

# Key Investor Information

This document provides you with the key investor information about this Fund. It is not marketing material. The information is required by law to help you understand the nature and the risks of investing in this Fund. You are advised to read it so you can make an informed decision about whether to invest.

**Albemarle Target Italy Fund (the "Fund")**  
**a sub-fund of the**  
**ALBEMARLE FUNDS PLC (the "Company")**

**Class X Shares – ISIN: IE00BYZZPY67**

## Objectives and Investment Policy

The investment objective of the Fund is to achieve long term capital appreciation. The Fund will invest at least 80% of its net asset value ("NAV") in assets in common stocks issued by companies which are resident in Italy, or in an EU or EEA Member State and have a permanent establishment in Italy. These companies shall not be limited to any one particular sector.

At least 21% of the Fund's NAV (corresponding to at least 30% of investment in common stocks referred to above), shall be issued by companies which are not listed on the Italian benchmark stock market index ( the "FTSE MIB Index"), but will be listed on a regulated market.

The Fund shall not invest more than 10% of its NAV in financial instruments issued by, or entered into with the same company, or companies belonging to the same group.

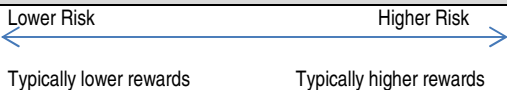
Essential features of the product which a typical investor should know:

- The Fund will also invest in bonds issued by commercial, governmental or supranational entities domiciled in countries whose government bond market is included in the JP Morgan Global Government Bond Index, denominated in a European currency.
- Investment in bonds may include investment in investment-grade or below investment-grade corporate or government bonds, which have a fixed or floating rate. Investment in below investment-grade bonds will not exceed 30% of NAV.
- Shares in the Fund may be redeemed on demand, subject to certain restrictions, on each Dealing Day.
- The Fund may use financial derivative instruments such as futures (including futures that are traded on Italian exchanges such as the FTSE MIB Index future), forwards, foreign exchange contracts (including spot and forward contracts) and options for efficient portfolio management or investment purposes.
- The Company will reinvest any income that it earns from its investments.

Other Information:

- The Fund may be leveraged as a result of its use of financial derivative instruments, but such leverage will not exceed 100% of NAV at any time.
- Investment in the Fund is suitable for investors who expect to maintain their investment over the medium to long term horizon.
- Futures (including financial future contracts and FTSE MIB Index futures) may be used to hedge against market risk, to change the Fund's interest rate sensitivity or to gain exposure to an underlying market. Forward contracts maybe used to hedge or gain exposure to an increase in the value of assets similar to these describe in investment policies section. Options may be used to hedge or achieve exposure to a particular market instead of using a physical security. Forward contracts may be used to hedge against an increase or decrease in the value of a particular currency, for example, in situations where the Fund has invested in non-Euro denominated financial instruments and seeks to hedge against this currency exposure.

## Risk and Reward Profile



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The Fund is categorised as 6 for the purposes of this table. This offers a potential of higher risk than a low risk fund however, with greater long term returns although there is a risk that the value of the fund could fall. It has been so categorised as due to the high volatility of the underlying securities and its benchmark fund.

- Historical data may not be a reliable indication for the future
- The lowest category does not mean 'risk free'.
- Risk category shown is not guaranteed and may shift over time

Investment in the Fund carries with it a degree of risk (which may change over time) which may not adequately be captured by the indicator:

- Market risk, changes in economic conditions can affect adversely the prospects of the Fund
- Operating risks and the risks relating to the safekeeping of assets
- Custodial risks including safe keeping of assets
- FDI use may increase or reduce the risks to underlying assets

