

This document is a supplement to the prospectus dated 1 December, 2022 (the “Prospectus”) issued by Algebris UCITS Funds plc (the “Company”), forms part of the Prospectus and should be read in conjunction with the Prospectus. Investors’ attention is drawn, in particular, to the risk factors contained in the section of the Prospectus entitled “Risk Factors”. Investors in the Algebris Global Credit Opportunities Fund should note that the Fund may, from time to time, invest principally in financial derivative instruments. Investors should note that an investment in the Fund should not constitute a substantial proportion of an investment portfolio and may not be appropriate for all investors. Capitalised terms shall have the same meaning herein as in the Prospectus, except where the context otherwise requires.

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

ALGEBRIS UCITS FUNDS PLC

(an investment company with variable capital incorporated with limited liability in Ireland with registered number 509801 and established as an umbrella fund with segregated liability between Funds pursuant to the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011, as amended)

SUPPLEMENT

ALGEBRIS GLOBAL CREDIT OPPORTUNITIES FUND

19 June 2023

DIRECTORY

ALGEBRIS UCITS FUNDS PLC

ALGEBRIS GLOBAL CREDIT OPPORTUNITIES FUND

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DEFINITIONS

“Accumulating Classes”	means Class B EUR, Class I EUR, Class M EUR, Class R EUR, Class XXL EUR, Class B GBP, Class I GBP, Class M GBP, Class R GBP, Class XXL GBP, Class B CHF, Class I CHF, Class M CHF, Class R CHF, Class XXL CHF, Class B USD, Class I USD, Class M USD, Class R USD, Class XXL USD, Class B SGD, Class I SGD, Class M SGD, Class R SGD, Class XXL SGD, Class I JPY, Class M JPY, Class R JPY, Class XXL JPY, Class I CAD, Class R CAD, Class XXL CAD, Class I SEK, Class R SEK and Class XXL SEK Shares in the Fund.
“Adjusted NAV”	means the Net Asset Value per Share of the Class B, Class I, Class R and Class XXL Distributing Classes after the deduction of the Management Fee and all other payments and expenses but before the deduction of any accrued Performance Fee at the end of a Performance Period adjusted by the aggregate amount of all distributions per Share declared in respect of the relevant Distributing Class since the initial issue of Shares in that Class.
“Adjusted High Water Mark”	means the previous highest of (i) the highest Adjusted NAV of the Class B, Class I, Class R and Class XXL Distributing Classes (before any accrual for the Performance Fee) at the end of any previous Performance Period on which the Performance Fee was paid; and (ii) the Initial Offer Price of the relevant Distributing Class.
“Class B”	means Class B EUR, Class Bd EUR, Class B GBP, Class Bd GBP, Class B CHF, Class Bd CHF, Class B USD, Class Bd USD, Class B SGD and Class Bd SGD in the Fund.
“Class I”	means Class I EUR, Class Id EUR, Class I GBP, Class Id GBP, Class I CHF, Class Id CHF, Class I USD, Class Id USD, Class I SGD, Class Id SGD, Class I JPY and Class Id JPY, Class I CAD, Class Id CAD, Class I SEK and Class Id SEK Shares in the Fund.
“Class M”	means Class M EUR, Class Md EUR, Class M GBP, Class Md GBP, Class M CHF, Class Md CHF, Class M USD, Class Md USD, Class M SGD, Class Md SGD, Class M JPY and Class Md JPY Shares in the Fund.
“Class R”	means Class R EUR, Class Rd EUR, Class R GBP, Class Rd GBP, Class R CHF, Class Rd CHF, Class R USD, Class Rd USD, Class R SGD, Class Rd SGD, Class R JPY, Class Rd JPY, Class R CAD, Class Rd CAD, Class R SEK and Class Rd SEK Shares in the Fund.

“Class XXL”	means Class XXL EUR, Class XXLd EUR, Class XXL GBP, Class XXLd GBP, Class XXL CHF, Class XXLd CHF, Class XXL USD, Class XXLd USD, Class XXL SGD, Class XXLd SGD, Class XXL JPY, Class XXLd JPY, Class XXL CAD, Class XXLd CAD, Class XXL SEK and Class XXLd SEK Shares in the Fund.
“Distributing Classes”	means Class Bd EUR, Class Id EUR, Class Md EUR, Class Rd EUR, Class XXLd EUR, Class Bd GBP, Class Id GBP, Class Md GBP, Class Rd GBP, Class XXLd GBP, Class Bd CHF, Class Id CHF, Class Md CHF, Class Rd CHF, Class XXLd CHF, Bd USD, Class Id USD, Class Md USD, Class Rd USD, Class XXLd USD, Class Bd SGD, Class Id SGD, Class Md SGD, Class Rd SGD, Class XXLd SGD, Class Id JPY, Class Md JPY, Class Rd JPY, Class XXLd JPY, Class Id CAD, Class Rd CAD, Class XXLd CAD, Class Id SEK, Class Rd SEK and Class XXLd SEK Shares in the Fund.
“Fund”	means the Algebris Global Credit Opportunities Fund.
“High Water Mark”	means the previous highest of (i) the highest Net Asset Value per Share of Class B, Class I, Class R and Class XXL Accumulating Classes (before any accrual for the Performance Fee) at the end of any previous Performance Period on which the Performance Fee was paid; and (ii) the Initial Offer Price of the relevant Accumulating Class.
“Performance Period”	means a calendar year ending on 31 December, 2021 for the first Performance Period and ending on 31 December in each subsequent year, save that the first Performance Period will commence upon the initial issue of Class B, Class I Shares, Class R Shares and Class XXL Shares and will end on the following year end.

Please also see “Dealings in the Fund” for further definitions.

MANAGEMENT AND DISTRIBUTION

The Manager has appointed Algebris (UK) Limited to provide discretionary investment management services to the Fund pursuant to the terms of the Investment Management Agreement. Further information relating to the Investment Manager is set out in the section of the Prospectus entitled “**The Investment Manager**”.

INVESTMENT OBJECTIVE AND POLICY

Investment Objective

The Fund’s objective is to achieve a high level of income diversifying across global bond and credit markets.

The Fund’s net income attributable to the Distributing Classes shall be distributed to the Shareholders in accordance with the Fund’s distribution policy set out in the “Dividends” section hereof. The Fund’s net income attributable to the Accumulating Classes shall be re-invested in the capital of the Fund.

Investment Policy

The Fund seeks to achieve its investment objective by investing primarily in the following asset classes (the “Primary Asset Classes”): debt securities to include corporate or government bonds with fixed or variable interest, investment grade or below investment grade (as rated by Moody’s, Standard & Poor’s, Fitch or other rating agencies, or unrated), mortgage-backed and other asset-backed securities, senior and subordinated financial debt, convertible securities (e.g. convertible bonds or convertible preferred stock), contingent convertible instruments (e.g. “CoCo Bonds”), hybrid securities (a security which combines both debt and equity characteristics), Tier 1 and upper and lower Tier 2 securities (which are forms of bank capital), trust preferred securities (a type of hybrid security) and financial derivative instruments (“FDI”) (as listed below) globally. Although the Fund will primarily invest in the Primary Asset Classes listed above, it may also invest in the following asset classes (the “Additional Asset Classes”): equity and equity-related securities (including ordinary shares, common stock, preference shares, exchange traded notes (“ETNs”), global depositary receipts, American depositary receipts, warrants and rights), UCITS compliant commodity exposure (such exposure to be indirect and achieved solely via investment in UCITS eligible structures including, but not limited to, ETNs, exchange traded certificates (“ETCs”), exchange traded funds (“ETFs”), FDI (as listed below) based on UCITS eligible commodity indices which meet the requirements of and have, where necessary, been cleared by the Central Bank). In addition, the Fund may also invest in ETFs which provide exposure to a particular Permitted Asset Class (as defined below) in which the Investment Manager wishes to invest and in ancillary liquid assets, which may include bank deposits, certificates of deposit, commercial paper, money market funds and freely transferable promissory notes. The Investment Manager may at times invest in the Additional Asset Classes in order to increase the portfolio diversification, improve liquidity or for hedging purposes. Exposure to equity and equity-related securities, whether directly or indirectly through the use of FDI (as outlined below), will not exceed 40% of the Net Asset Value of the Fund at any time. The maximum exposure to commodities through the use of (i) FDI based on UCITS eligible commodity indices; and (ii) ETCs, ETFs, ETNs and other UCITS eligible structures as outlined above will not exceed 20% of the Net Asset Value of the Fund at any time. The Primary Asset Classes and the Additional Asset Classes shall collectively be referred to as the “Permitted Asset Classes” herein. **The Fund may invest substantially all of its assets in deposits with credit institutions (or other ancillary liquid assets) during periods of high market volatility.**

Subject to the investment restrictions set out under the heading “Investment Restrictions” below, there are no limits on the geographic or market sector to which the Fund may have exposure through investments in the Permitted Asset Classes. The strategy aims to take advantage of mispriced relative and absolute opportunities by building a diversified portfolio of Permitted Asset Classes referred to herein spanning predominantly across the global fixed income and credit markets, across the credit rating spectrum within a risk-controlled framework, including hedging strategies to limit risk of loss when needed. Mispriced relative opportunities are investment opportunities in which a security is overpriced or underpriced relative to another security. In such cases the Investment Manager will typically take a long position in the underpriced security and a short position in the overpriced security. Mispriced absolute opportunities are investment opportunities in which securities or markets are mispriced relative to their fundamental value.

The investment approach is opportunistic and combines security-specific research ideas with a global macro thematic approach (i.e. macroeconomic principles based on economic and political views of various countries). The construction as well as the positioning of the investment portfolio is determined by the Investment Manager taking into consideration the prevailing market situation as well as regulatory, industry, business and geopolitical risks. In order to determine the composition and diversification of the investment portfolio, a combination of top-down asset allocation and bottom-up credit selection process will be applied. Top-down asset allocation is a method of portfolio construction which is based on analysis of the macro context, including market conditions as well as industry and regulatory developments. A bottom-up credit selection process involves a fundamental analysis of individual credit securities and bond features, the short and long-term economic prospects of the underlying company, as well as an assessment of the underlying company’s intrinsic value.

The Fund will vary its exposure to different Permitted Asset Classes referred to herein over time in response to changing market and economic conditions. The composition of the Fund’s portfolio over time will be a direct result of the investment process employed by the Investment Manager. This investment process combines detailed macro, fundamental analysis and technical analysis by the investment team combined with an analysis of technical flows (e.g. money flows and liquidity) across all Permitted Asset Classes and is based on a combination of top-down asset allocation and bottom-up credit selection as explained above. Technical analysis focuses on the price movement of a security or securities and uses this data to predict future movements and fundamental analysis focuses on economic factors (e.g. labour costs, interest rates, government policy and taxation). The Fund may however invest up to 100% of its Net Asset Value in the debt securities described in the Investment Policy that are below investment grade as rated by Moody’s, Standard & Poor’s, Fitch or other rating agencies, or which are unrated.

The Investment Manager will, without limitation, typically seek to take either long (either direct or synthetic) or synthetic short positions in the Permitted Asset Classes to take advantage of one or more of: (i) change in the macroeconomic (i.e. economic and political) prospects in the relevant markets; (ii) change in projected revenue growth and/or operating expenses; (iii) change in balance sheet quality; (iv) change in regulation; (v) change in the overall risk appetite. The Investment Manager will take synthetic short positions for protection and hedging as well as for investment purposes when relative and absolute mispricing opportunities arise in accordance with the investment approach.

The Fund’s investments will be made on a global basis in assets denominated in the Base Currency or other currencies. The Investment Manager will focus on both developed and emerging markets. At times the Fund may be fully invested in emerging markets. A full list of the countries and territories to which the Fund may gain exposure is included in Schedule I to the Prospectus.

Investments in securities listed or traded in Russia will only be made in equity and/or fixed income securities that are listed or traded on level 1 or level 2 of the Moscow Exchange MICEX-RTS (the “Moscow Exchange”). The Fund’s investment, directly and/ or indirectly through the use of FDIs, in equity and debt securities listed or traded on Russian markets shall not exceed 20% of the Net Asset Value of the Fund.

The investments of the Fund (other than permitted unlisted investments) will be listed or traded on the markets referred to in Schedule I to the Prospectus.

