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# Aliter Investors

## Prospectus

Société d'Investissement à Capital Variable

December 2024

## Table of Contents

<b>1.</b>	<b>General.....</b>	<b>5</b>
1.1	Glossary .....	5
1.2	Preface .....	9
1.3	General Data Protection.....	10
1.4	Organisation of the Fund .....	11
1.5	Other fund structure related information.....	12
1.6	Financial Year.....	12
1.7	Accounting Standards.....	12
1.8	Fund Currency.....	13
<b>2.</b>	<b>Management and Administration of the Fund .....</b>	<b>13</b>
2.1	Management Company .....	13
	2.1.1 Other funds managed by Management Company .....	13
	2.1.2 Remuneration Policy .....	13
2.2	Investment Managers.....	14
2.3	Investment Advisors .....	14
2.4	Depository and Sub-Custodians .....	14
2.5	UCI Administrator .....	15
2.6	Global Distributor, Distributor, Sub-Distributor .....	16
2.7	Statutory Auditors .....	16
<b>3.</b>	<b>Investment Objectives, Policies and Restrictions .....</b>	<b>16</b>
3.1	Investment objective and policy .....	16
3.2	Authorised investments .....	17
3.3	Unauthorised investments.....	18
3.4	Investment restrictions.....	18
	3.4.1 Diversification requirements.....	18
	3.4.2 Limits to prevent concentration of ownership .....	20
3.5	Master / Feeder structure .....	20
3.6	ESG and Sustainability Considerations.....	20
	3.6.1 Approach to Sustainability Risks .....	20
	3.6.2 Sub-Fund(s) classification under SFDR: .....	21
	3.6.3 Approach to Principal Adverse Impacts.....	21
3.7	Investments in financial derivative instruments and use of efficient portfolio management techniques .....	21
	3.7.1 Financial Derivative Instruments .....	21
<b>4.</b>	<b>Risk Management Systems and Risk Factors .....</b>	<b>22</b>
4.1	Permanent risk management function .....	22
4.2	Concept of Risk Profile.....	22
4.3	Risk Management Policy .....	22
4.4	Global Exposure Approach .....	22
4.5	Concept of Leverage .....	23
4.6	Risk Factors .....	24
<b>5.</b>	<b>Shares .....</b>	<b>27</b>
5.1	General Provisions .....	27

5.2	Subscription and issuance of shares .....	27
5.3	Redemption of Shares .....	28
5.4	Conversion of shares.....	29
5.5	Distribution of income, reinvestment of income .....	29
<b>6.</b>	<b>Prevention of Market Timing and Late Trading Risks .....</b>	<b>29</b>
<b>7.</b>	<b>Calculation and Publication of the Net Asset Value of shares issued .....</b>	<b>30</b>
7.1	Calculation of the NAV.....	30
7.2	Publication of the NAV .....	30
7.3	Determination of the issue price and the redemption price of shares .....	30
7.4	Modalities concerning the valuation of assets in the portfolio .....	30
<b>8.</b>	<b>Fees and Charges .....</b>	<b>31</b>
8.1	One-off charges taken before or after investing .....	31
8.1.1	Subscription fee/Entry charge .....	31
8.1.2	Redemption fee/Exit charge.....	31
8.1.3	Conversion fee/Switch charges.....	31
8.2	Fees and expenses taken from the share class over a year (annual fees) .....	31
8.2.1	Management Fee .....	32
8.2.2	Investment Management fee / Investment Advisory fee .....	32
8.2.3	Distribution fee .....	32
8.2.4	Services Fee Operating Expenses .....	32
8.2.5	Performance fee .....	32
8.2.6	Other fees .....	33
8.3	Transaction fees                      33	
<b>9.</b>	<b>Tax Considerations .....</b>	<b>33</b>
9.1	Tax treatment of the Fund .....	33
9.2	Tax treatment of Shareholders .....	33
9.3	FATCA .....	33
9.4	OECD Common Reporting Standards Reporting .....	34
9.5	Country specific tax considerations .....	34
9.6	« <i>Taxe d'abonnement</i> » (subscription tax) .....	34
<b>10.</b>	<b>Conflicts of interest .....</b>	<b>34</b>
<b>11.</b>	<b>Liquidity Management Tools of the Fund to manage temporary constrained market liquidity .....</b>	<b>36</b>
11.1	Gating/Deferral .....	36
11.2	Others.....	36
<b>12.</b>	<b>Temporary suspension of the calculation of the Net Asset Value of shares and dealing activity .....</b>	<b>36</b>
<b>13.</b>	<b>General Meetings of Shareholders and financial year .....</b>	<b>37</b>
13.1	Information on the modalities for convening the annual general shareholders meeting and on venue.....	37
13.2	Rights and obligations of Shareholders .....	37
<b>14.</b>	<b>Merger of Fund or Sub-Funds .....</b>	<b>37</b>
14.1	Mergers and reorganisation of Sub-Funds or Classes decided by the Board of Directors .....	37
14.1.1	Merger of the Fund or Sub-Fund with another UCITS: .....	38
14.1.2	Merger between Sub-Funds of the Fund .....	38
14.2	Mergers decided by the Shareholders .....	38
14.2.1	Merger of the Fund as merging UCITS .....	38
14.2.2	Merger of Sub-Funds as receiving or merging UCITS .....	38
14.3	Rights of the Shareholders and imputation of costs .....	38
<b>15.</b>	<b>Liquidation of the Fund or related Sub-Funds.....</b>	<b>38</b>

15.1	Liquidation of the Fund .....	38
15.2	Liquidation of a Sub-Fund or Class .....	39
<b>16.</b>	<b>Benchmarks.....</b>	<b>39</b>
16.1	Definition of use of Benchmarks and Purpose .....	39
16.1.1	Use of benchmarks .....	39
16.1.2	Plans setting out actions in the event that a benchmark materially changes.....	39
16.1.3	Benchmark Regulation & ESMA register.....	39
16.1.4	Sub-Funds managed in reference to a benchmark .....	40
<b>17.</b>	<b>Prevention of money laundering and financing of terrorism .....</b>	<b>40</b>
17.1	Fund RBO Register.....	40
<b>18.</b>	<b>Further information, notices and documents available for investors .....</b>	<b>41</b>
18.1	Packaged Retail and Insurance-based Investment Products - Key Information Document (PRIIPS KID), Semi-annual and annual financial statements .....	41
18.1.1	PRIIPS KID .....	41
18.1.2	Semi-annual and annual financial statements.....	41
18.2	Complaints handling and queries .....	41
18.3	Information and documents available to investors.....	41
<b>19.</b>	<b>Sub-Fund Specific Information .....</b>	<b>43</b>
	ALITER INVESTORS - Ethica Balanced .....	44

# 1. General

## 1.1 Glossary

<b>Articles of Incorporation</b>	The articles of incorporation of the Fund, as amended from time to time.
<b>Benchmark Regulation</b>	Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds, as amended from time to time.
<b>Board of Directors</b>	The board of directors of the Fund, whose members at the date of this Prospectus are further identified in section 1.4 Organisation of the Fund
<b>Business Day</b>	Any day on which banks in Luxembourg are open for business except for 24 December, unless defined otherwise in the Sub-Fund Specific Information sections.
<b>Class</b>	A class of Share of a Sub-Fund created by the Fund having a specific distribution policy, sales and redemption mechanism, fee structure, holding requirements, currency and hedging policy or other specific characteristics.
<b>Commitment Approach:</b>	A method of calculation of global exposure approach as detailed in applicable laws and regulations including but not limited to CSSF Circular 11/512 as amended from time to time and as further described in section 4.4 Global exposure approach.
<b>CSSF</b>	Commission de Surveillance du Secteur Financier, the Luxembourg supervisory authority of the financial sector.
<b>CSSF Regulation 10-04</b>	CSSF Regulation transposing the Directive 2010/43/EU of 1 July 2010 implementing Directive 2009/65/EC as regards risk management, the Management Company must employ a risk management policy, as amended from time to time.
<b>Cut-Off</b>	The day and time by which subscription, redemption or conversion orders must be received, as defined in the Sub-Fund Specific Information sections.
<b>Dealing Day</b>	Any Business Day as the Fund may from time to time determine on which Shares for each Sub-Fund can be subscribed, redeemed and converted as further set out in the Sub-Fund Specific Information sections. There should not be less than 2 Dealing Days per month for each Share Class.
<b>Depository</b>	The depository bank appointed by the Fund in accordance with the provisions of the 2010 Law and the Depositary Agreement, as identified in section 1.4 Organisation of the Fund.
<b>Depository Agreement</b>	The agreement entered into between the Fund, the Management Company and the Depositary governing the appointment of the Depositary, as may be amended or supplemented from time to time.
<b>Distributor</b>	A financial intermediary appointed by the Management Company or by the Global Distributor duly licensed to distribute the shares of the Fund.
<b>ESMA</b>	The European Securities and Markets Authority, an independent EU Authority that contributes to safeguarding the stability of the European Union's financial system by enhancing the protection of investors and promoting stable and orderly financial markets.
<b>EU Law</b>	European Union law, including without limitation EU Treaties, EU Directives, EU Regulations, delegated acts, implementing acts and case law of the CJEU and any other legal instrument creating EU Law.
<b>EUR</b>	The official currency of the Member States of the European Union that use such single currency.
<b>Fund</b>	Designation of the investment company with variable capital named on the cover page

