unrated securities of which 30% may be invested in high yield bonds); money market instruments and cash. The Sub-Fund will not invest in convertible or contingent convertible debt securities. The Sub-Fund may use financial derivative instruments for hedging and efficient portfolio management purposes. These derivative instruments may include but are not limited to futures, options, warrants, contracts for difference, forward contracts on financial instruments and options on such contracts, credit linked instruments and swap contracts (credit default swaps on credit indices), whether traded on or off exchange.

On an ancillary basis, the Sub-Fund will invest up to 10% of its net assets in other transferable securities or, to a limited extent, in collective investment schemes including the Company's Sub-Funds and open-ended ETFs.

In order to achieve its objective, the Sub-Fund may employ the following investment strategies:

– Global asset allocation: the Sub-Fund may invest in securities in line with individual asset class indices. The Portfolio Manager will select the indices which will be used to make tactical views globally across (i) equity securities including REITs; (ii) fixed income securities and (iii) cash and money market instruments. The Portfolio Manager may use on or off exchange traded derivatives such as futures or swaps to gain diversified and/or more efficient exposure to specific global markets where due to the intended allocation size or due to inefficiencies in transacting directly in the underlying securities, investing via derivatives is a preferable investment option in the Portfolio Manager's opinion.

– Commodity-linked investments: the Sub-Fund may implement tactical views on commodities via exchange traded commodities (ETCs) and/or commodity linked notes up to 10% of its net assets.

– Use of cash and derivatives for efficient portfolio management: the Sub-Fund may also invest in cash and cash equivalents, warrants, exchange traded and over-the-counter options, and other derivatives for efficient portfolio management and hedging purposes as well as for the investment purposes as outlined above. The Sub-Fund's investments may result in exposure to emerging markets and to higher yielding securities. The Sub-Fund aims to manage total portfolio risk by managing the volatility level of the portfolio."

The Board considers that the amendments listed above are material changes to the Prospectus (the **Material Amendments**).

1.2 Main section of the Prospectus

The Board further intends to implement the following amendments to the main section of the Prospectus:

- (1) Amendment to Section 3. headed "Risk profile" in order to provide for the specific risks linked to investments on the Chinese market.

- (2) Amendment to Section 9. headed "Dividend policy" in order to clarify the distribution policy applied to distributing Shares and non-distributing Shares.
- (3) Amendment to Section 16. headed "Taxation" in order to (i) clarify the taxation rules applied to the Shares reserved to institutional investors which benefit from the reduced rate of 0.01% per annum and (ii) provide for the taxation rules applied to investments in Chinese A shares via Stock Connect.
- (4) Amendment to Section 16. headed "Charges and expenses" in order to clarify that the sub-funds of the Fund will bear the costs incurred, *inter alia*, by:
 - (i) the cost of any remuneration of the members of the Board and their reasonable out-of-pocket expenses, insurance coverage and reasonable travelling costs in connection with Board meetings;
 - (ii) the administration costs incurred in relation to the advertisement and the distribution of the Fund which are related directly to the offering and distribution of Shares; and
 - (iii) the administration costs incurred in relation to daily administrative tasks performed for and on behalf of the Fund.
- (5) Inclusion of a new Section 21. headed "Disclosure of identity" regarding the Luxembourg act of 13 January 2019 creating a Register of beneficial owners.
- (6) Non-material changes (definitions, layout, table of contents, etc.).

The Board considers that the amendments listed under section 1.2 above do not constitute material changes to the Prospectus. These changes are listed in this letter for information purposes only and no further action is required on your part.

2. CSSF APPROVAL, REDEMPTION NOTICE PERIOD AND REVISED PROSPECTUS

The Amendments to the Prospectus have been approved by the CSSF and a new visa-stamped Prospectus will be made available to the Shareholders shortly (the **Revised Prospectus**).

If you do not agree with the Material Amendments, you may redeem your shares free of charge during a period of one month starting on 18 April 2020 and ending on 20 May 2020 (the **Redemption Notice Period**). Redemptions during the Redemption Notice Period will be subject to the provisions of the Prospectus, but no redemption charge or fee will be payable.

The Amendments will be implemented by 21 May 2020 (the **Effective Date**).

As a result of the transfer of the portfolio management function to Morgan Stanley, please be advised that a five Business Days period will follow the Effective Date during which Morgan Stanley will proceed with the realignment of the portfolio received with the Sub-fund's new investment policy.

Please note that the information contained in this notice is not an exhaustive description of the changes to the Prospectus, and you are advised to review the Revised Prospectus which will show all applicable changes. A copy of the Revised Prospectus is available, upon request and free of charge, at the registered office of the Fund.

This letter shall be governed by, and construed in accordance with, the laws of the Grand Duchy of Luxembourg and the courts of the District of Luxembourg-City shall have exclusive jurisdiction.

For the Board