The Fund may, subject to the requirements laid down by the Central Bank, enter into financial derivative instruments (“FDIs”) and invest in securities which may embed leverage or embed a derivative component for investment, efficient portfolio management and hedging (e.g. currency risk management) purposes. The securities in which the Fund may invest which may embed leverage and/or a derivative are ETNs, ETCs, ETFs, mortgage-backed securities and other asset-backed securities and hybrid securities such as convertible securities and CoCo-Bonds. The FDIs that may be entered into by the Fund are: swaps, contracts for difference (“CFDs”), single name, index and portfolio tranches credit default swaps (“CDS”), options on CDS indices, put and call options and swaptions, futures, forward contracts, warrants and rights. The FDIs will provide synthetic exposure to the Permitted Asset Classes referred to herein. The Fund may take both long and short positions synthetically through the use of FDIs as well as long positions through its direct investments.

For example: (i) swaps and CFDs may be utilised for access to certain issuers and jurisdictions or for hedging purposes; (ii) index swaps, including total return swaps (“TRS”), may be used to hedge against market risk or to gain exposure to basket of securities; (iii) currency swaps may be used to manage the Fund’s exposures to currencies in which it holds investments; (iv) interest rate swaps may be used to manage the Fund’s interest rate exposures; (v) CDS on a single name, index or portfolio tranche may be purchased or sold to hedge the default risk to a specific issuer or to offset adverse price and/or interest rate movements; (vi) options on CDS indices may be used to reduce downside risk or for investment purposes; (vii) put options and index put options may be purchased to provide an efficient, liquid and effective mechanism for “locking in” gains and/or to protect against future declines in value on securities that it owns; (viii) call options and index call options may be purchased to provide an efficient, liquid and effective mechanism for taking positions in securities; (ix) currency options may be utilised to hedge against underlying currency risk in the portfolio; (x) interest rate options may be used to provide exposure to a decrease or increase of interest rates; (xi) options on futures may be utilised to quantify the potential loss from a contract expiring in a loss position; (xii) interest rate future options may be utilised in order to hedge interest rate risk inherent in the portfolio; (xiii) swaptions, being an option on a swap, may be utilised to hedge against risks associated with an underlying swap contract; (xiv) futures on transferable securities (e.g. equities or bonds) may be utilised to quantify the potential loss from a contract expiring in a loss position; (xv) currency futures may be utilised to hedge against a possible increase in the price of a currency in which securities the Fund anticipates purchasing is denominated; (xvi) index futures on broad-based indices may be utilised in order to hedge the equity portion of the portfolio from movements in the general equity market; (xvii) interest rate futures may be utilised in order to hedge interest rate risk inherent in the portfolio; (xviii) forward contracts may be utilised for hedging and currency risk management; and (xix) warrants and rights may be used to obtain exposure to, or acquire, the underlying equity or other securities of an issuer; (xx) mortgage-backed and asset-backed securities may be utilised to gain exposure to the underlying asset; (xxi) commodity index futures and TRS on commodity indices may be utilised for hedging the correlation between the portfolio and commodity prices; and (xxii) options on ETCs which have a single physical commodity as an underlying asset. Such correlation may arise by reason of the Fund’s portfolio comprising of debt securities issued in sectors which may, in the opinion of the Investment Manager, be highly correlated to swings in commodity prices.

The Fund will only take exposure to UCITS eligible financial indices through the use of FDI as outlined above in line with the Permitted Asset Classes disclosed in the investment policy and through the purchase of ETFs. The financial indices can provide exposure to any geographic or market sector in credit or equities. It is not possible to comprehensively list the actual financial indices to which exposure may be taken as they may not have, as of the date of this Supplement, been selected and they may change from time to time. Details of the current financial indices to which the Fund takes exposure for investment purposes, their classification, their rebalancing frequencies and the markets which they are representing will be provided to Shareholders of the Fund by the Investment Manager upon request. Where the weighting of a particular constituent in the financial index exceeds the permitted investment restrictions the Investment Manager will look to remedy the situation taking into account the interests of Shareholders by rectifying the breach. Any material breaches must be escalated immediately to the board of directors of the Company.

TRS may be used as a substitute for investing in standardised exchange traded funds, futures or options contracts. TRS may be held for the same purposes described in the futures and options sections above. For example, if the Investment Manager wishes to gain exposure to a section of the market that is not readily tradable via a standard exchange traded fund, futures or options contract then it may be desirable to hold a return swap which provides exposure to a financial index, individual security or a bespoke basket of securities.

The counterparties to any TRS shall be entities which satisfy the counterparty criteria set down by the Central Bank UCITS Regulations or are otherwise permitted by the Central Bank and shall specialise in such transactions. Subject to compliance with those conditions, the Investment Manager has full discretion as to the appointment of counterparties when entering into TRS in furtherance of the Fund's investment objective and policies. It is not possible to comprehensively list in this Supplement all the counterparties as they have not, as of the date of issue of this Supplement, been selected and they may change from time to time.

The counterparty to any TRS entered into by the Fund shall not assume any discretion over the composition or management of the investment portfolio of the Fund or of the underlying of the total return swap.

As set out above, the Fund may enter into TRS to receive the total performance of an index, individual security or a bespoke basket of securities. The TRS may be terminated by the Fund at any time at their fair value or on the occurrence of certain events with respect to either the Fund or the approved counterparty including, but not limited to, an event of default (such as a failure to pay, breach of agreement or bankruptcy) or a termination event (which is not due to the fault of either party, for example, illegality or a tax event). If the TRS are terminated, due to an event of default or termination event, a close-out amount will be determined with respect to the TRS. An amount equal to the relevant close-out amount (calculated in accordance with the terms of the TRS) or such other amount as agreed between the parties will be settled between the approved counterparty and the Fund. The TRS will at all times be valued in accordance with the provisions of the Prospectus.

The Investment Manager may also use FDIs where practicable to hedge all non-Base Currency exposures of the Fund arising where Shares are denominated in a currency other than the Base Currency of the Fund. In addition, as the Fund's investments will be made in assets denominated in the Base Currency or other currencies, the Investment Manager may hedge any non-Base Currency denominated holdings against the Base Currency, in order to minimise the foreign exchange ("FX") risk. The Fund may use spot, FX forward transactions and options for hedging and currency risk management purposes. See the section entitled "Currency Transactions" in the Prospectus.

For further information on the types of FDIs that the Fund may enter into and further details as to other commercial purposes and expected effect please see the section entitled “Investment Techniques and Instruments” below.

The Fund will be leveraged through the use of FDIs. The Fund will use a sophisticated risk measurement technique known as “value-at-risk” (“VaR”) to seek to limit the market risk and leverage created through the use of FDIs. In accordance with the requirements of the Central Bank, the Fund’s risk management process aims to ensure that concentration within individual positions is limited to a pre-specified allowable loss threshold while the overall portfolio is constructed and managed with a maximum allowable drawdown at a given point in time restricting overall portfolio weights and concentration.

The risk of loss arising from the use of FDIs will be monitored daily using the absolute VaR model, which measures potential loss due to market risk at a given confidence level over a specified time period under prevailing market conditions. The VaR of the Fund will be calculated daily and shall not exceed 20% of the Net Asset Value of the Fund based on a 20 day time horizon, a “one-tailed” 99% confidence interval and an observation period of at least 1 year unless a shorter observation period is justified by a significant increase in price volatility (for instance, extreme market conditions). These criteria relating to the measure of global exposure are set out in the Central Bank UCITS Regulations and associated guidance.

The ratio of long and synthetic short investments may vary through time. Overall the Fund is expected to have a long bias at most times, depending on the economic and credit cycle; synthetic short positions will be taken on an opportunistic basis. However, the Fund may have a short bias, should the Investment Manager consider downside economic and credit risks to outweigh upside risk. There are limitations in using VaR as a statistical measure of risk because it does not directly limit the level of leverage in the Fund and only describes the risks of losses in prevailing market conditions and would not capture future significant changes in volatility. The Fund’s leverage is calculated using the sum of the absolute value of the notional amounts of the FDI positions. The calculation of leverage using the sum of the absolute value of the notional amounts does not take into account any netting and hedging arrangements that the Fund has in place at any time. Under normal market conditions, the total absolute value of the notional amounts of FDI positions is expected to be between 100% and 800% of the Net Asset Value of the Fund, however, it may exceed or fall below this target level at times and for a period of time. The Fund’s leverage may exceed this indicative range as a result of the use of relative value trades and hedging through derivatives. Relative value trades involve both a long (direct or synthetic) and a synthetic short position, allowing the Fund to profit from the relative mispricing between the two assets. In accordance with the Regulations, the Fund is not allowed to borrow more than 10% of its Net Asset Value. Investors are advised to read carefully the section entitled “Risk Factors” in the Prospectus and in this Supplement.

Any other FDIs proposed to be used by the Fund which is not set out herein and not included in the risk management process will not be used until such time as this Supplement has been updated and a revised risk management process has been submitted to, and cleared in advance by, the Central Bank. In relation to the use of FDIs, investors’ attention is drawn to “Information on Risk Management” in the Prospectus regarding the risk management process.

The Fund may enter into repurchase, reverse repurchase and stock lending agreements, subject to the conditions and limits laid down by the Central Bank in the Central Bank UCITS Regulations, for efficient portfolio management purposes.

The Fund may invest in other UCITS (other than feeder UCITS) and eligible alternative investment funds to give the Fund exposure to the Permitted Asset Classes referred to herein. These investments, which include open-ended ETFs, may not exceed 10% of the total Net Asset Value of the Fund. The underlying collective investment schemes may be leveraged.

The Fund may also from time to time invest in a “new issue”, as defined in US Financial Industry Regulatory Authority, Inc. (“FINRA”) Rule 5130, as amended, supplemented and interpreted from time to time (“FINRA Rule 5130”). See the section entitled “New Issues” in the Prospectus.

No assurance can be given that the Fund’s investment objective will be achieved.

Investors should note that Shares in the Fund are not bank deposits and are not insured or guaranteed by any government or any government agency or other guarantee scheme which may protect the holders of bank deposits. The value of a holding in the Fund would be expected to fluctuate more than a bank deposit.

Convertible securities

A convertible security is a security that can be converted into a predetermined amount of shares of common stock in the issuing company at certain times during its life, usually at the discretion of the bondholder. A convertible security is a security with an embedded option to exchange the bond for equity. The Fund may use convertible securities to obtain exposure to an issuer or to acquire the equity securities of such issuer consistent with the Fund’s investment policies. The credit standing of the issuer and other factors such as interest rates may also affect the investment value of a convertible security. The conversion value of a convertible security is determined by the market price of the underlying equity security and therefore is exposed broadly to the same risks as that of the underlying equity security. A convertible security may be subject to redemption at the option of the issuer at a price established in the convertible security’s governing instrument.

CoCo-Bonds

CoCo-Bonds are primarily issued by financial institutions as an economically and regulatory efficient means of raising capital. They are a form of contingent hybrid securities, usually subordinated, that behave like debt securities in normal circumstances but which either convert to equity securities or have equity write down (full or partial) loss absorption mechanisms on the occurrence of a particular ‘trigger’ event. A write down means that some or all of the principal amount of the CoCo-Bond will be written down. The trigger events may, for example, be based on a mechanical rule (e.g. the issuer’s regulatory capital ratios) or a regulatory supervisor’s discretion. CoCo-Bonds are risky investments which are relatively new and complex instruments and in stressed market environment, it difficult to predict how they will perform. While CoCo-Bonds are primarily issued by financial institutions, they may be issued by different types of firms. CoCo-Bonds are a relatively new form of hybrid capital and conversion events and/or other trigger events (and other material terms) may develop over time. CoCo- Bonds invested in by the Fund may or may not embed a derivative. Please also see the sub-section in the Prospectus entitled “Contingent Convertible Instruments”, in the section entitled “Risk Factors” for further information.