<b>FATCA</b>	The provisions of the United States Hiring Incentives to Restore Employment (HIRE) Act of 18 March 2010, commonly referred to as the Foreign Account Tax Compliance Act (FATCA).
<b>Global Distributor</b>	The global distributor appointed by the Management Company with the consent of the Fund in accordance with the provisions of the 2010 Law and the Global Distributor Agreement, as identified in section 1.4 Organisation of the Fund.
<b>Global Shares Certificates</b>	The issuance of non-certificated shares into a Centralised Securities Depositary (CSD) will be subject to the issue of one or more Global Share Certificates, where required by the CSDs in which the Shares are held.
<b>Institutional Investors</b>	Institutional investors as defined for the purposes of the 2010 Law and by the administrative practice of the CSSF and the Luxembourg Administration de l'enregistrement et des domaines.
<b>Investment Advisor</b>	The investment advisor appointed by the Management Company with the consent of the Fund in accordance with the provisions of the 2010 Law and the Investment Advisory Agreement, as identified in section 1.4 Organisation of the Fund.
<b>Investment Advisory Agreement:</b>	The agreement entered into between the Fund, the Management Company and the Investment Advisor governing the appointment of the Investment Advisor, as may be amended or supplemented from time to time.
<b>Investment Grade</b>	Securities with a rating of at least BBB- from Standard & Poor's or Fitch Ratings or at least Baa3 from Moody's Investor Services, or which are judged to be of equivalent quality based on similar credit criteria at the time of acquisition. In the event of a split rating, the better rating can be used.
<b>Investment Manager</b>	The investment manager appointed by the Management Company with the consent of the Fund in accordance with the provisions of the 2010 Law and the Investment Management Agreement, as identified in section 1.4 Organisation of the Fund.
<b>Investment Management Agreement</b>	The agreement entered into between the Fund, the Management Company and the Investment Manager governing the appointment of the Investment Manager, as may be amended or supplemented from time to time.
<b>PRIIPS KID</b>	Key Information Document (pursuant to Regulation (EU) 1286/2014 on key information documents for PRIIPs) or Key Investor Information Document (pursuant to Commission Regulation (EU) 583/2010 (only for share classes reserved for professional investors not opting for a KID)) containing information on each Class of Shares of a Sub-Fund
<b>Management Company</b>	The management company appointed by the Fund in accordance with the provisions of the 2010 Law and the Management Company Agreement, as identified in section 1,4 Organisation of the Fund.
<b>Management Company Services Agreement</b>	The agreement entered into between the Fund and the Management Company defining the scope and responsibilities of appointed the Management Company, as may be amended or supplemented from time to time.
<b>Market Timing</b>	Any market timing practice within the meaning of Circular 04/146 as amended from time to time or as that term may be amended or revised by the CSSF in any subsequent circular, i.e., an arbitrage method through which an investor systematically subscribes and redeems or converts units or shares of the same Luxembourg UCI within a short time period, by taking advantage of time differences and/or imperfections or deficiencies in the methods of determination of the Net Asset Value of the UCI;
<b>Member State</b>	A state that is a contracting party to the Treaty creating the European Union. The states that are contracting parties to the Treaty creating the European Economic Area, other than the Member States of the European Union, within the limits set forth by such Agreement and related acts, are considered as equivalent to Member States of the European Union.

<b>Mémorial</b>	The Mémorial C, <i>Recueil Electronique des Sociétés et Associations</i> of the former official gazette of the Grand Duchy of Luxembourg.
<b>MIFID</b>	(i) the MiFID Directive, (ii) Regulation (EU) No 600/2014 of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments as amended from time to time and (iii) all European and Luxembourg rules and regulations implementing those texts.
<b>MIFID Directive</b>	The Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments, as amended from time to time.
<b>Money Market Instruments</b>	Instruments normally dealt in on the money market which are liquid, have a value which can be accurately determined at any time and fulfil one of the following criteria: they have a maturity at issuance of up to and including 397 days, they have a residual maturity of up to and including 397 days, they undergo regular yield adjustments in line with money market conditions at least every 397 days, their risk profile, including credit and interest rate risks, corresponds to that of financial instruments with above characteristics.
<b>NAV</b>	Net Asset Value. In relation to any Class of Shares in a Sub-Fund, the value of the net assets of that Sub-Fund attributable to that Class and calculated in accordance with the provisions described in Chapter 7 "Calculation and Publication of the Net Asset Value of Shares issued".
<b>OECD</b>	Organisation for Economic Co-operation and Development.
<b>OTC</b>	Over-The-Counter which refers to the process of how securities are traded via a broker-dealer network as opposed to on a centralised exchange.
<b>Prospectus</b>	This prospectus including all appendices and supplements, as may be amended from time to time.
<b>Reference Currency</b>	The currency in which a Sub-Fund or Class is denominated.
<b>Registrar</b>	The Registrar is the authorised entity the Management Company with the consent of the Fund and in accordance with the provisions of the 2010 Law may appoint as agent to ensure the operations of the registrar function, one of the three main activities of the UCI administration further described in section 2.5 UCI Administrator of the Prospectus.
<b>Regulated Market</b>	Regulated market as defined in the MIFID Directive, i.e. a market on the list of regulated markets prepared by each Member State, that functions regularly characterised by the fact that the regulations issued or approved by the competent authorities set out the conditions of operation and access to the market, as well as the conditions that a given financial instrument must meet in order to be traded on the market, compliance with all information and transparency obligations prescribed in Directive 2014/65/EU, as well as any other regulated, recognised market open to the public that operates regularly.
<b>RESA</b>	The "Recueil Electronique des Sociétés et Associations", the Electronic Compendium of Companies and Associations.
<b>SFDR</b>	Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector.
<b>SFTR</b>	Regulation (EU) 2015/2365 of the European Parliament and of the Council of 25 November 2015 on transparency of securities financing transactions and of reuse and amending Regulation (EU) No 648/2012.
<b>Share(s)</b>	The shares, or such Class of shares relating to a Sub-Fund as may be issued by the Fund from time to time.
<b>Shareholder(s)</b>	A person who is the registered holder of Shares of the Fund.

<b>Société d'investissement à capital variable</b>	An investment company with variable capital subject to Part I of the 2010 Law which has adopted the legal corporate form of a société anonyme governed by the law of 10 August 1915 on commercial companies.
<b>Sub-Fund(s)</b>	One or several of the sub-funds of the Fund.
<b>Sub-Distributor(s)</b>	Entity(ies) appointed as sub-distributor of a particular Sub-Fund as described in section 2.6 Global Distributor, Sub-Distributor.
<b>Sub-Investment Manager(s)</b>	Entity(ies) from time to time appointed as sub-investment manager of a particular Sub-Fund as disclosed in section 1.4 Organisation of the Fund and further described in as disclosed in the Sub-Fund Specific Information sections
<b>Sub-Investment Management Agreement</b>	The sub-investment management agreement, as amended, supplemented or otherwise modified from time to time, entered into between the Investment Manager of a Sub-Fund with a particular Sub-Investment Manager of a Sub-Fund as further set out in the Sub-Fund Specific Information sections
<b>Sub-Fund Specific Information</b>	The supplement(s) to this Prospectus with sub-fund specific information for each Sub-Fund, which form an integral part of this Prospectus.
<b>Transferable Securities</b>	Shares in companies and other securities equivalent to shares in companies, bonds and other forms of securitised debt, and any other negotiable securities which carry the right to acquire any such transferable securities by subscription or exchange, as defined in the 2010 Law.
<b>Total Return Swaps</b>	A derivative contract in which the Fund transfers the total economic performance, including income from interest and fees, gains and losses from price movements, and credit losses, of a reference obligation to another counterparty against payment to the Fund of a set rate over the life of the swap.
<b>UCI</b>	Undertaking for Collective Investment not covered by Part I of the 2010 Law.
<b>UCI Administrator</b>	The entity, as identified in the "Organisation of Fund", appointed by the Management Company with the consent of the Fund in accordance with the provisions of the 2010 Law and entrusted with the UCI Administration as further described in section 2,5 UCI Administration
<b>UCI Administrator Agreement</b>	The agreement entered into between the Fund, the Management Company and the UCI Administrator governing the appointment of the UCI Administrator, as may be amended or supplemented from time to time.
<b>UCITS</b>	Undertaking for Collective Investment in Transferable Securities in accordance with Part I of the Law of 17 December 2010 relating to collective investment or the UCITS Directive.
<b>UCITS Directive</b>	Directive 2009/65/EC of the European Parliament and of the Council of 13 July 2009 on the coordination of laws, regulations and administrative provisions relating to UCITS, as amended from time to time.
<b>Valuation Day</b>	The Business Day as of which the Fund's assets and liabilities will be valued in accordance with the articles of incorporation and as further specified in Sub-Fund Specific Information sections.
<b>VaR</b>	Value-at-Risk, a method of calculation of global exposure approach as detailed in applicable laws and regulations including but not limited to CSSF Circular 11/512, as amended from time to time and further described in section 4.4 Global exposure approach.
<b>2010 Law</b>	The Luxembourg law of 17 December 2010 relating to undertakings for collective investment, as amended from time to time.
<b>2012 Law</b>	The Luxembourg law of 21 December 2012 transposing Directive 2010/78 / EU of the European Parliament and of the Council of 24 November 2010 amending Directives 98/26 / EC, 2002/87 / EC, 2003/6 / EC, 2003/41 / CE, 2003/71 / CE, 2004/39 / CE, 2004/109 / CE, 2005/60 / CE, 2006/48 / CE, 2006/49 / CE and 2009/65 / CE with regard to the skills of the European



	Supervisory Authority (European Banking Authority), the European Supervisory Authority (European Insurance and Occupational Pensions Authority) and the European Supervisory Authority (European Securities and Markets Authority), as amended from time to time.
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## 1.2 Preface

Aliter Investors is authorised in Luxembourg as an undertaking for collective investment in Transferable Securities under Part I of the 2010 Law and qualifies as an UCITS for the purpose of Directive 2009/65/EC of the European Parliament and of the Council of 13 July 2009 on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in Transferable Securities, as amended.

The Fund is structured as an umbrella investment fund with a view to providing investors with one or more Sub-Funds invested in specific assets, as further detailed in the Sub-Fund Specific Information sections.

The Fund has appointed Lemanik Asset Management S.A as its management company (the "Management Company"), as further detailed in section 1.4 Organisation of the Fund.

### Prospectus and other Fund documents

This Prospectus is valid only if accompanied by the latest PRIIPS KIDs, the latest Articles of Incorporation, the latest annual report, and also the latest semi-annual report if this was published after the latest annual report. These documents shall be deemed to form part of this Prospectus. Prospective investors shall be provided with the latest version of the PRIIPS KIDs in good time before their proposed subscription for Shares. Depending on applicable legal and regulatory requirements (including but not limited to MIFID) in the countries of distribution, additional information on the Fund, the Sub-Funds and the Shares may be made available to investors under the responsibility of local intermediaries/distributors.