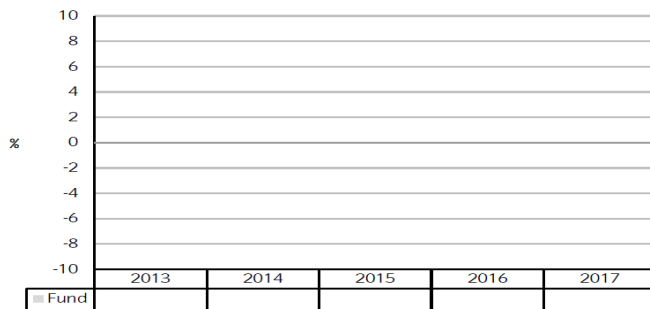
Further details of risks associated with an investment in the Fund are set out in the Prospectus and Fund Supplement

## Charges for this Fund

The charges you pay are used to pay the costs of operating the Fund, which include the costs of marketing and distributing it. These charges reduce the potential growth of your investment.

One-off charges taken before or after you invest		The <b>entry</b> and <b>exit charges</b> are maximum figures. In some cases you might pay less – you can find this out from your financial adviser.
<b>Entry charge</b>	Up to 5% of net assets	
<b>Exit charge</b>	Up to 3% of net assets	
The Entry/Exit Charges are the maximum fees that might be taken out of your money before it is invested or before the proceeds of your investment are paid out.		The <b>ongoing charges</b> figure is based on annual expenses including investment management fees, administrator fees, director fees, depositary & trustee fees, and audit fees for the year ending 31 December 2017. This figure may vary from year to year. It excludes: <ul style="list-style-type: none"> <li>• Performance fees; and</li> <li>• Portfolio transaction costs.</li> </ul> <b>For more information about charges, please refer to the "Fees &amp; Expenses" section of the Fund's prospectus, which is available at <a href="http://www.albemarleasset.com">www.albemarleasset.com</a>.</b>
Charges taken from the Fund for the year		
<b>Ongoing Charges</b>	1.87%	
Charges taken from the fund under certain specific conditions		
<b>Performance fee (Class X)</b>	25% of the value which exceeds the benchmark return of 90% of the Italy Stock Market BCI Comit Globale Index.	

## Past Performance to 31 December 2017



- Past returns have limited value as a guide to future performance.
- The Fund was launched 23 April 2007.
- EUR is the Base Currency of the Fund. The returns include all fees and expenses.
- On 1 November 2012 the Performance benchmark of the fund was changed to the 90% of Italy Stock Market BCI Comit Globale Index.
- The Benchmark index for the period 2010 & 2011 was 90% of FTSE Italia All Share Index.
- The Benchmark index performance for the year 2012 was the sum of 10 months of 90% of the FTSE Italia All Share Index and two months of 90% of the Italy Stock Market BCI Comit Globale Index.

## Practical Information

- The Company's assets are held with its depositary, Northern Trust Fiduciary Services (Ireland) Limited.
- Further information about the Fund (including the Prospectus and most recent financial statements) are available in English and Italian by downloading free of charge from [www.albemarleasset.com](http://www.albemarleasset.com).
- The net asset value per share for the Fund is available on [www.bloomberg.com](http://www.bloomberg.com).
- Details of the up-to-date remuneration policy of the Company, including, but not limited to, a description of how remuneration and benefits are calculated, the identity of persons responsible for awarding the remuneration and benefits are available on [www.albemarleasset.com](http://www.albemarleasset.com) and a paper copy will be made available free of charge upon request.
- The Fund is subject to Irish taxation legislation which may have an adverse impact on the personal tax of the investor. Investors should consult their own tax advisors before investing in the Fund.
- The Company may be held liable solely on the basis of any statement contained in this document that may be misleading, inaccurate or inconsistent with the relevant parts of the prospectus for the Company.
- The Company is authorised as a UCITS by the Central Bank pursuant to the UCITS Regulations.
- The Fund is a sub-fund within the Company and the prospectus and financial statements are prepared in respect of the Company as a whole.
- The assets and liabilities of each other sub-fund and the Fund are segregated by law.

The Fund is authorised in Ireland and regulated by the Central Bank of Ireland.

The key investor information is accurate as at 24 September 2018.