Hybrid Securities

Hybrid securities combine generally both debt and equity characteristics. “Equity” features contain more or less (i) no maturity; (ii) no on-going payment that could lead to default; and (iii) loss absorption in the case of a bankruptcy. The opposite can be seen as the features of “debt.” Hybrid securities are instruments with potential benefits for both income-oriented investors and issuers due to the fact that the specific security can be arranged to both the issuers and the investors' interests. Securities would be treated as “hybrid” if they contain hybrid characteristics, which can be described in two ways. Firstly,

securities can bear some characteristics of debt and of equity at the same time. For example, preferred stock with call options regularly has a stated maturity date (which is in contrast to the “equity”-quality) but contains features like no on-going payments and a loss absorption-tool (typical “equity”-like). Secondly, convertible securities which change from debt to equity may also bear hybrid characteristics. For example, a debt security which is convertible into an equity instrument, whether at the option of the issuer or the holder, upon occurrence of a conversion event or at a conversion date, can be said to have the characteristics of both equity and debt.

Subordinated Debt

Subordinated debt is a type of debt where express arrangements have been entered into between creditors so that such debt ranks behind other debt. Typically the Fund will hold Tier 1, Upper Tier 2 and/or Lower Tier 2 capital, which may be contractually and/or structurally subordinated to other senior debt. Subordinated debt typically has a lower credit rating, and therefore a higher yield, than senior debt.

Mortgage-backed and other asset-backed securities

Asset-backed securities including mortgage-backed securities are bonds or notes backed by financial assets originated by banks, credit card companies or other credit providers. The financial assets typically include loans, leases or receivables against assets. In the case of mortgage-backed securities the underlying financial assets are a pool of residential or commercial mortgages. Asset-backed and mortgage-backed securities can be issued either by a government-sponsored enterprise or a private entity.

Equity Securities

Equity securities of companies are shares. The total amount of shares represents the capital stock of the company. Based on the fact that there is a total amount of durable money invested in the business of the company, e.g. a company in the financial securities sector, a share has a certain declared face value, commonly known as the par value of a share. The par value is the minimum amount of money that a business may issue. An equity security of a company represents a fraction of ownership in the respective business of the company. Depending on the company there may be different classes of shares (e.g. ordinary shares or preference shares) each having distinctive ownership rules, privileges, or share values.

ETNs

ETNs are debt securities typically issued by banks. The Fund will typically invest in ETNs which are listed or traded on a Regulated Market. The Fund may use ETNs to obtain exposure to an eligible index, market or Permitted Asset Class in line with the investment policy. They are designed to track the total return of an underlying market index or other benchmark minus fees and provide investors with exposure to the total returns of various market indices, including indices linked to stocks, bonds and currencies. The value of an ETN depends on the movements of a stock index or, sometimes, an individual stock. When an investor buys an ETN, the issuer promises to pay the amount reflected in the index, minus fees upon maturity. ETNs can offer investment exposure to market sectors and asset classes that may be difficult to achieve in a cost effective way with other types of investments.

ETCs

ETCs are securities that give the Fund exposure to an index, including commodity indices, or exposure to a physical commodity. The price of the ETC is directly or indirectly linked to the performance of the underlying commodity. ETCs are typically issued by banks and are traded on the stock exchange like shares and passively track the performance of the commodity or commodity indices to which they refer. The Fund may use ETCs to obtain exposure to an eligible commodity index or to obtain exposure to a

physical commodity via the ETC, in line with the investment policy. ETCs are designed to track the performance of physical commodities or an index. The Fund will typically invest in ETCs which are listed or traded on a Regulated Market. Investing in ETCs will not give rise to additional leverage as the most the Fund may lose is the amount invested.

PROFILE OF A TYPICAL INVESTOR

The Fund is suitable for investors seeking to achieve a high level of income and modest capital growth and who are prepared to accept a moderate level of volatility with a medium-to long-term investment horizon.

BASE CURRENCY

The Base Currency of the Fund is Euro.

THE SUSTAINABLE FINANCE DISCLOSURE REGULATION

The Fund promotes environmental and/or social characteristics and does not have sustainable investment as its investment objective.

The Manager, in consultation with the Investment Manager, has categorised the Fund as meeting the provisions set out in Article 8 of Regulation (EU) 2019/2088 on sustainability related disclosures in the financial services sector ("SFDR") for products which promote environmental and/or social characteristics and invest in companies that follow good governance practices, as further described in Schedule II hereto which forms an integral part of and should be read in conjunction with this Supplement.

Integration of sustainability risks into the investment decision-making process

The Investment Manager adopts the following strategies when integrating sustainability risks into the investment decision making process:

Issuer Exclusion lists

The investment decisions observe a number of exclusion lists as described below. They are applied at the issuer level and prevent investing in both equity and debt issued by the issuer. They are reviewed on an annual basis and positions on newly excluded issuers are exited within 30 days. The exclusion list suit comprises:

Coal-powered energy generation and its funding chain: Coal Developers and Coal-intensive Companies that are deemed non-investable due to their role in coal mining or coal power generation and Coal Investors and Financers that fund such activities.

Controversial weapons manufacturing: Weapon manufacturers that produce or closely involved in the production of weapon systems, which often include weapons prohibited by international conventions and treaties. The list comprises Anti-personnel Landmines, Cluster Munitions, Chemical and Biological Weapons, Nuclear Weapons and certain Indiscriminate weapons (like Non-Detectable fragments, incendiary and blinding laser weapons) and includes Investors and Financers that fund such activities.

Predatory Lending: Lenders that derive any revenue from lending activities that are deemed predatory and companies that have significant ownership of such lenders. Predatory practices include payday loans, high-interest instalment loans and rent-to-own schemes.

Tobacco Investment: Tobacco producers and manufacturers, companies that derive a meaningful portion of their revenue from tobacco-related activities and companies that have significant ownership of either of the two forementioned categories. Tobacco related activities include both products and services.

The Investment Manager monitors compliance with the social and environmental characteristics outlined above on an ongoing basis through automated controls coded into the Algebris Order Management System (“OMS”). The OMS has fully integrated pre- and post-trade controls that implement and safeguard the exclusion lists described above. Breaches are communicated systematically to the relevant teams via automated e-mail notification and they are escalated to relevant Boards and committees as appropriate.

Voting Policy

Where the investment Manager is given the opportunity to exercise voting rights in relation to the positions held in the fund, these are made in the best interests of the investor after considering the long-term sustainability of the respective issuer. While abstaining can be the best option in a limited number of cases, the relevant policy in place commits the Investment Manager to take an active role in the company’s decision-making process, with sustainability being a prime consideration.

ESG Scoring

The Investment Manager also assesses the governance practices of issuers through a variety of scores covering various aspects of firm-level governance, from external ESG data providers (such as S&P) in order to satisfy itself that the relevant issuers follow good governance practices, in particular with respect to sound management structures, employee relations, remuneration of staff and tax compliance. The investment team of the Investment Manager may also engage with investee companies about specific governance-related issues. The dedicated AI/Big Data team of the Investment Manager is further developing an AI-driven controversy monitoring tool to monitor the increase of potential ESG-related controversies relating to investee names.

Assessment of the likely impact of sustainability risks on the return of financial products

Sustainability risks may adversely affect the returns of the Fund. The Investment Manager has implemented a policy in respect of the integration of sustainability risks in its investment decision making-process. A sustainability risk is an environmental, social or governance event or condition that, if it occurs, could cause an actual or potential material negative impact on the value of an investment, and hence the Net Asset Value of the Fund.

The Fund invests primarily in global bond and credit markets. The sustainability risks of such investments include the sustainability risks of the investments made by the Fund’s investee companies as well as other sustainability risks that relate only to the Fund’s investee companies themselves.

The Fund’s investments are exposed to losses resulting from reputational damage an investee issuer may face for a variety of reasons, including:

- environmental, social or governance concerns in relation to the operation of the issuer
- compromise of human rights or labour rights
- breaches to intellectual property and privacy (GDPR) rights
- occupational health and safety
- gender, race and/or other non-discrimination standards
- other controversies or scandals

In the case of investment in financial institutions, the Fund's investments are also exposed to the risk of losses resulting from reputational damage an investee issuer may face in connection with its lending and funding operations, for example in connection with the following sectors:

- Greenhouse gas (GHG) and air pollutants (like SO₂ and CO₂ emissions)
- Mining, oil and gas extraction specific issues (like offshore drilling, Shale Oil and Gas Hydraulic Fracturing), coal extraction, dams and chemicals, including plastics
- Controversial Weapons, nuclear weapons proliferation and Defence equipment
- Agricultural, forestry and related to pulp & paper and palm oil
- Animal testing and animal welfare
- Tobacco, alcohol and addictive substances
- World Heritage sites and Ramsar wetlands
- Water use, resources and pollution
- Gambling and predatory lending

Reputational damage to an investee company may lead to a consequential fall in demand for its products or services, loss of key personnel, exclusion from potential business opportunities, increased costs of doing business and/or increased cost of capital.

In the case of investment in financial institutions, the Fund's investments are also exposed to the risk that where investee companies have provided finance to borrowers, sustainability risk events may impact the ability of such borrowers to repay their debt to investee companies.

INVESTMENT TECHNIQUES AND INSTRUMENTS

Financial Derivative Instruments

The Central Bank requires that all UCITS funds that use FDIs employ a risk management process which enables them to accurately manage, measure and monitor the various risks associated with FDIs. Any other FDI proposed to be used by the Fund which is not set out herein and not included in the risk management process will not be used until such time as this Supplement has been updated and a revised risk management process has been submitted to, and cleared in advance by, the Central Bank. In relation to the use of FDIs, investors' attention is drawn to "Information on Risk Management" in the Prospectus regarding the risk management process.

The Company may employ investment techniques and instruments in accordance with the Fund's investment policy to gain exposure to the Permitted Asset Classes for investment purposes, for efficient portfolio management purposes, for diversification purposes and for hedging purposes, subject to the conditions and within the limits from time to time laid down by the Central Bank. These techniques and instruments may involve the use of FDIs and are expected to have a positive influence on the performance of the Fund. FDI may be exchange traded or over-the-counter ("OTC"). The Fund may use the following FDIs and techniques and instruments:

Swaps and CFDs: The Fund may enter into CFDs and various types of swap contract, including on equity and debt securities, eligible indices, currencies, interest rates, ETCs, ETNs and ETFs, either for investment or for hedging purposes.

Swaps: Swap contracts are individually negotiated and can be structured to include exposure to a variety of different types of investments or market factors. A swap contract is a derivative contract between two parties to exchange a series of future cash flow obligations for a stated period of time.

CFDs: A CFD is a contract between two parties, typically described as ‘buyer’ and ‘seller’, stipulating that the seller will pay to the buyer, at the close of the contract, the difference between the reset value or initial value of the reference asset and the closing value of the reference asset.

Swap agreements and CFDs do not involve the purchase or sale of an asset, only the agreement to receive or pay the movement in its price.

TRS: TRS shall have the meaning set out in SFTR and are OTC derivative contracts whereby the Fund agrees to pay a stream of payments based on an agreed interest rate in exchange for payments representing the total economic performance, including income from interest and fees, gains and losses from price movements and credit losses, over the life of the swap of a reference obligation to another counterparty.

The Fund, in exchange for floating interest rate cash flows, will receive the return of an underlying security, index or commodity-related index, being an agreement between the Fund and the approved counterparty to exchange one stream of cash flows against another stream pursuant to a master agreement in accordance with the requirements of the International Swaps and Derivatives Association.

CDS: The Fund may use CDS (which such term includes credit default swap indices, single name and portfolio tranches) which reference single or multiple issuers (including both corporate and government issuers) and/or single or multiple obligations. The Fund may be either the buyer or seller in a credit default swap transaction. The “buyer” in a credit default contract is obligated to pay the “seller” a periodic stream of payments over the term of the contract provided that no event of default on an underlying reference obligation has occurred. As a seller, the Fund receives a fixed rate of income throughout the term of the contract. However as a seller the Fund may also be required to pay out in respect of the contract where there is a default on the underlying reference obligation. The underlying reference asset may be a single name, a basket of securities or a tranche. The Fund may enter into single name, index and portfolio tranche CDS for hedging or credit risk management purposes.

Options: The Fund may purchase and sell put and call exchange traded options or may enter into options traded OTC. The Fund may use options on assets in lieu of purchasing or selling underlying assets. An option contract allows the holder to buy or sell an underlying security at a given price. The Fund may purchase and sell put and call options on equity and debt securities, eligible indices, currencies, interest rates, ETCs, ETNs, ETFs, futures, interest rate futures and swaps (i.e. swaptions), either for investment or for hedging purposes.