This Prospectus has been prepared solely for, and is being made available to, investors for the purposes of evaluating an investment in Shares. Investors should only consider investing in the Fund if they understand the risks involved including the risk of losing all capital invested. Potential investors should thus read and consider the risk factors in Chapter 4 "Risk Management Systems and Risk Factors", before investing in the Fund, and also inform themselves as to the possible tax consequences, the legal requirements and any foreign exchange restrictions or exchange control requirements which they might encounter under the laws of the countries of their citizenship, residence or domicile and which might be relevant to the subscription, holding, conversion, redemption or disposal of Shares. Further tax

considerations are set out in Chapter 9 "Tax Considerations".

This Prospectus does not constitute an offer or solicitation to subscribe for Shares by anyone in any jurisdiction in which such offer or solicitation is not lawful or in which the person making such offer or solicitation is not qualified to do so or to anyone to whom it is unlawful to make such offer or solicitation. It is thus the responsibility of any persons in possession of this Prospectus and any persons wishing to apply for subscription for Shares pursuant to this Prospectus to inform themselves of and to observe all applicable laws and regulations of any relevant jurisdiction. Further selling restrictions considerations are set out below.

All the statements made in this Prospectus are based on the law and regulatory practice currently in force in the Grand Duchy of Luxembourg and are subject to changes in such law and regulatory practice. For the avoidance of doubt, the authorisation and qualification of the Fund as UCITS do not imply any positive appraisal by the CSSF and any other Luxembourg authority of the contents of this Prospectus or the portfolio of assets held by the Sub-Funds. Any representation to the contrary is unauthorised and unlawful.

Prospective investors who are in any doubt about the contents of this Prospectus should consult their bank, broker, tax or legal advisor, accountant or other professional financial advisor.

This Prospectus has been prepared in English but may be translated into other languages. To the extent that there is any inconsistency between the Prospectus in English version and a version in another language, the Prospectus in English version shall prevail, unless stipulated otherwise by the laws of any jurisdiction in which the Shares are sold.

### United States of America

The Shares have not been, and will not be, registered under the US Securities 1933 Act, any of the securities laws of any of the states of the United States. The Fund has not been and will not be registered under the United States Investment Company Act of 1940, as amended, nor under any other US federal laws. Therefore, the Shares described in this Prospectus may not be offered or sold directly or indirectly in the United States of America, except pursuant to an exemption from the registration requirements of the

US Securities 1933 Act. Further, the Shares shall not be offered or sold, directly or indirectly, to any ultimate beneficial owner that constitutes a U.S. Person. As such, the Shares may not be directly or indirectly offered or sold to or for the benefit of a "U.S. Person", which shall be defined as and include (i) a "United States person" as described in section 7701(a)(30) of the U.S. Internal Revenue Code of 1986, as amended (the "Code"), (ii) a "U.S. person" as such term is defined in Regulation S of the US Securities 1933 Act, as amended, (iii) a person that is "in the United States" as defined in Rule 202(a)(30)-1 under the U.S. Investment Advisors Act of 1940, as amended, or (iv) a person that does not qualify as a "Non-United States Person" as such term is defined in U.S. Commodities Futures Trading Commission Rule 4.7.

## **Investors Rights**

The Fund draws the investors' attention to the fact that any investor will only be able to fully exercise his investor rights directly against the Fund, notably the right to participate in general meetings of Shareholders if the investor is registered himself and in his own name in the register of Shareholders of the Fund. In cases where an investor invests in the Fund through an intermediary investing into the Fund in its own name but on behalf of the investor, it may not always be possible for the investor to exercise certain Shareholder rights directly against the Fund. Investors are recommended to take advice on their rights.

### **1.3 General Data Protection**

The Fund and the Management Company, as well as their service providers will hold and process personal data of investors in accordance with Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, as amended from time to time (the "GDPR") along with any implementing legislation and available guidance from competent data protection authorities.

Further information is available free of charge at the registered office of the Management Company. (the "Data Protection Information"). The Data Protection Information provides individuals whose personal data are processed by the Fund, the Management Company as well as its/their service providers, with all legally required information regarding the personal data processed about them, the reasons for which their personal data are processed, the identity of service providers with country of residence of such entities and their rights in relation to such processing.

## 1.4 Organisation of the Fund

### REGISTERED OFFICE

106, route d'Arlon

L-8210 Mamer

### BOARD OF DIRECTORS OF THE FUND

Chairperson and Director	Imre de Habsbourg-Lorraine
Director	Carl Christian de Habsbourg-Lorraine
Director	Thierry Houben
Director	Alexandre Bouchot
Director	Loïc Calvez

### MANAGEMENT COMPANY

Lemanik Asset Management S.A.

106, route d'Arlon

L-8210 Mamer

Board of Directors of the Management Company	Gianluigi Sagramoso, Chairman Carlo Sagramoso, Director Philippe Meloni, Director
Conducting Officers of the Management Company	Jean Philippe Claessens Alexandre Dumont Philippe Meloni Gilles Roland Armelle Moulin
Auditor of the Management Company	Deloitte S.A. 20 Boulevard de Kockelscheuer L-1821 Luxembourg

### ADMINISTRATION, SERVICE PROVIDERS AND OTHER MAIN PARTIES

#### Depository Bank

CACEIS BANK, LUXEMBOURG BRANCH

5, allée Scheffer,

L-2520 Luxembourg

#### Domiciliary Agent

Lemanik Asset Management S.A.

106, route d'Arlon

L-8210 Mamer

#### UCI Administrator

CACEIS BANK, LUXEMBOURG BRANCH

5, allée Scheffer,

L-2520 Luxembourg

#### Investment Managers

Lombard Odier (Europe) S.A., succursale en France

8 Rue Royale

75008 Paris France

#### Investment Advisors,

Multiplus Finance SA

11 rue du Conseil-Général

1205 Geneva

Switzerland

#### Global Distributor(s)

Multiplus Finance SA

11 rue du Conseil-Général

1205 Geneva

Switzerland

#### Statutory auditor of the Fund

Deloitte S.A.

20 Boulevard de Kockelscheuer

L-1821 Luxembourg

## **1.5 Other fund structure related information**

### **The Fund**

The Fund is an open-ended UCITS in the legal form of an investment company with variable capital (société d'investissement à capital variable), subject to Part I of the 2010 Law.

The Fund has been incorporated as a public limited liability company (société anonyme) on 14 June 2024 for an unlimited time. The Fund's Articles of Incorporation have been deposited with the Luxembourg trade and company register, Register de Commerce et des Sociétés ("RCS") under number B287374 and a mention of their deposit with the RCS has been published in the RESA.

A mention of deposit of any amendments of the Articles of Incorporation is made with the RCS and has been published in the RESA. The legally binding version of the Articles of Incorporation is deposited with the RCS where they are available for inspection and where copies thereof may be obtained. A copy of the Fund's Articles of Incorporation and of its most recent financial statements may also be obtained free of charge upon request at the registered office of the Fund during normal business hours and on the Management Company's website.

The share capital of the Fund corresponds to the total Net Asset Value of the Fund and must at any time after six months after registration as a UCITS exceed one million two hundred and fifty thousand euro (EUR 1,250,000).

### **The Board of Directors**

The Board of Directors is responsible, while observing the principle of risk diversification, for laying down the investment policy of the Fund/Sub-Funds and for monitoring the business activity of the Fund.

### **The Management Company**

The Fund has appointed Lemanik Asset Management S.A. as from 14 June 2024. In this capacity, the Management Company is vested with the investment management, administration and marketing functions in relation to the Fund in accordance with the 2010 Law.

Further details on the Management Company and the manner according to which it performs and/or has delegated the above-mentioned functions in relation to the Fund are specified in Chapter 2 "Management and Administration of the Fund".

### **The Sub-Funds**

The Fund has an umbrella structure and therefore consists of at least one Sub-Fund. Each Sub-Fund represents a portfolio containing different assets and liabilities and is considered to be a separate entity in relation to the Shareholders and third parties. The rights of Shareholders and creditors concerning a Sub-Fund or which have arisen in relation to the establishment, operation or liquidation of a Sub-Fund are limited to the assets of that Sub-Fund. No Sub-

Fund will be liable with its assets for the liabilities of another Sub-Fund.

The list of the existing individual Sub-Funds, their denomination and Reference Currency is provided in the Sub-Fund Specific Information sections.

The Board of Directors of the Fund may at any time establish new Sub-Funds with Shares having similar or other characteristics to the Shares in the existing Sub-Funds. If the Board of Directors establishes a new Sub-Fund, the corresponding details shall be set out in this Prospectus.

### **The Classes and categories of Shares**

The Shares in the Sub-Funds may be divided into several Classes of Shares. Each Class may be sub-divided into (i) accumulation of income and/or different distribution of income categories and/or (ii) hedged and/or un-hedged categories and/or (iii) different investment currencies, and /or other characteristics (each a "Category").

The Board of Directors may at any time create and issue new Classes or categories of Shares within any Sub-Fund. The Prospectus shall detail within each Sub-Fund the Classes and categories of Shares that the Board of Directors can create. A new Class or category of Shares may have different characteristics than the currently existing Classes or categories.

Further information about the characteristics and the rights attached to each possible Class or Category of Shares and of any offering of new Classes or Category of Shares is provided in Chapter 5 "Shares" and Sub-Fund Specific Information sections. Information about the performance of the Classes of Shares is contained in the PRIIPS KID.

## **1.6 Financial Year**

The financial year of the Fund starts on 1<sup>st</sup> April of each year and ends on 31<sup>st</sup> March of each year.

The first financial reporting period of the Fund starts on the date of incorporation of the Fund and ends on 31<sup>st</sup> March of the year 2025.

The audited annual reports of the Fund will be published within four (4) months after the financial year-end and the unaudited semi-annual reports of the Fund will be published within two (2) months after the end of the relevant period to which they refer. Such reports will be made available to investors on request and free of charge at the registered office of the Fund during normal business hours.

## **1.7 Accounting Standards**

The Fund's financial statements will be prepared and the Net Asset Value calculated in accordance with Luxembourg GAAP.

## 1.8 Fund Currency

The consolidated Reference Currency of the Fund is EUR. The Reference Currency in which the performance and the Net Asset Value of each Class of Shares of a given Sub-Fund is calculated and expressed is specified in its Sub-Fund Specific Information section.

