

OSSIAM LUX

Société Anonyme qualifying as a Société d'Investissement à Capital Variable

Registered Office: 49 Avenue J.F. Kennedy – L-1855 Luxembourg

R.C.S. Luxembourg B 160071

(the "Company")

Luxembourg May 17, 2017

Notice to shareholders of OSSIAM US MINIMUM VARIANCE NR

Dear Shareholder,

The board of directors of the Company (the "Board of Directors") would like to inform you that it has decided to change the investment policy as well as the index the sub-fund OSSIAM US Minimum Variance NR (the "Sub-Fund") replicates with effect as from June 19, 2017 (the "Effective Date").

As from the Effective Date, the Sub-Fund will replicate the index US ESG Minimum Variance NR (the "Index"). The Index is a total return index (net dividends reinvested) including environment social and governance criteria which is expressed in USD and is calculated and published by Solactive AG.

In addition, the Board of Directors has decided to change the replication method from the synthetic replication to the physical replication as from the Effective Date.

As a result, the investment objective and policy of the Sub-Fund will be amended so as to read as follows:

"Investment objective:

The Fund's objective is to replicate, before the Fund's fees and expenses, the performance of the US ESG Minimum Variance Index NR closing level.

The US ESG Minimum Variance Index NR (the "Index ") is a total return index (net dividends reinvested) expressed in USD, calculated and published by Solactive AG (the "Index Provider"). For a detailed description of the Index, see section "Description of the Index".

The anticipated level of tracking error in normal conditions is 0.50% over a one-year period.

Investment policy:

In order to achieve its investment objective, the Sub-Fund will primarily invest, through physical replication, in all or part of the equity securities comprised in the index and in substantially the same weights as in the Index.

Alternatively, the Sub-Fund may with due regard to the best interest of its Shareholders use index swaps with the objective of gaining exposure to the Index through synthetic replication. In this method, the Sub-Fund will invest in a portfolio of equities and/or fixed income securities listed in OECD countries issued by governments, public or private companies, the performance of which will be exchanged against the performance of the Index through a swap agreements with a swap counterparty. This method implies a counterparty risk as described in the below Risk and Reward Profile. The net asset value per Share of the Sub-Fund will therefore increase (or decrease) according to the evolution of the Index. At the time of the purchase, these fixed income securities will be rated investment grade, taking into account that, in the event of fixed income securities downgrade, the Sub-Fund may hold sub-investment grade securities only on an ancillary basis (i.e. rated lower than BBB- by Standard & Poor's or lower than Baa3 by Moody's or, if unrated, then deemed to be so by the Management Company). The counterparty to the swaps will be a first class financial institution that specializes in this type of transaction. The Sub-Fund may also enter into multiple swap agreements with multiple swap counterparties with the same characteristics as previously described.

The Sub-Fund may, with due regard to the best interest of its Shareholders, decide to switch partially or totally from one of the above described policies to the other (i.e. synthetic replication vs. physical replication).

In both replication strategies, the Sub-Fund shall be permanently invested for a minimum of 60% in equities or rights issued by companies having their registered office in OECD countries.

In addition and on an ancillary basis, the Sub-Fund may use other derivatives for hedging and investment purposes and enter into securities lending and borrowing transactions as well as repurchase agreement transactions, as described under "Use of Derivatives, Special Investment and Hedging Techniques" in the Prospectus.

The Reference Currency of the Fund is the US Dollar.

Description of the Index:*General Description*

The Ossiam US ESG Minimum Variance Index reflects the performance of a dynamic selection of the 250 stocks which satisfy ESG (Environment, Social and Governance) criteria among the most liquid stocks from the S&P 500® Solactive US Large Cap Index (the "Base Index") which tracks the performance of about 500 leading companies in major industries in the United

States of America.

Constituents of the Index will be weighted according to an optimization procedure performed by the Index Provider. As such, sector and company exposures in the Index will differ from those of the Base Index.

Index Methodology

The Index composition will be reconstituted on a monthly basis subject to certain provisions and composition restrictions. An ESG (Environment, Social, and Governance) filter is applied to select stocks of the Base Index using ESG data provided by Sustainalytics (“ESG provider”) or its successor as detailed in the index methodology. The ESG filter selects for each industrial sub-sector the 70% best rated stocks with regards to ESG criteria and discards stocks based on exclusion criteria defined in the Index methodology. After going through the ESG filter, only the 90% most liquid stocks (based on their recent average daily volumes on their respective primary exchange) are eligible for inclusion in the Index.

The optimization procedure uses statistical inputs such as estimates of the historical volatility of eligible stocks and their degree of correlation and seeks to minimize the expected volatility of the Index. The resulting Index composition must comply with the following constraints (at the time of reconstitution):

- the Index must be fully invested,
- the maximum exposure to a single stock shall not exceed 4.5% of the current value of the Index,
- the maximum exposure to an industry sector shall not exceed 20% of the current value of the Index,
- a dispersion method ensures that a significant number of stocks are included in the Index.

No Fees are charged at the Index level when changes are made to the composition of the Index.

The Index will be calculated and published on a real time and end-of-day basis by the Index Provider using the latest available prices and number of units of each Index constituent. The Index Provider may adjust the number of units of each constituent due to corporate actions (such as stock splits, stock dividends, spin-offs and rights offerings) in accordance with its standard methodology for the Base Index.

Capital gains and net income of the Fund will be capitalized and no dividend will be payable to shareholders except for the distributing Shares for which all or part of the capital and/or income may be distributed once or several times a year as may be decided by the Board of Directors. Please refer to the Prospectus for additional information.

The recommended investment horizon is 5 years.”

Consequently and to reflect the change of the index, the Sub-Fund will change its name from OSSIAM US MINIMUM VARIANCE NR to OSSIAM US MINIMUM VARIANCE ESG NR.

No modification has been made to the Sub-Fund’s trading code, fees/expenses.

Copies of the Company's revised prospectus reflecting the above changes will be available on the website of the Company ([www.ossiam.com]), and a copy thereof may be obtained on request free of charge at the registered office of the Company [or at the offices of local representatives, once available].

Should you disagree with the above-mentioned change, you may redeem your shares, free of redemption charges until June 19, 2017. Redemptions will be carried out in accordance with the normal terms disclosed in the prospectus of the Company (the “Prospectus”) save the minimum redemption requirement which is waived. Replication charges for redemption (as more fully described in the Prospectus) will apply.

Should you have any questions, you should seek advice from your stockbroker, bank manager, legal adviser, accountant or other independent financial adviser. Shareholders investing through the secondary market should also consult their usual professional advisers as to the potential specific tax implications under the laws of the countries of their nationality, residence, domicile or incorporation.

Yours sincerely,

On behalf of OSSIAM LUX,

The Board of Directors