The purpose behind the purchase of put options by the Fund is to hedge against a decrease in the market generally or to hedge against a decrease in the price of particular securities or other assets held by the Fund. The purpose behind the purchase of call options by the Fund is to provide exposure to increases in the market or to hedge against an increase in the price of securities or other assets that the Fund intends to purchase at a later date. The purpose behind the Fund selling (or writing) covered call options is typically to generate increased returns from the reference underlying asset. A swaption is an OTC

option that gives the buyer the right, but not the obligation to enter into a swap on a specified future date in exchange for paying a market based premium.

The Fund may also use options on CDS indices to reduce downside risk or for investment purposes.

Futures: The Fund may invest in futures contracts on financial instruments such as equity and debt securities, currencies, UCITS eligible indices, UCITS eligible commodity indices and interest rates. A futures contract is an agreement between two parties to buy or sell a specified quantity of the financial instrument called for in the contract at a pre-determined price in the future. Futures can be cash settled as well as physically settled.

The purchase of futures contracts can serve as a long hedge and the sale of futures contracts can serve as a limited short hedge. Futures contracts allow the Fund to hedge against market risk or gain exposure to the underlying market. Since these contracts are marked-to-market daily, the Fund can, by closing out its position, exit from its obligation to buy or sell the underlying assets prior to the contract's delivery date.

Forward contracts: The Fund may enter into forward contracts on debt securities and currencies. Forward contracts are non-standardised contracts between two parties to buy or sell an asset at a specified future time at a price to be agreed at the time that contract is entered into. Forward currency exchange contracts are FDIs where the parties agree on the sale and purchase of one currency against another currency at a pre-agreed price and a specific delivery date in the future. FX forwards impose an obligation on the buyer to purchase the agreed currency on the agreed date. Forward currency exchange transactions may be used to reduce the risk of adverse market changes in exchange rates or to increase exposure to foreign currencies or to shift exposure to foreign currency fluctuations from one country to another. Forwards on equity and debt securities are contracts to buy or sell an underlying security at a pre-determined price on a specific future date.

Warrants and rights: The Fund may purchase warrants or rights. The Fund may use warrants and rights to obtain exposure to, or acquire, the underlying equity or other securities of an issuer consistent with the Fund's investment policy. The Fund may also receive rights passively (e.g., as a result of corporate actions) because the Fund's existing holdings in equity or other securities issued by the rights issuer. Warrants and rights generally give the holder the right to receive, upon exercise, a security of the issuer at the stated price.

Stock Lending: For efficient portfolio management purposes only, the Fund may make secured loans of portfolio securities amounting to not more than 100% of its total assets. The risks in lending portfolio securities, as with other extensions of credit, consist of possible delay in recovery of the securities or possible loss of rights in the collateral should the borrower fail financially. However, such loans will be made only to broker-dealers that have a minimum credit rating of A-2 or equivalent, or must be deemed by the Investment Manager to have an implied rating of A-2 or otherwise as set out in Schedule III of the Prospectus. Securities loans are made to broker-dealers pursuant to agreements requiring that loans be continuously secured by collateral in cash or other liquid assets at least equal at all times to the market value of the securities lent. The borrower pays to the lender an amount equal to any dividends or interest paid with respect to the securities lent. There is a risk that the collateral held by the Fund may decline in value and this risk will be borne by the Fund, which will be required to re-purchase the securities lent at the agreed repurchase price. In the case of loans collateralised by cash, the Fund typically pays a fee to the borrower. Although voting rights or rights to consent with respect to the loaned securities pass to the borrower, the lender retains the right to call the loans at any time on reasonable notice, and it will do so in order that the securities may be voted by the lender if the holders

of such securities are asked to vote upon or consent to matters materially affecting the investment. However, the Fund bears the risk of delay in the return of the security, which may affect its ability to exercise its voting rights attaching to such security. The Fund may also call such loans in order to sell the securities involved. The Investment Manager would expect to engage a lending agent, on behalf of the Fund, that would be compensated based on a percentage of the return of the Fund with respect to the transactions handled by such lending agent. The Fund would also pay various fees in connection with such loans including shipping fees and reasonable custodian fees.

A list of the Regulated Markets on which the exchange traded FDI's used by the Fund may be quoted or traded is set out in Schedule I to the Prospectus.

A description of the conditions and limits in relation to FDI's is set out in Schedules II and Schedules III to the Prospectus. Investors' attention is drawn to the description of the risks associated with the use of FDI's included in the section headed "Risk Factors" in the Prospectus.

Collateral Management Policy

The policy that will be applied to collateral arising from OTC derivative transactions or efficient portfolio management techniques relating to the Fund is to adhere to the requirements set out in Schedule III of the Prospectus. This sets out the permitted types of collateral, level of collateral required and haircut policy and, in the case of cash collateral, the re-investment policy prescribed by the Central Bank pursuant to the Regulations. To the extent that the Fund receives any collateral, the categories of collateral which may be received by the Fund include cash and non-cash assets such as equities, debt securities and money market instruments. From time to time and subject to the requirements in Schedule III, the policy on levels of collateral required and haircuts may be adjusted, at the discretion of the Investment Manager, where this is determined to be appropriate in the context of the specific counterparty, the characteristics of the asset received as collateral, market conditions or other circumstances. The haircuts applied (if any) by the Investment Manager are adapted for each class of assets received as collateral, taking into account the characteristics of the assets such as the credit standing and/or the price volatility, as well as the outcome of any stress tests performed in accordance with the requirements in Schedule III. Each decision to apply a specific haircut, or to refrain from applying any haircut, to a certain class of assets should be justified on the basis of this policy. If cash collateral received by the Fund is re-invested, the Fund is exposed to the risk of loss on that investment. Should such a loss occur, the value of the collateral will be reduced and the Fund will have less protection if the counterparty defaults. The risks associated with the re-investment of cash collateral are substantially the same as the risks which apply to the other investments of the Fund. For further details see the section entitled "Risk Factors".

Direct and indirect operational costs and fees arising from the efficient portfolio management techniques of stock lending, repurchase and reverse repurchase arrangements may be deducted from the revenue delivered to the Fund (e.g. as a result of revenue sharing arrangements). All the revenues arising from such efficient portfolio management techniques, net of direct and indirect operational costs, will be returned to the Fund. The entities to which direct and indirect costs and fees may be paid may include banks, investment firms, broker-dealers, stock lending agents or other financial institutions or intermediaries and may be related parties to the Company, the Manager, the Investment Manager or the Depository. The Fund shall ensure that all revenues arising from such efficient portfolio management techniques for the relevant reporting period, together with the direct and indirect operational costs and fees incurred and the identity of the counterparty(ies) to these efficient portfolio management techniques (if any), will be disclosed in the annual and half-yearly reports of the Company.

Securities Financing Transactions and TRS

As set out above, the Fund may enter into repurchase agreements, reverse repurchase agreements and/or securities lending agreements for efficient portfolio management purposes only where the objective of using such instruments is to hedge against risk and/or to reduce costs borne by the Fund or to generate additional capital or income which is consistent with the risk profile of Fund and the risk diversification rules set down in the UCITS Regulations.

As set out above, the Fund may also enter into TRS within the meaning of the SFTR.

All types of assets which may be held by the Fund in accordance with its investment objectives and policies may be subject to a securities financing transaction or TRS.

The maximum proportion of the Fund's assets which can be subject to securities financing transactions and/or TRS is 100 % of the Net Asset Value of the Fund calculated in accordance with IFRS.

However, the expected proportion of the Fund's assets which will be subject to securities financing transactions and/or TRS is between 0 and 85% of the Net Asset Value of the Fund's assets calculated in accordance with IFRS. The proportion of the Fund's assets which are subject to securities financing transactions and/or TRS at any given time will depend on prevailing market conditions and the value of the relevant investments. The amount of assets engaged in each type of securities financing transactions and TRS, expressed as an absolute amount and as a proportion of the Fund's assets, as well as other relevant information relating to the use of securities financing transactions and/or TRS shall be disclosed in the annual report and semi-annual report of the Company.

For the purposes of the above, a TRS shall have the meaning set out in SFTR as outlined above.

Further information relating to securities financing transactions and TRS is set out in the Prospectus at the sections entitled "*Securities Financing Transactions*" and "*Total Return Swaps*".

Share Class Currency Hedging

Foreign exchange transactions may be used for Class currency hedging purposes. Where a Class of Shares is designated as a hedged Class, as stipulated in Schedule 1 hereto, that Class will be hedged against exchange rate fluctuation risks between the denominated currency of the Share Class and the Base Currency of the Fund. Such hedging strategy shall be subject to the conditions and within the limits laid down by the Central Bank and may not be implemented in the following circumstances:

- (i) if the Net Asset Value of the Fund falls below a level whereby the Investment Manager considers that it can no longer hedge the currency exposure in an effective manner;
- (ii) if the FX markets are closed for business; and
- (iii) where a material tolerance of the size of the hedge is applied to share class hedging to avoid unnecessary frictional trading costs.

Further information is set out in the Prospectus at the section entitled "Currency Considerations". It should be noted that the successful execution of a hedging strategy which mitigates this currency risk exactly cannot be assured.

Where a Class is unhedged, a currency conversion will take place on subscriptions, redemptions, conversions and distributions at prevailing exchange rates. In such circumstances, the value of the Share expressed in the Class currency will be subject to exchange rate risk in relation to the Base Currency and/or in relation to the designated currencies of the underlying assets.

INVESTMENT RESTRICTIONS

The Fund's investments will be limited to investments permitted by the Regulations, as set out in Schedule II to the Prospectus. If the Regulations are altered during the life of the Company, the investment restrictions may be changed to take account of any such alterations but any such changes shall be in accordance with the Central Bank's requirements and Shareholders will be advised of such changes in an updated Prospectus or a Supplement and in the next succeeding annual or half-yearly report of the Company. In the event that any alterations to the Regulations necessitate a material change in the investment policy of the Fund, such a change to the investment policy may only be made on the basis of a majority of votes cast at a general meeting or with the prior written approval of all Shareholders and a reasonable notification period shall be provided to Shareholders to enable them to redeem their Shares prior to the implementation of such a change.

The Directors may from time to time impose such further investment restrictions as shall be compatible with or in the interests of Shareholders, including in order to comply with the laws and regulations of the countries where Shareholders are located and any additional investment restrictions or limits will be set down in the "Investment Policy" section above.

The investment restrictions, as well as the policies of the Fund as to ratings of portfolio investments, will apply only at the time of purchase of the investments. If these limits are exceeded for reasons beyond the control of the Fund, the Fund shall adopt as a priority objective for its sales transactions the remedying of that situation taking account of the interests of the Fund and its Shareholders.

SHARE CLASSES

Shares are available in the different Classes of Shares as shown in the table set out at Schedule 1 hereto.

The Investment Manager may in its discretion vary the minimum initial subscription or minimum additional subscription amounts in the future and may choose to waive these criteria.

Investors should note that as at the date of this Supplement only certain Classes of Shares may currently be available for purchase at the discretion of the Directors.

Class M Shares are only available for subscription by (i) employees, members or affiliates of the Investment Manager or the Manager including, without limitation, members of the immediate families of such persons, and trusts or other entities for their benefit; and (ii) other investors who have agreed separate fee arrangements with the Investment Manager or the Manager. Class M Shares are not subject to a performance fee or management fee, and are not subject to minimum initial or additional subscription amounts.

DIVIDENDS

The Directors are permitted to declare distributions in respect of any Class of Shares. Distributions may not be payable for all Classes of Shares. For the Distributing Classes, the current distribution policy is to distribute net income (consisting of revenue, including any accrued interest and dividends less expenses). As a result, a distribution may include accrued revenue which may subsequently never be received. The amount of the net income to be distributed is determined at the discretion of the Directors in accordance with Articles and the Directors will also determine what proportion of the Fund's expenses may be charged against the income to arrive at the net income figure. For the avoidance of

doubt net income excludes any realised and unrealised capital gains and losses incurred during a relevant period. Shareholders should also be aware that in maintaining a regular dividend payment, at times dividends may be paid out of the capital of the Fund in addition to or in the absence of net income. Accordingly, notwithstanding the intention to distribute net income, distributions may also be paid out of capital. In respect of each dividend declared, the Directors may determine if, and to what extent, such dividend is to be paid out of the capital of the Fund. Distributions made during the life of the Fund should be understood to be a type of capital reimbursement.