## 2. Management and Administration of the Fund

### 2.1 Management Company

The Board of Directors of the Fund has designated Lemanik Asset Management S.A. to act as its management company under the terms of the Management Company Services Agreement entered into as of 14 June 2024 for an indefinite period of time.

The Management Company was incorporated on 1<sup>st</sup> September 1993 in the Grand Duchy of Luxembourg as a *société anonyme* for an indefinite period and is registered with the Luxembourg trade and company register, Registre de Commerce et des Sociétés, under no. RCS number: B 44870. The Management Company has its registered office at 106, route d'Arlon, L-8210, Mamer, Grand Duchy of Luxembourg.

The articles of incorporation of the Management Company were published in the Mémorial, Recueil des Sociétés et Associations on 5 October 1993 for the first time.

The latest amendments to the articles of incorporation became effective on 24 May 2022 and were published in the Recueil Electronique des Sociétés et Associations on 20 June 2022.

The subscribed and fully paid up capital of the Management Company amounts to EUR 2,071,700.00 - as at 24 May 2022 and is in accordance with the provisions of the 2010 Law.

The Management Company is authorised as a management company in accordance with the provisions of Chapter 15 of the 2010 Law and is supervised by the CSSF. It is registered on the official list of Luxembourg management companies governed by Chapter 15 of the 2010 Law.

Under the supervision of the Board of Directors of the Fund, the Management Company is responsible on a day-to-day basis for providing investment management, administration and marketing services in respect of all Sub-Funds of the Fund.

Subject to the requirements set forth by the 2010 Law, the Management Company is authorised to delegate under its responsibility and supervision part or all of its functions and duties to third parties.

### 2.1.1 Other funds managed by Management Company

As of the date of the Prospectus, the Management Company manages in addition to the Fund other undertakings for collective investment, including alternative investment funds, the list of which is available at the registered office of the Management Company.

### 2.1.2 Remuneration Policy

The Management Company applies a remuneration policy and practice that is consistent with, and promotes, sound and effective risk management and does not encourage risk-taking which is inconsistent with the risk profile and Articles of Incorporation.

Furthermore, the remuneration policy is in line with the business strategy, objectives, values and interests of the Management Company and the UCITS that it manages and of the investors in such UCITS and includes measures to avoid conflicts of interest.

The remuneration policy reflects the Management Company's objectives for good corporate governance as well as sustainable and long-term value creation for investors. Fixed and variable components of total remuneration are appropriately balanced, and the fixed remuneration component represents a sufficiently high proportion of the total remuneration to allow the operation of a fully flexible policy on variable remuneration components, including the possibility to pay no variable remuneration component.

Where, and to the extent applicable, the assessment of performance is set in a multi-year framework appropriate to the holding period recommended to the investors of the Fund in order to ensure that the assessment process is based on the longer-term performance of the Fund and its investment risks and that the actual payment of performance-based components of remuneration is spread over the same period.

The Management Company complies with the remuneration principles described above in a way and to the extent that is appropriate to its size, internal organisation and the nature, scope and complexity of its activities.

The principles of the remuneration policy are reviewed on a regular basis and adapted to the evolving regulatory framework.

Further information on the remuneration policy of the Management Company is available at <http://www.lemanikgroup.com/management-company-service-substance-governance.cfm>, which includes in particular a description of the calculation methods of remuneration and benefits for specific employee categories as well as the identification of the persons responsible for the allocation, including if applicable the members of the remuneration committee. Upon request, the Management Company will provide such information



free of charge in paper form to Shareholders of the Fund.

## 2.2 Investment Managers

The Board of Directors has designated the Management Company to perform the investment management function.

The Management Company may, however, under its responsibility, control and supervision, and subject to the approval of its competent authority appoint one or more Investment Managers to perform the investment management function and implement the investment policy of one or several Sub-Funds. In this respect, any appointed Investment Manager will perform the day-to-day management of the assets of one or more Sub-Funds and take the related investment and divestment decisions.

The Investment Manager may at its own expense and in accordance with the provisions of the Investment Management Agreement between the Management Company and the Investment Manager, and subject to the approval of its competent authority appoint one or more Sub-Investment Managers to perform the day-to-day management of the assets of a Sub-Fund and take the related investment and divestment decisions.

A list of all appointed Investment Manager(s) and Sub-Investment Manager(s) (if any), irrespective of the related Sub-Funds, is provided under the section 1.4 Organisation of the Fund. The Investment Manager(s) and Sub-Investment Manager(s) (if any) appointed per Sub-Fund are indicated in the Sub-Fund Specific Information sections.

## 2.3 Investment Advisors

The Management Company or the Investment Manager may, under its responsibility, control and supervision appoint one or more Investment Advisors to provide investment related information and recommendations regarding prospective and existing investments of the Fund or Sub-Funds. Any investment proposal or recommendation given by the Investment Advisor will be analysed critically and independently by the Investment Manager/Sub-Investment Manager before it takes the investment or divestment decision.

The role of the Investment Advisor is limited to the provision of investment and divestment related information and recommendations. The Investment Manager/Sub-Investment Manager is not bound by such information and recommendations and will take the investment and divestment decision.

A list of all appointed Investment Advisor(s) and Sub-Investment Advisor(s) (if any), irrespective of the related Sub-Funds, is provided under 1.4 Organisation of the Fund. The Investment Advisor(s) and Sub-Investment Advisor(s) (if any) appointed per Sub-Fund are indicated in the Sub-Fund Specific Information sections.

## 2.4 Depositary and Sub-Custodians

CACEIS Bank, Luxembourg Branch is acting as the Fund' Depositary in accordance with a depositary agreement dated as of 14 June 2024 as amended from time to time (the "Depositary Agreement") and the relevant provisions of the UCITS Directive.

CACEIS Bank acting through its Luxembourg branch (CACEIS Bank, Luxembourg Branch) is a public limited liability company (société anonyme) incorporated under the laws of France with a share capital of 440,000,000 Euros having its registered office located at 1-3, place Valhubert, 75013 Paris, France, registered with the French Register of Trade and Companies under number 692 024 722 RCS Paris. It is an authorised credit institution supervised by the European Central Bank ("ECB") and the Autorité de contrôle prudentiel et de résolution ("ACPR"). It is further authorised to exercise through its Luxembourg branch banking and central administration activities in Luxembourg.

Investors may consult upon request at the registered office of the Fund, the Depositary Agreement to have a better understanding and knowledge of the limited duties and liabilities of the Depositary.

The Depositary has been entrusted with the custody and/or, as the case may be, recordkeeping and ownership verification of the Fund's assets, and it shall fulfil the obligations and duties provided for by Part I of the Law. In particular, the Depositary shall ensure an effective and proper monitoring of the Fund' cash flows.

Under its duties, the Depositary shall:

- (i) ensure that the sale, issue, re-purchase, redemption and cancellation of units of the Fund are carried out in accordance with the applicable national law and the 2010 Law and Fund's Articles of Incorporation;
- (ii) ensure that the value of the Shares is calculated in accordance with the 2010 Law, the Articles of Incorporations and the procedures laid down in the 2010 Law;
- (iii) carry out the instructions of the Fund or the Management Company, unless they conflict with the 2010 Law, or the Articles of incorporation;
- (iv) ensure that in transactions involving the Fund's assets any consideration is remitted to the Fund within the usual time limits; and
- (v) ensure that the Fund's income is applied in accordance with the 2010 Law and the Articles of Incorporation.

The Depositary may not delegate any of the obligations and duties set out in (i) to (v) of this clause.

In compliance with the provisions of the 2010 Law, the Depositary may, under certain conditions, entrust part or all of the assets which are placed under its custody and/or recordkeeping to Correspondents or Third Party Custodians as appointed from time to time. The Depositary's liability shall not be affected by any such delegation, unless otherwise specified, but only within the limits as permitted by the Law.

A list of these correspondents/third party custodians are available on the website of the Depositary ([www.caceis.com](http://www.caceis.com), section "veille réglementaire"). Such list may be updated from time to time. A complete list of all correspondents/third party custodians may be obtained, free of charge and upon request, from the Depositary. Up-to-date information regarding the identity of the Depositary, the description of its duties and of conflicts of interest that may arise, the safekeeping functions delegated by the Depositary and any conflicts of interest that may arise from such a delegation are also made available to investors on the website of the Depositary, as mentioned above, and upon request. There are many situations in which a conflict of interest may arise, notably when the Depositary delegates its safekeeping functions or when the Depositary also performs other tasks on behalf of the Fund, such as administrative agency and registrar agency services. These situations and the conflicts of interest thereto related have been identified by the Depositary. In order to protect the Fund's and its Shareholders' interests and comply with applicable regulations, a policy and procedures designed to prevent situations of conflicts of interest and monitor them when they arise have been set in place within the Depositary, aiming namely at:

- a. identifying and analysing potential situations of conflicts of interest;
- b. recording, managing and monitoring the conflict of interest situations either in:
  - relying on the permanent measures in place to address conflicts of interest such as maintaining separate legal entities, segregation of duties, separation of reporting lines, insider lists for staff members; or
  - implementing a case-by-case management to (i) take the appropriate preventive measures such as drawing up a new watch list, implementing a new Chinese wall, making sure that operations are carried out at arm's length and/or informing the concerned Shareholders of the Fund, or (ii) refuse to

carry out the activity giving rise to the conflict of interest.

The Depositary has established a functional, hierarchical and/or contractual separation between the performance of its UCITS depositary functions and the performance of other tasks on behalf of the Fund, notably, administrative agency and registrar agency services.

The Fund and the Depositary may terminate the Depositary Agreement at any time by giving ninety (90) days' notice in writing. The Fund may, however, dismiss the Depositary only if a new depositary bank is appointed within two (2) months to take over the functions and responsibilities of the Depositary. After its dismissal, the Depositary must continue to carry out its functions and responsibilities until such time as the entire assets of the Compartments have been transferred to the new depositary bank.

The Depositary has no decision-making discretion nor any advice duty relating to the Fund's investments. The Depositary is a service provider to the Fund and is not responsible for the preparation of this Prospectus and therefore accepts no responsibility for the accuracy of any information contained in this Prospectus or the validity of the structure and investments of the Fund.