The Fund expects to receive periodic interest and dividend payments from the assets it invests in and these interest payments and dividend payments will be accrued (as accrued revenue), in accordance with IFRS, in the Net Asset Value of the Fund. The Fund, in order to provide a regular and consistent income stream to its Shareholders, will generally declare a distribution quarterly on the following approximate dates: 1 January, 1 April, 1 July and 1 October. In the event that the accrued revenue is unrealised (i.e. the Fund has not yet received the revenue), on the date a distribution is declared, the distribution of net income will be made out of the capital of the Fund. For the avoidance of doubt, the Fund shall be permitted to make a distribution of net income (including unrealised accrued revenue) even in the event that the Fund has made a capital loss in relevant period and such distribution will be made out of the capital of the Fund. The Fund may make distributions out of capital in other circumstances, at the discretion of the Directors.

As distributions may be made out of the capital of the Fund, there is a greater risk that capital will be eroded and 'income' will be achieved by foregoing the potential for future capital growth of your investment and the value of future returns may also be diminished. This cycle may continue until all capital is depleted.

Please note that distributions out of capital may have different tax implications to distributions of income and you are recommended to seek advice in this regard.

The Fund's net income attributable to the Accumulating Classes shall be re-invested in the capital of the Fund.

For further information, investors' attention is drawn to the section of the Prospectus entitled "Dividend Policy".

SUBSCRIPTIONS AND REDEMPTIONS

The minimum initial subscription amounts and minimum additional subscription amounts are set out in Schedule I hereto.

There are no minimum subscription amounts for Class M Shares.

Please see the section in the Prospectus entitled "Administration of the Company" for further information on subscriptions and redemptions.

Dilution Adjustment

A dilution adjustment of up to 1.50% of the Net Asset Value per Share may be payable on net subscriptions for Shares and net redemptions of Shares as determined by the Investment Manager.

Please see the sub-section in the Prospectus entitled “Dilution Adjustment”, in the section entitled “Administration of the Company” for further information.

The Initial Offer Period is set out in Schedule I hereto.

DEALINGS IN THE FUND

“Trade Cut-off Time for Subscriptions”	12 noon (Irish time) on the last Business Day prior to a Dealing Day.
“Trade Cut-off Time for Redemptions”	12 noon (Irish time) on the last Business Day prior to a Dealing Day.
“Business Day”	means, unless otherwise determined by the Directors and notified in advance to Shareholders, a day on which retail banks are open for business in Ireland and the United Kingdom.
“Dealing Day”	means every Business Day or such other days as the Directors may determine and notify in advance to Shareholders, and provided that there shall be at least one Dealing Day each fortnight.
“Valuation Day”	means, unless otherwise determined by the Directors and notified in advance to Shareholders, every Business Day.
“Valuation Point”	means 5.30 pm (New York time) on the Valuation Day.
“Settlement Time (for subscriptions)”	within 3 Business Days following the relevant Dealing Day.
“Settlement Time (for redemptions)”	within 3 Business Days following the relevant Dealing Day.

Unless a Class of Shares is otherwise closed to new subscriptions by the Directors, Shares shall be issued on the relevant Dealing Day. In respect of the Fund, dealing requests received subsequent to the relevant Trade Cut-Off Time shall be effective on the next applicable Dealing Day (e.g. if a subscription or redemption request is received at 12:01 pm on Monday, presuming it is a Business Day, it shall be effective on Wednesday, presuming that both Tuesday and Wednesday are Dealing Days).

INVESTOR RESTRICTIONS

Notwithstanding anything to the contrary in the Prospectus, Shares in the Fund will not be offered to U.S. Persons irrespective of whether or not such U.S. Persons are “accredited investors” as defined in Regulation D under the Securities Act and “qualified purchasers”, as defined under Section 2(a)(51) of the Investment Company Act. Therefore, the Investment Manager is exempt from registration with the Commodity Futures Trading Commission with respect to the Fund.

FEES AND EXPENSES

Investors' attention is drawn to the section of the Prospectus entitled "Fees and Expenses".

Initial Sales Charge

An initial sales charge of up to 3.00% of the amount subscribed shall be payable in respect of subscriptions for all Class R Shares. Any such sales charge may be payable to the relevant distributors. In addition, the distributors may, in their sole discretion, waive payment of the initial sales charge or reduce the initial sales charge payable by a subscriber for Class R Shares.

There shall be no initial sales charge for the Class B Shares, Class I Shares, Class XXL or Class M Shares.

In addition to the sales charge described above, a local paying agent or local representative may charge customer service fees in connection with subscribed/redeemed Shares.

Redemption Charge

No redemption charge will be payable on redemptions with respect to any Class of Shares.

Fees in respect of the Manager and Investment Manager

Management Fee

The Manager and the Investment Manager shall be entitled to receive an overall investment management fee (the "Management Fee") from the Company in respect of the Fund equal to 0.75% per annum of the Net Asset Value of the Class B Shares, 0.9% per annum of the Net Asset Value of the Class I Shares, 0.6% per annum of the Net Asset Value of the Class XXL Shares and 1.50% per annum of the Net Asset Value of the Class R Shares.

The Management Fee shall be (i) calculated and accrued daily; and (ii) is calculated by reference to the Net Asset Value of the relevant Shares before the deduction of that day's Management Fee and accrued Performance Fee. The Management Fee is normally payable in arrears within 14 days' of the end of the relevant month end.

No Management Fee shall be payable in respect of Class M Shares.

In addition, each of the Manager and the Investment Manager shall be entitled to be reimbursed its reasonably vouched out-of-pocket expenses incurred with respect to the Company and the Fund. The Fund shall bear its pro-rata share of out-of-pocket expenses relating to the Company as a whole.

Performance Fee

The Performance Fee in respect of the Class I, Class XXL and Class R Accumulating Classes is equal to 15% of the excess of the Net Asset Value per Share of the relevant Class I Shares, Class XXL and Class R Shares (after the deduction of the Management Fee and all other payments and expenses but before the deduction of any accrued Performance Fee) at the end of a Performance Period over the High Water Mark.

The Performance Fee in respect of the Class B Accumulating Class Shares is equal to 10% of the excess of the Net Asset Value per Share of the Class B Accumulating Class Shares (after the deduction of the

Management Fee and all other payments and expenses but before the deduction of any accrued Performance Fee) at the end of a Performance Period over the High Water Mark.

The Performance Fee in respect of the Class I, Class XXL and Class R Distributing Classes is equal to 15% of the excess of the Adjusted NAV over the Adjusted High Water Mark.

The Performance Fee in respect of the Class B Distributing Class is equal to 10% of the excess of the Adjusted NAV over the Adjusted High Water Mark.

The Performance Fee (if any) will accrue daily. The amount accrued on each day will be determined by calculating the Performance Fee that would be payable if that day was the last day of the current Performance Period. The Performance Fee will be payable by the Fund to the Investment Manager annually in arrears normally within 14 calendar days of the end of each Performance Period.

The Performance Fee, if any, is calculated on Net Asset Value per Share (after the deduction of the Management Fee and all other payments and expenses but before the deduction of any accrued Performance Fee) at the end of each Performance Period (with respect to the Class B, Class I, Class XXL and Class R Accumulating Share Classes) and the Adjusted NAV (with respect to the Class B, Class I, Class XXL and Class R Distributing Share Classes) including in each case, for the avoidance of doubt the net realised and unrealised gains and losses. As a result, a Performance Fee may be paid on unrealised gains which may subsequently never be realised. There is no repayment of any Performance Fee already paid if the Net Asset Value per Share subsequently falls back below the High Water Mark or Adjusted High Water Mark, as appropriate, even if an investor redeems its holding.

The calculation of the performance fee shall be verified by the Depositary.

Performance Fee Examples

These examples deal with accrual and payment of the Performance Fee for the Fund under different performance scenarios:

Any reference to Net Asset Value per Share or Adjusted Net Asset Value per Share in the examples below including for the purpose of calculating the Excess (as defined below) is after the deduction of the Management Fee and all other payments and expenses but before the deduction of any accrued Performance Fee provided that in doing so it is in the best interest of investors.

Example 1:

Performance Fee: 10%

Scenario: Net Asset Value per Share decreases during a Performance Period and does not exceed the High Water Mark at the end of a Performance Period. The scenario assumes no subscription/redemption activities for the Performance Period.

Result: No Performance Fee is paid at the end of the Performance Period.

Detail: In this scenario, a Performance Fee is not payable because the High Water Mark was greater than the Net Asset Value per Share for the Share Class at the end of the Performance Period.

Example 2:

Performance Fee: 10%

Scenario: The Net Asset Value per Share increases during the Performance Period and is greater than the High Water Mark at the end of the Performance Period. The scenario assumes no subscription/redemption activities for the Performance Period and there are 100,000 Shares in issue.

Result: Performance Fee is paid at the end of the Performance Period.

Detail: In this scenario, a Performance Fee is payable because the Net Asset Value per Share of the Share Class is greater than the High Water Mark at the end of the Performance Period.

Example: At the end of Year 1 the Net Asset Value per Share is €1.05, and the High Water Mark is €1.03.

The difference between the Net Asset Value per Share and the High Water Mark is €0.02, and is referred to as the “Excess”.

The Performance Fee payable at the end of the Performance Period is equal to 10% of the Excess multiplied by the Shares in issue of the relevant Share Classes:
 $10\% \times 0.02 \times 100,000 = €200$

Example 3:

Performance Fee: 10%

Scenario: The Fund has prior period losses that need to be considered in the calculation. Net Asset Value per Share increases during a Performance Period but does not exceed the High Water Mark at the end of a Performance Period. The scenario assumes no subscription/redemption activities for the Performance Period.

Result: No Performance Fee is paid at the end of the Performance Period.

Detail: In this scenario, a Performance Fee is not payable because the High Water Mark was greater than the Net Asset Value per Share for the Share Class. This is because the Fund has prior period losses that need to be recovered before a fee can begin to accrue.

Example 4:

Performance Fee: 10%

Scenario: The Net Asset Value per Share increases during the Performance Period and is greater than the High Water Mark during the first half of the Performance Period. The Net Asset Value per Share then decreases during the second half of the Performance Period such that it is below the High Water Mark at the end of the Performance Period. This scenario assumes there are 100,000 Shares in issue at the start of the Performance Period and a redemption of 50,000 Shares occurs during the first half of the Performance Period.

Result: Performance Fee is paid on the redemption that occurs during the Performance Period. No Performance Fee is paid at the end of the Performance Period.

Example: At the date of the redemption, the Net Asset Value per Share is €1.05, at the end of Year 1 the Net Asset Value per Share is €1.02, and the High Water Mark is €1.03

during the Performance Period.

The difference between the Net Asset Value per Share at the date of redemption and the High Water Mark is €0.02, and is referred to as the “Excess”.

The Performance Fee payable on redemption is equal to 10% of the Excess multiplied by the Shares redeemed of the relevant Share Classes. The High Water Mark remains as €1.03:

$$10\% \times 0.02 \times 50,000 = €100$$

At the end of the Performance Period, the Net Asset Value per Share is €1.02 and is less than the High Water Mark €1.03. Therefore no Performance Fee is paid at the end of the Performance Period.

Example 5:

Performance Fee: 10%

Scenario: The Adjusted Net Asset Value per Share increases during the Performance Period and is greater than the Adjusted High Water Mark at the end of the Performance Period. A distribution is made during the performance period. The scenario assumes no subscription/redemption activities for the Performance Period and there are 100,000 Shares in issue.

Result: Performance Fee is paid at the end of the Performance Period.

Example: At the start of Year 1, both the Net Asset Value per Share and the Adjusted Net Asset Value per Share are €1.03, and the Adjusted High Water Mark is €1.03. A distribution of €0.02 is paid during the year.

At the end of Year 1, the Net Asset Value is still €1.03 however the Adjusted Net Asset Value per Share is now €1.05 due to the distribution during the period. The Adjusted High Water Mark is still €1.03.

The difference between the Adjusted Net Asset Value per Share and the Adjusted High Water Mark is €0.02, and is referred to as the “Excess”.

The Performance Fee payable at the end of the Performance Period is equal to 10% of the Excess multiplied by the Shares in issue of the relevant Share Classes:

$$10\% \times 0.02 \times 100,000 = €200$$

The calculation of the Performance Fee is verified by the Depositary and is not open to the possibility of manipulation. The Performance Fee shall normally be credited to the Investment Manager within 14 days of the end of each Performance Period.

Deemed End of Performance Period

Class B Shares, Class I Shares, Class XXL Shares and Class R Shares redeemed other than at the end of a Performance Period will be treated as if the date of redemption was the end of the Performance Period and the above provisions shall apply. For the avoidance of doubt, this will not create a new High Water Mark or Adjusted High Water Mark, as appropriate. Any Performance Fee payable to the Investment Manager shall be paid within 14 calendar days of the end of the relevant Performance Period.

If the Investment Management Agreement as it relates to the Investment Manager's appointment to the Fund is terminated other than at the end of a Performance Period, the date of termination will be deemed to be the end of the Performance Period and the above provisions shall apply. Any Performance Fee payable to the Investment Manager shall be paid as soon as reasonably practicable after the date of termination.

Performance Fee – No Equalisation

The methodology used in calculating the Performance Fees in respect of the Class B Shares, Class I Shares, Class XXL Shares and Class R Shares may result in inequalities between investors in relation to the payment of Performance Fees (with some investors paying disproportionately higher Performance Fees in certain circumstances) and may also result in certain investors having more of their capital at risk at any time than others (as no equalisation methodology is employed in respect of the Performance Fee calculation).

Class M

No performance fees shall be payable in respect of Class M Shares.

Depositary's Fee

The Depositary shall be entitled to receive out of the assets of the Fund a fee, accrued and calculated daily and payable monthly in arrears, at a rate of 0.01% per annum of the Fund's Net Asset Value subject to a minimum annual fee of €600,000 at the level of the Company (as above, to include administration and depositary services).

The Depositary shall also be entitled to receive transaction charges and all sub-custodian charges will be recovered by the Depositary from the Company out of the assets of the Fund as they are incurred by the relevant sub-custodians. All such charges shall be charged at normal commercial rates. The Depositary is also entitled to reimbursement for its reasonable vouched out-of-pocket expenses

Administrator's Fee

The Administrator shall be entitled to receive out of the assets of the Fund a fee, accrued and calculated daily and payable monthly in arrears, at a rate of up to 0.035% per annum of the Fund's Net Asset Value for the first €200 million, 0.03% per annum of the Fund's Net Asset Value between €200 million and €500 million and 0.02% per annum of the Fund's Net Asset Value above €500 million subject to a minimum annual fee of €600,000 at the level of the Company (to include administration and depositary services).

In addition, the Company shall pay out of the assets of the Fund its portion of the Administrator's annual financial statement preparation fee of €5,000 per annum (at the level of the Company) and €1,000 per annum (per Fund) for the preparation of financial statements for the Company and a preparation fee of €3,000 per annum (at Company level) and €750 per annum (per Fund) for the semi-annual financial statement. In addition, the Administrator shall be entitled to be reimbursed for its reasonable vouched out-of-pocket expenses, transaction and account fees

Establishment Costs

The costs of establishing the Fund are not expected to exceed €50,000 and will be amortised over the first five years of the Fund.

Class I Shares and Class XXL Shares are available to those financial intermediaries providing independent investment advisory services or discretionary investment management as defined in MiFID II and those financial intermediaries providing non-independent investment services and activities who have separate fee arrangements with their clients under which they have agreed not to receive and retain inducements. Such Classes shall be referred to in the tables in Schedule I of this Supplement as “Clean” Classes.

RISK FACTORS

The attention of investors is drawn to the section headed “Risk Factors” in the Prospectus and to the following additional risks relating to the Fund:

TRS and Credit Risk

The return payable under TRS with an approved counterparty is subject to the credit risk of the approved counterparty. In addition, the approved counterparty will act as the calculation agent under the TRS (the "Calculation Agent"). Shareholders should note that not only will they be exposed to the credit risk of the approved counterparty but also potential conflicts of interest in the performance of the function of Calculation Agent by the approved counterparty. The approved counterparty undertakes to use its reasonable endeavours to resolve any such conflicts of interest fairly (having regard to its respective obligations and duties) and to ensure that the interests of the Fund and the Shareholders are not unfairly prejudiced. The Manager believes that the approved counterparty is suitable and competent to perform such functions. In addition the valuations provided by the approved counterparty in its role as Calculation Agent will be verified at least weekly by a party independent of the approved counterparty who shall either be the Administrator, or sourced by the Administrator, as appropriate, and who has been approved for such purpose by the Depository.

Commodities Risk

The Fund may be exposed through ETNs, ETCs, ETFs and FDI on financial indices to commodities as the components of such an index may include commodities. Prices of commodities are influenced by, among other things, various macro-economic factors such as changing supply and demand relationships, agricultural, trade, fiscal, monetary, exchange control programmes, policies of governments (including government intervention in certain markets), weather conditions and other natural phenomena and other unforeseeable events.

SCHEDULE I

Classes of Shares

Algebris Global Credit Opportunities Fund – Fund denomination – EURO								
Share Class	Class Currency	Hedged currency class	Initial Offer Price	Minimum initial subscription	Minimum additional subscription	Management Fee	Initial Offer Period Status*	Distribution Status
Class I EUR (Clean)	EUR	No	€100	€500,000	€1,000	0.90%	Funded	Accumulating
Class Id EUR (Clean)	EUR	No	€100	€500,000	€1,000	0.90%	Funded	Distributing
Class I GBP (Clean)	GBP	Yes	GBP 100	GBP equivalent of €500,000	GBP equivalent of €1,000	0.90%	Funded	Accumulating
Class Id GBP (Clean)	GBP	Yes	GBP 100	GBP equivalent of €500,000	GBP equivalent of €1,000	0.90%	Funded	Distributing
Class I CHF (Clean)	CHF	Yes	CHF 100	CHF equivalent of €500,000	CHF equivalent of €1,000	0.90%	Funded	Accumulating
Class Id CHF (Clean)	CHF	Yes	CHF 100	CHF equivalent of €500,000	CHF equivalent of €1,000	0.90%	Extended	Distributing
Class I USD (Clean)	USD	Yes	USD 100	USD equivalent of €500,000	USD equivalent of €1,000	0.90%	Funded	Accumulating
Class Id USD (Clean)	USD	Yes	USD 100	USD equivalent of €500,000	USD equivalent of €1,000	0.90%	Funded	Distributing
Class I SGD (Clean)	SGD	Yes	SGD 100	SGD equivalent of €500,000	SGD equivalent of €1,000	0.90%	Extended	Accumulating
Class Id SGD (Clean)	SGD	Yes	SGD 100	SGD equivalent of €500,000	SGD equivalent of €1,000	0.90%	Extended	Distributing
Class I JPY (Clean)	JPY	Yes	JPY 100	JPY equivalent of €500,000	JPY equivalent of €1,000	0.90%	Extended	Accumulating
Class Id JPY (Clean)	JPY	Yes	JPY 100	JPY equivalent of €500,000	JPY equivalent of €1,000	0.90%	Extended	Distributing
Class I CAD (Clean)	CAD	Yes	CAD 100	CAD equivalent of €500,000	CAD equivalent of €500,000	0.90%	New	Accumulating
Class Id CAD (Clean)	CAD	Yes	CAD 100	CAD equivalent of €500,000	CAD equivalent of €500,000	0.90%	New	Distributing

Algebris Global Credit Opportunities Fund – Fund denomination – EURO

Share Class	Class Currency	Hedged currency class	Initial Offer Price	Minimum initial subscription	Minimum additional subscription	Management Fee	Initial Offer Period Status*	Distribution Status
Class I SEK (Clean)	SEK	Yes	SEK 100	SEK equivalent of €500,000	SEK equivalent of €500,000	0.90%	New	Accumulating
Class Id SEK (Clean)	SEK	Yes	SEK 100	SEK equivalent of €500,000	SEK equivalent of €500,000	0.90%	New	Distributing
Class R EUR	EUR	No	€100	€10,000	€1,000	1.50%	Funded	Accumulating
Class Rd EUR	EUR	No	€100	€10,000	€1,000	1.50%	Funded	Distributing
Class R GBP	GBP	Yes	GBP 100	GBP equivalent of €10,000	GBP equivalent of €1,000	1.50%	Funded	Accumulating
Class Rd GBP	GBP	Yes	GBP 100	GBP equivalent of €10,000	GBP equivalent of €1,000	1.50%	Extended	Distributing
Class R CHF	CHF	Yes	CHF 100	CHF equivalent of €10,000	CHF equivalent of €1,000	1.50%	Funded	Accumulating
Class Rd CHF	CHF	Yes	CHF 100	CHF equivalent of €10,000	CHF equivalent of €1,000	1.50%	Extended	Distributing
Class R USD	USD	Yes	USD 100	USD equivalent of €10,000	USD equivalent of €1,000	1.50%	Funded	Accumulating
Class Rd USD	USD	Yes	USD 100	USD equivalent of €10,000	USD equivalent of €1,000	1.50%	Funded	Distributing
Class R SGD	SGD	Yes	SGD 100	SGD equivalent of €10,000	SGD equivalent of €1,000	1.50%	Extended	Accumulating
Class Rd SGD	SGD	Yes	SGD 100	SGD equivalent of €10,000	SGD equivalent of €1,000	1.50%	Extended	Distributing
Class R JPY	JPY	Yes	JPY 100	JPY equivalent of €10,000	JPY equivalent of €1,000	1.50%	Extended	Accumulating
Class Rd JPY	JPY	Yes	JPY 100	JPY equivalent of €10,000	JPY equivalent of €1,000	1.50%	Extended	Distributing
Class R CAD	CAD	Yes	CAD 100	CAD equivalent of €10,000	CAD equivalent of €1,000	1.50%	New	Accumulating
Class Rd CAD	CAD	Yes	CAD 100	CAD equivalent of €10,000	CAD equivalent of €1,000	1.50%	New	Distributing

Algebris Global Credit Opportunities Fund – Fund denomination – EURO

Share Class	Class Currency	Hedged currency class	Initial Offer Price	Minimum initial subscription	Minimum additional subscription	Management Fee	Initial Offer Period Status*	Distribution Status
Class R SEK	SEK	Yes	SEK 100	SEK equivalent of €10,000	SEK equivalent of €1,000	1.50%	New	Accumulating
Class Rd SEK	SEK	Yes	SEK 100	SEK equivalent of €10,000	SEK equivalent of €1,000	1.50%	New	Distributing
Class XXL EUR (Clean)	EUR	No	€100	€50,000,000	€1,000,000	0.60%	Funded	Accumulating
Class XXLd EUR (Clean)	EUR	No	€100	€50,000,000	€1,000,000	0.60%	Extended	Distributing
Class XXL GBP (Clean)	GBP	Yes	GBP 100	GBP equivalent of €50,000,000	GBP equivalent of €1,000,000	0.60%	Extended	Accumulating
Class XXLd GBP (Clean)	GBP	Yes	GBP 100	GBP equivalent of €50,000,000	GBP equivalent of €1,000,000	0.60%	Extended	Distributing
Class XXL CHF (Clean)	CHF	Yes	CHF 100	CHF equivalent of €50,000,000	CHF equivalent of €1,000,000	0.60%	Extended	Accumulating
Class XXLd CHF (Clean)	CHF	Yes	CHF 100	CHF equivalent of €50,000,000	CHF equivalent of €1,000,000	0.60%	Extended	Distributing
Class XXL USD (Clean)	USD	Yes	USD 100	USD equivalent of €50,000,000	USD equivalent of €1,000,000	0.60%	Extended	Accumulating
Class XXLd USD (Clean)	USD	Yes	USD 100	USD equivalent of €50,000,000	USD equivalent of €1,000,000	0.60%	Extended	Distributing
Class XXL SGD (Clean)	SGD	Yes	SGD 100	SGD equivalent of €50,000,000	SGD equivalent of €1,000,000	0.60%	Extended	Accumulating
Class XXLd SGD (Clean)	SGD	Yes	SGD 100	SGD equivalent of €50,000,000	SGD equivalent of €1,000,000	0.60%	Extended	Distributing