Upon request, the Management Company will provide investors with the latest information regarding the identity of the Fund's Depositary, the Depositary's obligations and any conflicts of interest that could arise and with a description of all depositary functions transferred by the Depositary, the list of sub-custodians and information on any conflicts of interest that could arise from the transfer of functions.

The appointment of the Depositary and/or sub-custodians may cause potential conflicts of interest, which are described in more detail in Chapter 10 "Conflicts of interest".

## **2.5 UCI Administrator**

The UCI Administrator of the Fund is CACEIS Bank, Luxembourg Branch, with its registered office at 5, allée Scheffer, L-2520 Luxembourg and registered with the Luxembourg Register of Commerce and Companies under number B 209.310.

The UCI administration activity may be split into 3 main functions: the registrar function, the NAV calculation and accounting function, and the client communication function.

The registrar function encompasses all tasks necessary to the maintenance of the Fund register and performs the registrations, alterations or deletions

necessary to ensure its regular update and maintenance.

The NAV calculation and accounting function is responsible for the correct and complete recording of transactions to adequately keep the Fund's books and records in compliance with applicable legal, regulatory and contractual requirements as well as corresponding accounting principles. It is also responsible for the calculation and production of the NAV of the Fund in accordance with the applicable regulation in force.

The client communication function is comprised of the production and delivery of the confidential documents intended for investors.

Under its own responsibility and control, the UCI Administrator may delegate various functions and tasks to other entities which have to be qualified and competent for performing them in accordance with the applicable regulation(s) in force.

CACEIS Bank, Luxembourg Branch may outsource, for the performance of its activities, IT and operational functions related to its activities as UCI administrator, in particular as registrar and transfer agent activities including shareholders and investor services, with other entities of the group CACEIS, located in Europe or in third countries, and notably in United Kingdom, Canada and Malaysia. In this context, CACEIS Bank, Luxembourg Branch may be required to transfer to the outsourcing provider data related to the investor, such as name, address, date and place of birth, nationality, domicile, tax number, identity document number (in case of legal entities: name, date of creation, head office, legal form, registration numbers on the company register and/or with the tax authorities and persons related to the legal entity such as investors, economic beneficiaries and representatives), etc.. In accordance with Luxembourg law, CACEIS Bank, Luxembourg Branch has to disclose a certain level of information regarding the outsourced activities to the Fund, which will communicate these information to the investors. The Fund will communicate to the investors any material changes to the information disclosed in this paragraph prior to their implementation.

The list of countries where the group CACEIS is located is available on the Internet site [www.caceis.com](http://www.caceis.com). We draw your attention to the fact that this list could change over time.

## **2.6 Global Distributor, Distributor, Sub-Distributor**

The Management Company entered into a Global Distribution Agreement with Multiplus Finance S.A., with its registered office at 11 rue du Conseil-Général, 1205 Geneva, Switzerland, pursuant to which the latter acts as Global Distributor to the Fund on behalf of the Management Company. The Global Distributor is entitled to delegate all or part of its duties to one or several Distributors. To the extent described in the agreement(s), the Distributor(s) may enter into distribution agreements with any professional agent, particularly banks, insurance companies, fund platforms, independent managers, brokers,

management companies or any other institution whose primary or secondary activity is the distribution of investment funds and customer service.

Distributors are authorised to receive subscription orders, redemption orders and conversion orders for each Sub-Fund and will send them to the relevant entity in charge of the registrar function.

The Global Distributor and/or any authorised Distributors shall only sell Shares of the Sub-Fund in countries where these Shares are authorised for sale.

The Shares of the Fund/Name of the Sub-Funds may not be offered or sold, directly or indirectly, to persons resident in United States.

## **2.7 Statutory Auditors**

The approved statutory auditor of the Fund's annual financial statements as appointed by the General Meeting of Shareholders is Deloitte Luxembourg, an entity subject to the supervision of the CSSF.

# **3. Investment Objectives, Policies and Restrictions**

## **3.1 Investment objective and policy**

Each Sub-Fund has a specific investment objective and policy more fully described in the Chapter 19 "Sub-Fund Specific Information". The investments of each Sub-Fund must comply with the provisions of the 2010 Law as well as the ESMA requirements for risk monitoring and management.

The investment restrictions and policies set out in this section apply to all Sub-Funds, without prejudice to any specific rules adopted for a Sub-Fund, as described in its Sub-Fund Specific Information section where applicable. The Board of Directors may impose additional investment guidelines for each Sub-Fund from time to time, for instance where it is necessary to comply with local laws and regulations in countries where Shares are distributed. In the case of any detected violation of the 2010 Law at the level of a Sub-Fund, the Management Company/Investment Manager must make compliance with the relevant policies a priority in its securities trades and management decisions for the Sub-Fund, taking due account of the interests of Shareholders.

The investment restrictions and diversification rules set out at the level of the Fund in this section apply to each Sub-Fund individually, and all asset percentages are measured as a percentage of the total net assets of the relevant Sub-Fund.



### 3.2 Authorised investments

The investments of each Sub-Fund must comprise only of one or more of the following:

(A) Transferable Securities and Money Market Instruments admitted to or dealt in on a Regulated Market.

(B) Transferable Securities and Money Market Instruments dealt in on another Regulated Market in a Member State which is regulated, which operates regularly and is recognised and open to the public.

(C) Transferable Securities and Money Market Instruments admitted to official listing on a stock exchange in a non-Member State or dealt in on another Regulated Market in a non-Member State which operates regularly and is recognised and open to the public, provided that the choice of the stock exchange or market has been provided for in the Articles of Incorporation.

(D) Recently issued Transferable Securities and Money Market Instruments, provided that the terms of issue include an undertaking that application will be made for admission to official listing on a stock exchange or to another Regulated Market referred to in paragraphs (A) to (C) of this section, and that such admission is secured within one year of issue.

(E) Shares or units of UCITS or other UCIs, whether or not established in a Member State provided that:

(1) such other UCI are authorised under laws which provide that they are subject to supervision considered by the CSSF to be equivalent to that laid down in EU Law and the 2012 Law, and that cooperation between authorities is sufficiently ensured;

(2) the level of protection for shareholders or unitholders in such other UCI is equivalent to that provided for shareholders or unitholders in a UCITS, and in particular, the rules on asset segregation, borrowing, lending, and uncovered sales of Transferable Securities and Money Market Instruments are equivalent to the requirements of the UCITS Directive;

(3) the business of the other UCI is reported in half-yearly and annual reports to enable an assessment of the assets and liabilities, income and operations over the reporting period.

(4) no more than 10% of the net assets of the UCITS or the other UCI whose acquisition is contemplated, can be, according to their articles of incorporation or management regulations, invested in aggregate in shares or units of other UCITS or other UCI;

(5) the Sub-Funds may not invest in units of other UCITS or other UCIs for more than 10% of their net assets, unless otherwise provided in respect of particular Sub-Funds in the Sub-Fund Specific Information sections;

(6) when a Sub-Fund has acquired units of UCITS and/or other UCIs, the assets of the respective UCITS or other UCIs do not have to be combined for the

purposes of the limits laid down in Article 43 of the 2010 Law;

(7) where a Sub-Fund invests in the units of other UCITS and/or other UCIs that are managed, directly or by delegation, by the same management company or by any other company with which the management company is linked by common management or control, or by a substantial direct or indirect holding, that management company or other company may not charge subscription or redemption fees on account of the UCITS investment in the units of such other UCITS and/or other UCIs;

(8) a Sub-Fund that invests a substantial proportion of its assets in other UCITS and/or other UCIs shall disclose in its Sub-Fund Specific Information section the maximum level of the management fees that may be charged both to the UCITS itself and to the other UCITS and/or other UCIs in which it intends to invest. In its annual report it shall indicate the maximum proportion of management fees charged both to the Sub-Fund itself and to the UCITS and/or other UCIs in which it invests.

(F) Deposits with credit institutions which are repayable on demand or have the right to be withdrawn, and maturing in no more than twelve (12) months, provided that the credit institution has its registered office in a Member State or if the credit institution has its registered office in a non-Member State, provided that it is subject to prudential rules considered by the CSSF as equivalent to those laid down in EU Law and the 2012 Law.

(G) Financial derivative instruments, including equivalent cash settled instruments, dealt in on a Regulated Market or another Regulated Market referred to in paragraphs (A) to (C) of this section, and / or financial derivative instruments dealt in OTC provided that:

(1) the underlying consists of instruments covered by this section, financial indices, interest rates, foreign exchange rates or currencies, in which a Sub-Fund may invest according to its investment objective;

(2) the counterparties to OTC financial derivatives are institutions subject to prudential supervision, and belonging to the categories approved by the CSSF; and

(3) the OTC financial derivatives are subject to reliable and verifiable valuation on a daily basis and can be sold, liquidated or closed by an offsetting transaction at any time at their fair value at the initiative of the Fund / Sub-Fund.

(H) Money Market Instruments other than those dealt in on a Regulated Market or on another Regulated Market referred to in paragraphs (A) to (C) of this section, if the issue or the issuer of such instruments is itself regulated for the purpose of protecting investors and savings, and provided that they are:

(1) issued or guaranteed by a central, regional or local authority, a central bank of a Member State, the European Central Bank, the European Union or the European Investment Bank, a non-Member State or,

in case of a federal state, by one of the members making up the federation, or by a public international body to which one or more Member States belong, or

(2) issued by an undertaking any securities of which are dealt in on a Regulated Market or another Regulated Market referred to in paragraphs (A) to (C) of this section, or

(3) issued or guaranteed by an establishment subject to prudential supervision, in accordance with criteria defined by EU Law and the 2012 Law, or by an establishment which is subject to and comply with prudential rules considered by the CSSF to be at least as stringent as those laid down by EU Law; or

(4) issued by other bodies belonging to the categories approved by the CSSF provided that investments in such instruments are subject to investor protection equivalent to that laid down in paragraphs (H)(1) to (H)(3) of this section and provided that the issuer is a company whose capital and reserves amount to at least to ten million Euro (EUR 10,000,000) and which presents and publishes its annual financial statements in accordance with Directive 2013/34/EU, is an entity which, within a group of companies which includes one or several listed companies, is dedicated to the financing of the group or is an entity which is dedicated to the financing of securitisation vehicles which benefit from a banking liquidity line.