Algebris Global Credit Opportunities Fund – Fund denomination – EURO

Share Class	Class Currency	Hedged currency class	Initial Offer Price	Minimum initial subscription	Minimum additional subscription	Management Fee	Initial Offer Period Status*	Distribution Status
Class XXL JPY (Clean)	JPY	Yes	JPY 100	JPY equivalent of €50,000,000	JPY equivalent of €1,000,000	0.60%	Extended	Accumulating
Class XXLd JPY (Clean)	JPY	Yes	JPY 100	JPY equivalent of €50,000,000	JPY equivalent of €1,000,000	0.60%	Extended	Distributing
Class XXL CAD (Clean)	CAD	Yes	CAD 100	CAD equivalent of €50,000,000	CAD equivalent of €1,000,000	0.60%	New	Accumulating
Class XXLd CAD (Clean)	CAD	Yes	CAD 100	CAD equivalent of €50,000,000	CAD equivalent of €1,000,000	0.60%	New	Distributing
Class XXL SEK (Clean)	SEK	Yes	SEK 100	SEK equivalent of €50,000,000	SEK equivalent of €1,000,000	0.60%	New	Accumulating
Class XXLd SEK (Clean)	SEK	Yes	SEK 100	SEK equivalent of €50,000,000	SEK equivalent of €1,000,000	0.60%	New	Distributing
Class B EUR	EUR	No	€100	EUR 10,000	EUR 1,000	0.75%	Closed**	Accumulating
Class Bd EUR	EUR	No	€100	EUR 10,000	EUR 1,000	0.75%	Closed**	Distributing
Class B GBP	GBP	Yes	GBP 100	GBP equivalent of EUR 10,000	GBP equivalent of EUR 1,000	0.75%	Closed**	Accumulating
Class Bd GBP	GBP	Yes	GBP 100	GBP equivalent of EUR 10,000	GBP equivalent of EUR 1,000	0.75%	Closed**	Distributing
Class B CHF	CHF	Yes	CHF 100	CHF equivalent of EUR 10,000	CHF equivalent of EUR 1,000	0.75%	Closed**	Accumulating
Class Bd CHF	CHF	Yes	CHF 100	CHF equivalent of EUR 10,000	CHF equivalent of EUR 1,000	0.75%	Closed**	Distributing
Class B SGD	SGD	Yes	SGD 100	SGD equivalent of EUR 10,000	SGD equivalent of EUR 1,000	0.75%	Closed**	Accumulating
Class Bd SGD	SGD	Yes	SGD 100	SGD equivalent of EUR 10,000	SGD equivalent of EUR 1,000	0.75%	Closed**	Distributing

Algebris Global Credit Opportunities Fund – Fund denomination – EURO

Share Class	Class Currency	Hedged currency class	Initial Offer Price	Minimum initial subscription	Minimum additional subscription	Management Fee	Initial Offer Period Status*	Distribution Status
Class B USD	USD	Yes	USD 100	USD equivalent of EUR 10,000	USD equivalent of EUR 1,000	0.75%	Closed**	Accumulating
Class Bd USD	USD	Yes	USD 100	USD equivalent of EUR 10,000	USD equivalent of EUR 1,000	0.75%	Closed**	Distributing
Class M EUR	EUR	No	€100	N/A	N/A	N/A	Funded	Accumulating
Class Md EUR	EUR	No	€100	N/A	N/A	N/A	Extended	Distributing
Class M GBP	GBP	Yes	GBP 100	N/A	N/A	N/A	Funded	Accumulating
Class Md GBP	GBP	Yes	GBP 100	N/A	N/A	N/A	Funded	Distributing
Class M CHF	CHF	Yes	CHF 100	N/A	N/A	N/A	Extended	Accumulating
Class Md CHF	CHF	Yes	CHF 100	N/A	N/A	N/A	Extended	Distributing
Class M USD	USD	Yes	USD 100	N/A	N/A	N/A	Extended	Accumulating
Class Md USD	USD	Yes	USD 100	N/A	N/A	N/A	Funded	Distributing
Class M SGD	SGD	Yes	SGD 100	N/A	N/A	N/A	Extended	Accumulating
Class Md SGD	SGD	Yes	SGD 100	N/A	N/A	N/A	Extended	Distributing
Class M JPY	JPY	Yes	JPY 100	N/A	N/A	N/A	Extended	Accumulating
Class Md JPY	JPY	Yes	JPY 100	N/A	N/A	N/A	Extended	Distributing

Initial Offer Period Shares

* This column specifies “New” where a Class is being offered for the first time, “Funded” where a Class is in issue, “Extended” where a Class has been offered, the Initial Offer Period has commenced and is continuing but no Shares are in issue.

For all Classes of Shares identified as “New”, the Initial Offer Period is from 9.00 a.m. (Irish time) on 22 March, 2021 until 5.30 p.m. (Irish time) on 19 December, 2023, or such other dates as the Directors may determine and notify to the Central Bank.

For all Classes of Shares identified as “Extended”, the Initial Offer Period shall continue until 5.30 p.m. (Irish time) on 19 December 2023 or such other dates as the Directors may determine and notify to the Central Bank.

** In this column specifies “Closed” where a Class is closed to new subscriptions.

SCHEDULE II

Product name: Algebris Global Credit Opportunities Fund (the Fund)

Legal entity identifier: 549300KQJBO8BXWJ327

Environmental and/or social characteristics

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU)2020/852, establishing a list of **environmentally sustainable economic activities**. For the time being, it does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Does this financial product have a sustainable investment objective?

Yes
 No

<input type="checkbox"/> It will make a minimum of sustainable investments with an environmental objective: ____%	<input type="checkbox"/> It promotes Environmental/Social (E/S) characteristics and while it does not have as its objective a sustainable investment, it will have a minimum proportion of ____% of sustainable investments
<input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy	<input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
<input type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	<input type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
<input type="checkbox"/> It will make a minimum of sustainable investments with a social objective: ____%	<input type="checkbox"/> with a social objective
	<input checked="" type="checkbox"/> It promotes E/S characteristics, but will not make any sustainable investments



What environmental and/or social characteristics are promoted by this financial product?

The environmental and social characteristics promoted by the Fund are:

1. Prevention of predatory lending practices
2. Pollution prevention and control
3. Human rights
4. Labour relations

No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by the Fund.

What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?

The Investment Manager will use the following sustainability indicators to measure the attainment of the environmental and social characteristics promoted by the Fund. Where relevant, the data for assessing the below indicators is sourced from third-party ESG data providers (the “Data Providers”) and internal research.

Key ESG concerns

Characteristic 1: Predatory lending practices:

- ***Indicator:*** the share of revenues derived from predatory lending activities.

Characteristic 2: Pollution prevention and control

- ***Indicator:*** amount of air pollutants in proportion to company revenue and/or the amount of inorganic pollutants in proportion to company revenues.

Characteristic 3: Human rights

- ***Indicator:*** the share of investments in companies involved in very serious violations of human rights under the United Nations Global Compact (UNGC). For the purpose of this indicator, the Investment Manager defines a very serious violation as the case of a company being: (a) involved in persistent UNGC-related controversies; (b) where the controversy is of critical severity; and (c) where the company is non-reactive. The existence of human rights policies and commitments at the individual investee level is also monitored in the context of measuring the attainment of targets monitored.
- ***Indicator:*** The evolution at portfolio level of an aggregate human right score. The score reflects the extent to which investees have policies and processes in place to assess, manage and mitigate the existence of human rights issues across their business.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

Characteristic 4: Labour relations

- **Indicator: the share of investments in companies involved in very serious violations of labour rights under the UNGC.** For the purpose of this indicator, the Investment Manager defines a very serious violation as the case of a company being: (a) involved in persistent UNGC-related controversies; (b) where the controversy is of critical severity; and (c) where the company is non-reactive. The existence of Human Rights Policies and Commitments at the individual investee level is also monitored in the context of measuring the attainment of targets monitored.
- **Indicator: the evolution at portfolio level of an aggregate labour practice score.** The score reflects the investees' gender balance; gender pay ratio; performance in terms of preventing discrimination and harassment; freedom of association; ethnic diversity.

Exclusion policies

- **Indicator: any holdings (0%) of the Fund comprising issuers on the exclusion lists.**

Voting policy and engagement

- **Indicator: the % of meetings voted; the % of shareholders' resolutions voted against; the % of shareholders' resolutions voted in favour; the number of ESG-related engagements with investees.**

ESG screening

- **Indicator: the evolution at portfolio level of a global ESG score, as well as of individual E, S, and G scores.**

What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?

N/A

How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?

N/A

How have the indicators for adverse impacts on sustainability factors been taken into account?

N/A

How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:

N/A

The EU Taxonomy sets out a “do not significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

The “do no significant harm” principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.



Does this financial product consider principal adverse impacts on sustainability factors?

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

- Yes, the Investment Manager considers the principal adverse impacts (**PAI**) of the Fund’s investments on sustainability factors: (i) prior to and at the point of investment, by conducting (to the extent possible) due diligence on any proposed investments, with at a minimum the application of ESG exclusion policies; and (ii) on an ongoing basis by monitoring the investments against any applicable mandatory and additional PAI indicators. More information is available in the periodic reporting pursuant to Article 11(2) of the SFDR.

The **climate and other environmental** related PAI indicators considered by the Investment Manager in respect to all investee companies are:

- GHG emissions;
- carbon footprint;
- GHG intensity of investee companies;
- exposure to companies active in the fossil fuel sector;
- share of non-renewable energy consumption and production;
- energy consumption intensity per high impact climate sector;
- activities negatively affecting biodiversity-sensitive areas;
- emissions to water;
- hazardous waste ratio; and
- investments in companies without carbon emission reduction initiatives.

The **social and employee, respect for human rights, anti-corruption and anti-bribery** related PAI indicators considered by the Investment Manager in respect to all investee companies are:

- violations of UNGC principles and OECD guidelines for multinational enterprise;

- lack of processes and companies mechanisms to monitor companies with UNGC principles and OECD guidelines for multinational enterprise;
- unadjusted gender pay gap;
- board gender diversity;
- exposure to controversial weapons; and
- lack of anti-corruption and anti-bribery policies.

No



What investment strategy does this financial product follow?

The investment objective, investment policy and investment strategy of the Fund is detailed in the Supplement for this Fund and should be read in conjunction with and in the context of this Annex.

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

In addition, in the context of its promotion of environmental and social characteristics, the Investment Manager mainly relies on a combination of the following approaches to responsible investment:

- (1) **Key ESG concerns:** the Fund aims to facilitate and accelerate the transition towards a greener and more sustainable economy by investing in companies that are considered acceptable by reference to the environmental and social characteristics the Fund promotes.
- (2) **Exclusion policies:** the Fund applies exclusion policies to provide reasonable comfort that the Fund does not make or hold investments in industries, market segments and companies considered to have particularly harmful or controversial practices from an environmental or social perspective.
- (3) **Voting Policy and engagement:** Where the Investment Manager is given the opportunity to exercise voting rights in relation to the positions held by the Fund, these are made in the best interests of the investors in the Fund after considering the long-term sustainability of the respective issuer. While abstaining can be the best option in a limited number of cases, the voting policy applicable to the Investment Manager commits it to take an active role, with sustainability being a prime consideration.

When deciding how to exercise voting rights attached to the investments made by the Fund, the Investment Manager will consider voting decisions on a case-by-case basis taking into account: (i) the likely effect on the performance of the Fund's investments; and also (ii) the long-term sustainability considerations of the issuer.

The Investment Manager is a supporter of the Say on Climate Initiative – Shareholder Voting on Climate Transition Action Plans (a shareholder voting initiative to encourage companies to publish annual disclosures of emissions and to adopt a plan to manage these emissions) ("**Say on Climate**"). As a supporter of the Say on Climate, the Investment Manager has formally included in its voting policy a pledge to encourage listed companies to submit to a climate transition action plan at their annual general meetings (AGMs) for a shareholder vote. Where companies will not do so voluntarily, the Investment Manager has formally stated in its voting policy that it will vote for and/or file annual general meeting (AGM) resolutions (whenever it has

voting rights, and sufficient votes) requiring such a vote that furthers the aims of Say on Climate.

On engagement more broadly, the Investment Manager also holds an ongoing dialogue with investee companies. This is typically done in the form of calls and meetings with management, following publication of banks' periodic results or upon presentation of their industrial plans. This direct engagement also spans ESG-relevant themes (e.g. ESG disclosures; climate transition plans; net zero targets). The Investment Manager also actively participates in several investor collective engagement initiatives (such as the Non-Disclosure Campaign led by the Carbon Disclosure Project (CDP)) and may engage with investee companies as part of these initiatives.

Please also note: as the Fund does not intend to invest directly in ordinary equity securities the Investment Manager does not anticipate that the opportunity to exercise voting rights will regularly occur (if at all). In the event that the Fund does acquire and hold ordinary equity securities with voting rights, the Fund will discharge such voting rights in compliance with the Investment Manager's voting policy, and otherwise as explained above.

- (4) **United Nations Global Compact screening:** the Investment Manager applies screening that evaluates the alignment of investee companies with the 10 Principles of the UNGC. This will exclude investments in companies that are identified as exhibiting a poor performance in business areas relevant to the UNGC principles. In addition, companies whose performance is significantly below average (but above the threshold for immediate exclusion) will be placed on a watchlist.
- (5) **ESG screening:** a negative screening process which excludes certain securities from the investment universe by virtue of ethical, environmental, and other non-economic factors, or a positive screening which includes certain securities and norm-based screening aligned with the 10 UNGC Principles. The Fund is subject to ESG screening, which evaluates the ESG credentials of investees. This assessment is based on data from Data Providers and internal research.

These principles are integrated, on a best-efforts basis, into the investment controls where possible and reviewed on a regular basis by the Investment Manager. Where any of the requirements are not met, the Investment Manager will determine how best to liquidate the position(s), if appropriate, or take action to remediate the situation through active engagement with the issuer. The Investment Manager will abstain from investing in similar investments until the identified issue is resolved and the relevant position is no longer considered in breach of the Fund's sustainability criteria detailed above.

● ***What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?***

In order to attain the environmental and/or social characteristics promoted, the Investment Manager applies the following binding criteria to the selection of underlying assets as part of its investment decision making process:

(1) Key ESG Concerns:

- a. No investment is allowed in companies that derive any revenues from predatory lending activities; and/or companies that have significant ownership in entities excluded under this rule.
- b. No investment is allowed in companies that derive more than 5% of their revenues from coal mining and/or more than 10% of their revenues from coal

power generation; and/or in companies that have a significant ownership in the entities excluded under this rule. No investment is allowed in debt or equity issued by the top global coal shareholders, bondholders, and lenders as defined in the Investment Manager's exclusion policies and procedures.

- c. No investment is allowed in companies that derive more than 5% of revenues from exploration-extraction of arctic oil and/or more than 10% of revenues from exploration/extraction of tar sands; and/or in companies that have a significant ownership in entities excluded under this rule.
- d. No investment is allowed in companies that derive any revenues from the manufacturing of controversial weapons; and/or in companies that have a significant ownership in entities excluded under this rule. No investment is allowed in debt or equity issued by the top global investors in nuclear weapons and cluster weapons as defined in the Investment Manager's exclusion policies and procedures.
- e. No investment is allowed in companies found to be involved in very serious violations of human rights and/or labour rights under the UNGC.

Note that for the purpose of this section, information with respect to "significant ownership" is sourced from Data Providers and is usually considered ownership of 10% or more.

- (2) **Exclusion policies:** the Fund is subject to the Investment Manager's firm-level exclusion policy, including but not limited to the restrictions listed under (1). This policy results in ESG exclusion lists that are implemented in the Investment Manager's internal automated controls system, which include fully integrated pre- and post-trade controls to implement and safeguard the exclusion lists.
- (3) **UNGC screening:** as noted above in addition to exclusion policies, the Fund is also subject to a screening that evaluates the alignment of investee companies with the 10 UNGC principles. An exclusion list of companies found in breach of the UNGC is compiled by the Investment Manager, and investment in the companies on the list is not allowed.

The UNGC screening will be underpinned by quantitative and qualitative analysis carried out by the ESG research team of the Investment Manager, using data collected by specialist Data Providers and internal research.

● ***What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?***

The Fund does not have a committed minimum rate to reduce the scope of the investments considered prior to the application of the investment strategy.

● ***What is the policy to assess good governance practices of the investee companies?***

The Investment Manager assesses the governance practices of investee companies through a variety of scores covering various aspects of firm-level governance, sourced from external Data Providers in order to satisfy itself that the relevant investee companies follow good governance practices, in particular with respect to

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

sound management structures, employee relations, remuneration of staff and tax compliance. The investment team of the Investment Manager may also engage with investee companies about specific governance-related issues. The dedicated AI/ Data team of the Algebris group has also developed a proprietary artificial intelligence (AI) driven controversy monitoring tool to monitor the increase of potential ESG-related controversies relating to investee companies.

To satisfy itself that the relevant investee companies follow good governance practices (in particular with respect to sound management structures, employee relations, remuneration of staff and tax compliance) the Investment Manager monitors a number of governance related key performance indicators (KPIs) for the investee companies. These include:

(i) Sound management structures:

- an aggregate performance index reflecting anti-crime policies and processes; business ethics; and corporate governance structure and effectiveness.

(ii) Employee relations:

- an aggregate performance index reflecting occupational health and safety; human capital development; and talent retention.

(iii) Remuneration of staff:

- an aggregate performance index reflecting gender pay gap; and CEO to employee pay ratio.

(iv) Tax compliance:

- an aggregate performance index reflecting tax strategy and governance; effective tax rate; and tax reporting.

Data for assessing the elements above is sourced from Data Providers and internal research. The investment team of the Investment Manager may also engage with investee companies about specific governance-related issues, such as news items and/or the emergence of governance-related controversies.



Asset allocation describes the share of investments in specific assets.

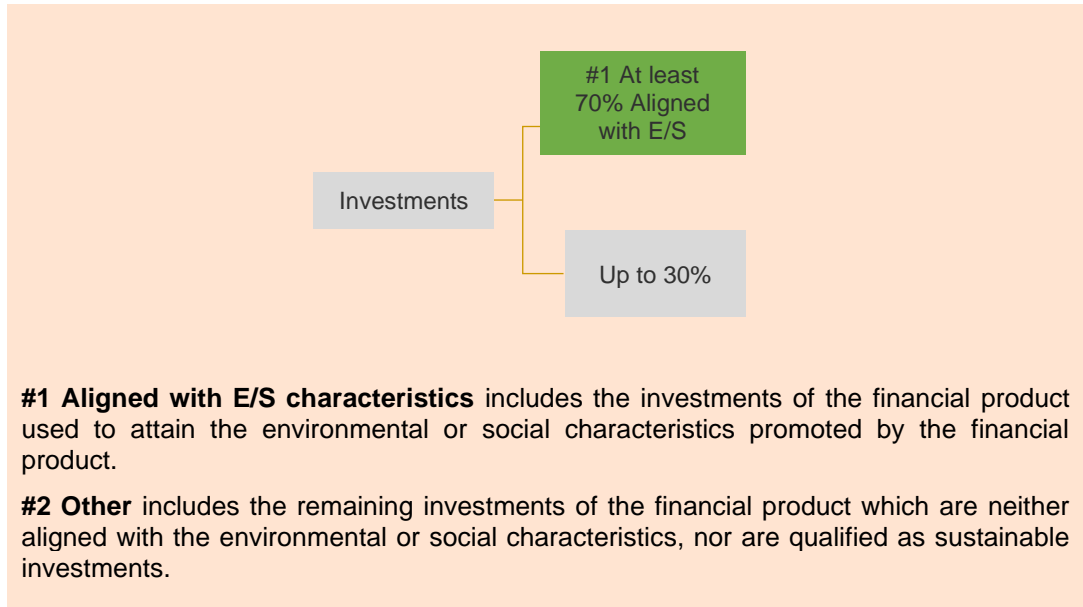
What is the asset allocation planned for this financial product?

The minimum proportion of the Fund's investments that will be aligned with the environmental and social characteristics promoted by the Fund will be 70% (taking into account only the binding elements referred to above).

The remaining proportion of up to 30% of the Fund's investments will be used for hedging, liquidity, diversification and/or efficient portfolio management purposes and will not incorporate any of the environmental and or social characteristics promoted by the Fund. Any minimum environmental or social safeguards regarding the remaining proportion of the investments is covered in a specific section below.

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure (CapEx)** showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure (OpEx)** reflecting green operational activities of investee companies.



● **How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?**

Whilst the Fund does use derivatives as part of its investment strategy as further detailed in the Supplement for the Fund, the use of derivatives is not conducted with a view to attaining the environmental or social characteristics promoted by the Fund.

To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

While the Fund promotes environmental and social characteristics, as at the date of this document, it is expected that the minimum proportion of investments of the Fund in environmentally sustainable economic activities aligned with the “EU Taxonomy” (being Regulation (EU) 2020/852 of the European Parliament and the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investments) (including in transitional and enabling activities) shall be 0% of the investments of the Fund.

● **Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy¹?**

Yes:

In fossil gas In nuclear energy

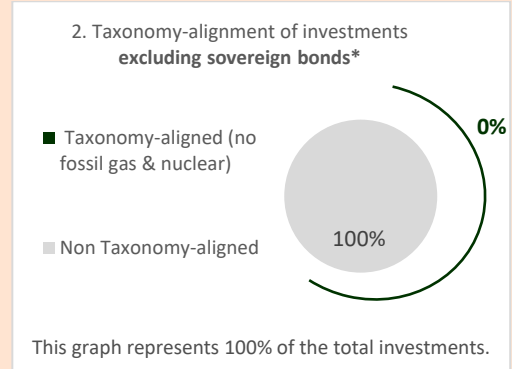
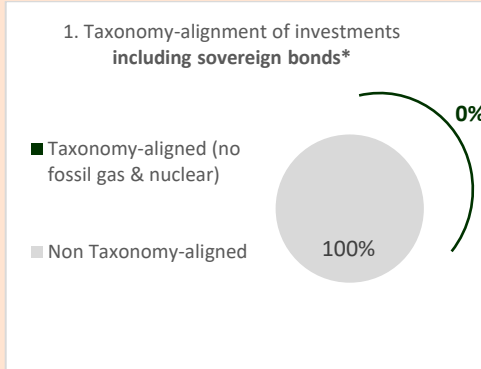
No



The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-

¹ Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change (“climate change mitigation”) and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

alignment of sovereign bonds*; the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.



* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.

are sustainable investments with an environmental objective that do not take into account the criteria for environmentally sustainable economic activities under the EU Taxonomy.

- **What is the minimum share of investments in transitional and enabling activities?**

N/A



- **What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?**

N/A



- **What is the minimum share of socially sustainable investments?**

N/A



- **What investments are included under “#2 Other”, what is their purpose and are there any minimum environmental or social safeguards?**

The “#Other” investments made by the Fund include instruments which are used for the purpose of hedging (including currency risk management), liquidity, diversification and efficient portfolio management. These investments include, but are not limited to, ancillary liquid assets and financial derivative instruments. Whilst these investments may not be aligned with the environmental or social characteristics promoted by the Fund they will, to the extent possible, still be subject to the exclusion policies detailed above, in addition to the UNGC Screening. These provide the minimum safeguards.

The remaining assets of the Fund will also comprise cash and cash equivalents held from time to time on an ancillary basis, as well as instruments for hedging purposes. Such assets are subject to the Fund’s minimum safeguards, to the extent applicable/ relevant in the context of such assets being cash and cash equivalents.



Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

No specific index has been designated for the purpose of attaining the environmental characteristics promoted by the Fund.

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

- ***How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?***

N/A

- ***How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?***

N/A

- ***How does the designated index differ from a relevant broad market index?***

N/A

- ***Where can the methodology used for the calculation of the designated index be found?***

N/A



Where can I find more product specific information online?

<https://www.algebris.com/fund/algebris-global-credit-opportunities-fund-2/>