Moreover, the Fund may acquire movable and immovable property which is essential for the direct pursuit of its business.

The Fund is authorised for each of its Sub-Funds to employ techniques and instruments relating to Transferable Securities and Money Market Instruments under the conditions and within the limits laid down by the CSSF provided that such techniques and instruments are used for the purpose of efficient portfolio management. When these operations concern the use of derivative instruments, these conditions and limits shall conform to the provisions laid down in the Articles of Incorporation as well as in this Prospectus. Under no circumstances shall these operations cause the Fund to diverge, for any Sub-Fund, from its investment objectives as laid down, the case being for the relevant Sub-Fund, in the Articles of Incorporation or in this Prospectus.

### **3.3 Unauthorised investments**

The Sub-Funds may not acquire commodities or precious metals or certificates representing them or hold any right or interest therein. Investments in financial instruments linked to, or backed by the performance of, commodities or precious metals, or any right or interest therein, do not fall under this restriction.

The Sub-Funds may not invest in real estate or hold any right or interest in real estate. Investments in financial instruments linked to, or backed by the performance of, real estate or any right or interest therein, or shares or debt instruments issued by

companies which invest in real estate or interests therein, do not fall under this restriction.

The Sub-Funds may not grant loans or guarantees in favour of a third party. Such restriction will not prevent any Sub-Fund from investing in Transferable Securities, Money Market Instruments, shares or units of UCITS or other UCI, or financial derivative instruments referenced in section 3.2 Authorised Investments which are not fully paid-up. Furthermore, such restriction will not prevent any Sub-Fund from entering into repurchase agreements, buy-sell back transactions or securities lending transactions.

The Sub-Funds may not enter into uncovered sales of Transferable Securities, Money Market Instruments, shares or units of UCITS or other UCI or financial derivative instruments referenced in section 3.2 Authorised Investments.

## **3.4 Investment restrictions**

### **3.4.1 Diversification requirements**

To ensure diversification, a Sub-Fund cannot invest more than a certain percentage of its assets in one issuer or single body. These diversification rules do not apply during the first six (6) months of a Sub-Fund's operation, but the Sub-Fund must observe the principle of risk spreading.

For the purposes of this section, companies that draw up consolidated financial statements, in accordance with Directive 2013/34/EU or with recognised international accounting rules, are considered to be a single issuer.

1. The Sub-Funds may invest no more than 10% of the net assets of any Sub-Fund in Transferable Securities and Money Market Instruments issued by the same body and cannot invest more than 20% of its net assets in deposits made with the same entity.
2. The total value of the Transferable Securities and Money Market Instruments held by a Sub-Fund in the issuing bodies in which it invests more than 5% of its net assets shall not exceed 40% of the value of its net assets. This limitation does not apply to deposits and OTC financial derivative transactions made with financial institutions subject to prudential supervision.
3. Notwithstanding the individual limits set in paragraph 1. above, a Sub-Fund shall not combine, where this would lead it to invest more than 20% of its net assets in a single body, any of the following:
  - investments in Transferable Securities or Money Market Instruments issued by the said body;
  - deposits with the said body, or;
  - risks related to transactions involving OTC financial derivative instruments with the said body.

The limit of 20% is raised to 35% where that proves to be justified by exceptional market

conditions in particular in Regulated Markets where certain Transferable Securities or Money Market Instruments are highly dominant. The investment up to this limit is only permitted for a single issuer.

4. The 10% limit defined in the first sentence of paragraph 1 above may be raised to a maximum of 35% when the Transferable Securities or the Money Market Instruments are issued or guaranteed by a Member State, by its local authorities, by a third state or by international public bodies of which one or more Member States are member.
5. The 10% limit defined in the paragraph 1 above may be raised to a maximum of 25% for certain debt securities, when they are issued by a credit institution having its registered office in a Member State and which, under applicable law, is submitted to specific public supervision in order to protect the holders of such qualifying debt securities. For the purposes hereof, "qualifying debt securities" are securities the proceeds of which are invested in accordance with applicable law in assets providing a return which will cover the debt service through to the maturity date of the securities and which will be applied on a priority basis to the payment of principal and interest in the event of a default by the issuer. When a Sub-Fund invests more than 5% of its net assets in qualifying debt securities issued by a single issuer, the total value of the investments may not exceed 80% of the value of the net assets of such Sub-Fund.
6. The Transferable Securities and Money Market Instruments mentioned in paragraph 4. and 5. above are not accounted for when applying the 40% limit mentioned in paragraph 2. above.
7. The Fund may further invest up to 100% of the net assets of any Sub-Fund, in accordance with the principle of risk-spreading, in Transferable Securities and Money Market Instruments issued or guaranteed by a Member State, its local authorities, a non-Member State of the OECD such as the United States, or of the Group of twenty (G20), Singapore or Hong Kong, or, accepted by the CSSF and specified in this Prospectus, or public international bodies to which one or more Member State(s) belong; provided that in such event, the Sub-Fund concerned must hold securities from at least six (6) different issues, but securities from any single issue shall not account for more than 30% of the Sub-Fund's net assets.
8. No more than 20% of the net assets of a Sub-Fund can be invested in the units of a single UCITS or other UCI. Each sub-fund of a UCI with multiple sub-funds is to be considered as a separate issuer provided that the principle of segregation of the obligations of the various sub-funds vis-à-vis third parties is ensured.
9. Investments made in units of UCIs other than UCITS may not in aggregate exceed 30% of the net assets of a UCITS.
10. The limits set out in the previous paragraphs 1,2,3,4,5, 8 and 9 may not be combined and therefore the investments in Transferable Securities or Money Market Instruments of a single issuer, in deposits or financial derivatives instruments involving this entity, in conformity with these paragraphs, shall not exceed a total of 35% of the net assets of the Sub-Fund in question.
11. Each Sub-Fund may invest cumulatively up to 20% of its net assets in the Transferable Securities or Money Market Instruments within the same group.
12. A Sub-Fund (the "Investing Sub-Fund") may invest in one or more other Sub-Funds. Any acquisition of shares of another Sub-Fund (the "Target Sub-Fund") by the Investing Sub-Fund is subject to the following conditions:
  - the Target Sub-Fund may not invest in the Investing Sub-Fund;
  - the Target Sub-Fund may not invest more than 10% of its net assets in UCITS (including other Sub-Funds) or other UCIs;
  - the voting rights attached to the shares of the Target Sub-Fund are suspended during the investment by the Investing Sub-Fund; and
  - the value of the share of the Target Sub-Fund held by the Investing Sub-Fund are not taken into account in the calculation of the Fund's net assets for verification of the minimum threshold of net assets imposed by the 2010 Law.
13. When a Sub-Fund's investment policy allows it to invest via Total Return Swaps in shares or units of UCITS and/or other UCIs, the 20% limit defined in paragraph 8 above also applies, such that the potential losses resulting from this kind of swap contract creating an exposure to a single UCITS or UCI, together with direct investments in this single UCITS or UCI, will not in total exceed 20% of the net assets of the Sub-Fund in question. If these UCITS are Sub-Funds of the Fund, the swap contract needs to include provisions for cash settlement.
14. The limits specified in 1 and 3 above are raised to a maximum of 20% for investments in shares and / or debt securities issued by a single body when, in accordance with the investment policy of a Sub-Fund, its objective is to replicate the composition of a specific index of equities or debt securities that is recognised by the CSSF, on the following bases:
  - the composition of the index is sufficiently diversified;
  - the index is a representative benchmark for the market to which it refers;
  - it is published in an appropriate manner.
15. The holding of ancillary liquid assets which is limited to bank deposits at sight, such as cash held in current accounts with a bank accessible at any time is limited to 20% of the net assets a UCITS, except temporarily exceedances due to exceptionally unfavourable market conditions.
16. The Sub-Funds shall not invest more than 10% of assets in transferable securities or money market instruments other than those referred to in section 3.2 Authorised Investments.

### **3.4.2 Limits to prevent concentration of ownership**

The limits to prevent significant concentration of ownership are intended to prevent the Fund or a Sub-Fund from the risks that could arise (for itself or an issuer) if it were to own a significant percentage of a given security or issuer. A Sub-Fund does not need to comply with the investment limits described above when exercising subscription rights attaching to Transferable Securities or Money Market Instruments that form part of its assets, so long as any violations of the investment restrictions resulting from the exercise of subscription rights are remedied.

The Fund may not acquire across all the Sub-Funds together:

1. shares carrying voting rights which would enable the Fund to exercise significant influence over the management of the issuing body;
2. more than:
  - a. 10% of the non-voting shares of the same issuer;
  - b. 10% of the debt securities of the same issuer;
  - c. 10% of the Money Market Instruments of the same issuer;
  - d. 25% of the outstanding shares or units of any one UCITS and/or UCI.

The limits laid down in paragraphs 2 (b), (c) and (d) above may be disregarded at the time of acquisition if, at that time, the gross amount of bonds or of the Money Market Instruments or the net amount of the instruments in issue cannot be calculated.

The restrictions mentioned in paragraphs 1 and 2 above are not applicable to:

- Transferable securities and Money Market Instruments issued or guaranteed by a Member State, by its local authorities, or by a non-Member State;
- Transferable securities and Money Market Instruments issued by international public bodies of which one or more Member States are members;
- Shares held in the capital of a company incorporated under or organised pursuant to the laws of a non-Member State, or of any state of America, Africa, Asia and Oceania, provided that such company invests its assets mainly in the securities of issuers of that state, pursuant to the laws of that state such a holding represents the only way in which the Fund can invest in the securities of issuing bodies in that state. This derogation is, however, only applicable when this state respects in its investment policy the restrictions set forth under articles 43, 46 and 48 (1) and (2) of the 2010 Law;
- Shares held by one or more investment companies in the capital of subsidiary companies which, exclusively on behalf of the Fund carry on only the business of management, advising, or marking in the

country where the subsidiary is located, in regard to the redemption of shares at the request of shareholders.

## **3.5 Master / Feeder structure**

Under the conditions and within the limits laid down by the 2010 Law the Fund can, to the widest extent permitted by Luxembourg laws and regulations, create one or more Sub-Funds that qualify as a master fund or a feeder fund, or can designate any existing Sub-Fund a master fund or a feeder fund in which case further details in this respect are provided in the Sub-Fund Specific Information sections.

A feeder Sub-Fund is a Sub-Fund which has been approved to invest at least 85% of its assets in units of another fund set up as a UCITS or in a sub-fund thereof. A feeder Sub-Fund may hold up to 15 % of its assets in ancillary liquid assets in accordance with the provisions of section 3.2 Authorised Investments, or financial derivative instruments which must only be used for hedging purposes. In measuring its global exposure relating to financial derivative instruments, and in order to be compliant with article 42 (3) of the 2010 Law, the feeder Sub-Fund must combine its own direct exposure with either:

- the master UCITS' actual exposure to financial derivative instruments in proportion to the feeder Sub-Fund's investment into the master UCITS or
- the master UCITS' potential maximum global exposure to financial derivative instruments provided for in the master UCITS' management regulations or articles of incorporation in proportion to the feeder UCITS' investment into the master UCITS.

In case the Fund decides to put in place a feeder structure, the set up shall be subject to the prior approval of the CSSF and details are specifically disclosed in the Sub-Fund Specific Information section.

The master UCITS and the feeder Sub-Fund must have the same Business Days, share Valuation Days and the Cut-Off times for order processing must be coordinated so that orders for shares of the feeder Sub-Fund can be processed and the resulting orders for shares of the master UCITS can be placed before the master UCITS's Cut-Off time of the same day.

## **3.6 ESG and Sustainability Considerations**

### **3.6.1 Approach to Sustainability Risks**

The Management Company and each Investment Manager integrate Sustainability Risks into their investment decisions. Investment analysis and decisions undertaken by the Management Company and/or the investment Managers include the consideration of external ESG (Environment, Social,



Governance) ratings from third party providers on the underlying portfolio companies. The impacts following the occurrence of a Sustainability Risk may be numerous and vary depending on the specific risk, region and asset class. It is probable that where a sustainability risk occurs in respect of an asset, there may be a negative impact on, or entire loss of, its value.

On a quarterly basis, using external data from third-party providers, the Management Company creates a Sustainability Risk Report with ESG Scoring and Climate Risk Reporting for each sub-fund. The Management Company will monitor a variety of factors on the invested assets, such as third party ESG ratings at investee company level, carbon and water footprints, controversies on environmental, social and governance aspects etc.

The assessment of sustainability risks is complex and can be difficult to obtain and may be incomplete, estimated, out of date or otherwise materially inaccurate. Even when identified, there can be no guarantee that these data will be correctly assessed.

The Results of this Report are shared with the Board of Directors of the Fund and are available upon request.

The Management Company considers, amongst others, ESG risks associated with its investment decisions and how such risks may impact on the long-term interests of Shareholders and, as such, the returns on the investments, even if it is not anticipated that a single sustainability risk will have a significant negative financial impact on the yield of the Sub-Funds.

### 3.6.2 Sub-Fund(s) classification under SFDR:

<i>Aliter Investors Ethica Balanced</i>	Article 8
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### 3.6.3 Approach to Principal Adverse Impacts

Insofar as adverse impacts on sustainability factors are taken into account in the investment decisions at the Sub-Fund level, this is regulated in "Appendix A — Sustainability-related disclosures".

Notwithstanding the foregoing, the investments underlying the Sub-Funds do not take into account the EU criteria for environmentally sustainable economic activities of Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment unless specified otherwise in "Annex A — Sustainability-related disclosures".

## 3.7 Investments in financial derivative instruments and use

### of efficient portfolio management techniques

A Sub-Fund may, subject to the conditions and within the limits laid down in the Luxembourg Regulations and the provisions of this Prospectus:

- invest in financial derivative instruments for investment purposes, for efficient portfolio management or to provide protection against risks (market, securities, interest rate, credit and other risks) and/or
- enter into securities financing transactions (i.e. repurchase transactions, securities lending, buy-sell back transactions, sell-buy back transactions) or any other efficient portfolio management transactions as covered by the SFTR,

as further described for each Sub-Fund in the Sub-Fund Specific Information sections.

**Investors should note that the investment policies of the Sub-Fund(s) currently do not provide for the possibility to enter into securities financing transactions (i.e. repurchase transactions, securities lending, buy-sell back transactions or sell-buy back transactions) or any other efficient portfolio management transactions and/or to invest in Total Return Swaps, as covered by the SFTR.**

Should the Fund decide to provide for such possibility, the Prospectus should be updated prior to the entry into force of such decision in order for the Fund to comply with the regulatory disclosure requirements.

### 3.7.1 Financial Derivative Instruments

A Sub-Fund may use financial derivative instruments for the purposes and to the extent further disclosed in its Sub-Fund Specific Information section.

Financial derivative instruments may include, but are not limited to, futures, forwards, options, swaps (including, but not limited to, Total Return Swaps, credit and credit-default swaps, interest rate and inflation swaps), swaptions and forward foreign currency contracts. New financial derivative instruments may be developed which may be suitable for use by the Sub-Fund and the Sub-Fund may employ such financial derivative instruments in accordance with the applicable regulations and collateral received will be in accordance with the Fund's collateral policy.

The conditions of use and the limits applicable shall in all circumstances comply with the provisions laid down in the 2010 Law, in the Luxembourg law and regulations and the Prospectus.

Under no circumstances shall these operations cause the Fund and its Sub-Funds to diverge from its investment policies and restrictions.

## **4. Risk Management Systems and Risk Factors**

### **4.1 Permanent risk management function**

In accordance with CSSF Regulation 10-04, the Management Company must establish and maintain a permanent risk management function. This permanent risk management function is hierarchically and functionally independent from operating units.

The Management Company ensures that appropriate safeguards against conflicts of interest have been adopted so as to allow an independent performance of risk management activities, and that its risk management process satisfies the requirements of Article 42 of the 2010 Law.

The permanent risk management function is responsible for:

- implementing the risk management policy and procedures;
- ensuring compliance with the Fund's risk limit system concerning global exposure and counterparty risk in accordance with articles 46, 47 and 48 of CSSF Regulation 10-4;
- providing advice to the Board of Directors as regards the identification of the risk profile of the Fund / Sub-Fund;
- providing regular reports to the Board of Directors and, where it exists, the supervisory function, on:
  - o the consistency between the current levels of risk incurred by the Fund and its risk profile,
  - o the compliance of the Fund with relevant risk limit systems,
  - o the adequacy and effectiveness of the risk management process, indicating in particular whether appropriate remedial measures have been taken in the event of any deficiencies;
- providing regular reports to senior management outlining the current level of risk incurred by the Fund and any actual or foreseeable breaches of their limits, so as to ensure that prompt and appropriate action can be taken;
- reviewing and supporting, where appropriate, the arrangements and procedures for the valuation of OTC financial derivatives as referred to in Article 49 of CSSF Regulation 10-4.

The permanent risk management function has the necessary authority and access to all relevant information necessary to fulfil the tasks set out above.

### **4.2 Concept of Risk Profile**

Article 13(3)(c) of CSSF Regulation 10-4 requires the permanent risk management function of Management Companies to provide advice to the board of directors

as regards the definition of the risk profile of each managed UCITS. Circular CSSF 11/512, as amended from time to time, specifies that the Management Company must define, for each managed UCITS, a risk profile resulting from a process of risk identification which considers all risks that may be material for the managed UCITS. This risk profile must then be approved by the board of directors of the Management Company before launching the UCITS.

In accordance with Article 45(2)(d) of CSSF Regulation 10-4, the Management Company must also establish, implement and maintain a documented system of internal limits concerning the measures used to manage and control the relevant risks to which the Fund is exposed, considering all risks which may be material to the Fund as referred to in Article 43 of said regulation and ensuring consistency with the Fund risk profile.

The risk profile must be updated in the context of a decision of the Board of Directors, whenever it is impacted by a material modification.

### **4.3 Risk Management Policy**

In accordance with the 2010 Law and CSSF Regulation 10-4 as regards risk management, the Management Company must employ a risk management policy which enables it to monitor and measure at any time the risk of the positions in the Funds' portfolios and their contribution to the overall risk profile of these portfolios.

The Management Company has accordingly implemented a risk management policy which will be followed in relation to the Fund. The risk management policy enables the Management Company to assess the exposure of the Sub-Funds to market, liquidity and counterparty risks, and to all other risks, including operational risks and sustainability risks, which are material for each Sub-Fund. The directors of the Management Company will review such risk management policy at least annually.

The Fund deploys a risk management policy which enables it to monitor and measure at any time the risk of the positions and their contribution to the overall risk profile of each individual Sub-Fund. Furthermore, the Fund deploys a process for accurate and independent assessment of the value of OTC financial derivative instruments which is communicated to the CSSF on a regular basis in accordance with Luxembourg Law.

Upon request of investors, the Management Company can provide supplementary information relating to the risk management policy.

### **4.4 Global Exposure Approach**

The Fund and the Management Company will deploy a risk-management policy which enables them to monitor and measure at any time the risk of the positions and their contribution to the overall risk profile of each Sub-Fund. The Fund and / or the

Management Company will deploy if applicable, a process for accurate and independent assessment of the value of any OTC financial derivative instruments.

There are three possible risk measurement approaches, as described below. The Management Company chooses which approach each Sub-Fund will use, based on the Sub-Fund's investment strategy. Where a Sub-Fund's use of derivatives is mostly for hedging and efficient portfolio management purposes, the commitment method is usually used. Where a Sub-Fund may use derivatives extensively, absolute VaR is usually used, unless the Sub-Fund is managed with respect to a benchmark, in which case relative VaR is usually used.

The Board of Directors can require a Sub-Fund to use an additional approach (for reference only, however, not for purposes of determining compliance), and can change the approach if it believes the current method no longer adequately expresses the Sub-Fund's overall market exposure.

Approach	Description
Absolute Value-at-Risk (Absolute VaR)	The Sub-Fund estimates the level which the loss on its Net Asset Value over a 1-month time frame (meaning 20 trading days) may exceed with a 1% probability in normal market conditions. This estimated level should not be higher than 20%.
Relative Value-at-Risk (Relative VaR)	The ratio of the Sub-Fund's Absolute VaR over the Absolute VaR of a chosen benchmark (typically an appropriate market index or combination of indices) should not exceed 200%.
Commitment	The Sub-Fund calculates all derivatives exposures as if they were direct investments in the underlying positions. This allows the Sub-Fund to include the effects of any hedging or offsetting positions as well as some positions taken for efficient portfolio management where applicable. The exposure calculated using this approach should not exceed 100% of total assets.

Within the framework of the risk management procedure, the overall risk of the Sub-Fund ALITER INVESTORS - Ethica Balanced is measured and controlled by a Commitment Method.

The commitment approach is the conversion of financial derivatives into the equivalent position in the underlying asset of those derivatives. When calculating the overall risk, the methods and principles of netting and hedging may be applied, as well as the use of efficient portfolio management techniques.

The Fund must guarantee that the overall risk in financial derivatives, based on the commitment approach, does not exceed 100% of the total net assets.

## 4.5 Concept of Leverage

The expected / maximum level of leverage per Sub-Fund for which a VaR risk measurement approach is used for the Sub-Fund's global risk exposure and which is calculated by using the "Sum of Notionals" of the derivatives used is set out in Sub-Fund Specific Information sections.

The "Sum of Notionals" calculation shows the total sum of the principal values of all derivatives used by the Sub-Fund, not taking into account any netting of derivative positions, whereas the commitment calculation converts each financial derivative instrument position into the market value of an equivalent position in the underlying asset of that financial derivative instrument.

Investors should note that the expected level of leverage is an estimate only and there is possibility of higher leverage levels in certain circumstances, e.g. where a Sub-Fund's Investment Manager may make more extensive use of financial derivative instruments for investment purposes (within the limits of each Sub-Fund's investment objective) as opposed to a more limited use for hedging purposes. Such circumstances are further detailed in Sub-Fund Specific Information sections.

An expected level of leverage does not necessarily represent an increase of risk in the Sub-Fund as some of the derivative instruments used may even reduce the risk. Shareholders should note that the "Sum of Notionals" calculation method of the expected level of leverage does not make a distinction as to the intended use of a derivative e.g. being either hedging or investment purposes.

The "Sum of Notionals" calculation typically results in a higher leverage figure than for the commitment approach calculation predominantly due to the exclusion of any netting and/or hedging arrangements.

This may be varied within applicable limits if considered to be in the best interests of the Sub-Fund.

Investors' attention is drawn to the fact that such methodology is different to the risk measurement approaches described herein and that as a consequence, in some instances, this could result in a Sub-Fund having a more restrictive use of financial derivative instruments than what it is allowed, based on the limits outlined above. However, the maximum

expected exposure is not expected to impact the achievement of the investment objectives of the relevant Sub-Funds.

Upon request, the Management Company can provide further information about each Sub-Fund's risk measurement approach, including how this approach was chosen, the related quantitative limits and the recent state and behaviour of the risks and returns of the main categories of instruments.

## 4.6 Risk Factors

All investments involve risks and the risks involved when investing in a Sub-Fund may vary depending on the investment policy and strategies of the Sub-Fund.

The risk descriptions below correspond to the risk factors named in the Sub-Fund Specific Information sections. To permit the risks to be read properly in connection with any Sub-Fund's named risks, each risk is described as for an individual Sub-Fund.

The risk information in this Prospectus is intended to give an overview of the main and material risks associated with each Sub-Fund.

Any of these risks could cause a Sub-Fund to lose money, to perform less well than similar investments, to experience high volatility (ups and downs in NAV), or to fail to meet its objective over any period of time.

Investors should also carefully consider all of the information set out in this section as well as the information provided in Chapter 19 "Sub-Fund Specific Information" before making an investment decision in any Sub-Fund. This section does not purport to be a complete explanation of all risks involved in an investment in any Sub-Fund or Class and other risks may also be or become relevant from time to time.

- **Market risk**

Market risk is understood as the risk of loss for a Sub-Fund resulting from fluctuation in the market value of positions in its portfolio attributable to changes in market variables, such as general economic conditions, interest rates, foreign exchange rates, or the creditworthiness of the issuer of a financial instrument. This is a general risk that applies to all investments, meaning that the value of a particular investment may go down as well as up in response to changes in market variables. Although it is intended that each Sub-Fund will be diversified with a view to reducing market risk, the investments of a Sub-Fund will remain subject to fluctuations in market variables and the risks inherent in investing in financial markets.

- **Currency risk**

Currency risk is the risk which arises from potential movements of currency exchange rates. It is the risk which arises from the holding of assets denominated in currencies different from the Sub-Fund's base currency. It may be affected by changes in currency exchange rates between the base currency and these other currencies or by changes in regulations controlling these currency exchange rates. It must

therefore be expected that currency exchange risks cannot always be hedged and the volatility of currency exchange rates to which the Sub-Fund is exposed may affect the NAV of the Sub-Fund.

- **Equity risk**

Investing in equity securities may offer a higher rate of return than other investments. However, the risks associated with investments in equity securities may also be higher, because the performance of equity securities depends upon factors which are difficult to predict. Such factors include the possibility of sudden or prolonged market declines and risks associated with individual companies. The fundamental risk associated with equity portfolios is the risk that the value of the investments it holds might decrease in value. Equity security value may fluctuate in response to the activities of an individual company or in response to general market and/or economic conditions. Historically, equity securities have provided greater long-term returns and have entailed greater short-term risks than other investment choices.

- **Interest rate risk**

Interest rate risk is the risk which arises from potential movements in the level and volatility of yields. The value of investments in bonds and other debt securities or derivative instruments may rise or fall sharply as interest rates fluctuate. As a general rule, the value of fixed-rate instruments will increase when interest rates fall and vice-versa. In some instances, prepayments (i.e. early unscheduled return of principal) can introduce reinvestment risk as proceeds may be reinvested at lower rates of return and impact the performance of the Sub-Fund.

- **Leverage risk**

Leverage resulting from an extensive use of financial derivatives instruments may increase the volatility of the Sub-Fund's Net Asset Value and may amplify losses which could become significant and potentially cause a total loss of the Net Asset Value in extreme market conditions.

- **Volatility risk**

The risk of uncertainty of price changes. Usually, the higher the volatility of an asset or instrument, the higher its risk. The prices for Transferable Securities in which the Sub-Funds invest may change significantly in short-term periods.

- **Liquidity risk**

Liquidity risk exists when a particular instrument is difficult to purchase or sell. On the asset side, liquidity risk refers to the inability of a Sub-Fund to dispose of investments at a price equal or close to their estimated value within a reasonable period of time. On the liability side, liquidity risk refers to the inability of a Sub-Fund to raise sufficient cash to meet a redemption request due to its inability to dispose of investments. In principle, each Sub-Fund will only make investments for which a liquid market exists or which can otherwise be sold, liquidated or closed at any time within a reasonable period of time. However,



in certain circumstances, investments may become less liquid or illiquid due to a variety of factors including adverse conditions affecting a particular issuer, counterparty, or the market generally, and legal, regulatory or contractual restrictions on the sale of certain instruments.

In the case of financial derivative transactions, if a financial derivative transaction is particularly large or if the relevant market is illiquid, it may not be possible to initiate a transaction or liquidate a position at an advantageous price (however, a Sub-Fund will only enter into OTC financial derivative instruments if it is allowed to liquidate such transactions at any time at fair value). Difficulties in disposing of investments may result in a loss for a Sub-Fund and/or compromise the ability of the Sub-Fund to meet a redemption request.

- Counterparty risk

Counterparty risk refers to the risk of loss for a Sub-Fund resulting from the fact that the counterparty to a transaction entered into by the Sub-Fund may default on its contractual obligations. There can be no assurance that an issuer or counterparty will not be subject to credit or other difficulties leading to a default on its contractual obligations and the loss of all or part of the amounts due to the Sub-Fund. This risk may arise at any time the assets of a Sub-Fund are deposited, extended, committed, invested or otherwise exposed through actual or implied contractual agreements. For instance, counterparty risk may arise when a Sub-Fund has deposited cash with a financial institution, or invests into debt securities and other fixed income instruments.

The Fund on behalf of a Sub-Fund may enter into transactions in OTC markets, which will expose the Sub-Fund to counterparty risk.

For example, the Fund on behalf of the Sub-Fund may enter into repurchase agreements, forward contracts, options and swap arrangements or other derivative techniques, each of which expose the Sub-Fund to counterparty risk. In the event of a bankruptcy or insolvency of a counterparty, the concerned Sub-Fund could experience delays in liquidating the position and significant losses, including declines in the value of its investment during the period in which the Fund seeks to enforce its rights, inability to realise any gains on its investment during such period and fees and expenses incurred in enforcing its rights.

There is also a possibility that the above agreements and derivative techniques are terminated due, for instance, to bankruptcy, supervening illegality or change in the tax or accounting laws relative to those at the time the agreement was originated. In such circumstances, investors may be unable to cover any losses incurred. Financial derivative transactions such as swap contracts entered into by the Fund on behalf of a Sub-Fund involve credit risk that could result in a loss of the Sub-Fund's entire investment as the Sub-Fund may be fully exposed to the credit worthiness of a single approved counterparty where such an exposure will be collateralised.

- Collateral risk

Although collateral can be taken to mitigate the risk of counterparty default, there is a risk that collateral taken, particularly in the case of securities, when realised, may not generate sufficient liquidity to settle the debts of the counterparty. This may be due to factors such as improper pricing of collateral, weaknesses in the valuation of collateral on a regular basis, adverse market movements in the collateral value, deterioration of the credit rating of the collateral issuer or the illiquidity of the market in which the collateral is negotiated.

Where a Sub-Fund is in turn required to post collateral with a counterparty, the value of the collateral that the Sub-Fund places with the counterparty may be higher than the cash or investments received by the Sub-Fund.

In both cases, where there are delays or difficulties in recovering assets or liquid assets and collateral provided to counterparties or received from counterparties, the Sub-Fund may encounter difficulties in responding to purchase or redemption applications or in meeting delivery or purchase obligations under other contracts.

A Sub-Fund may reinvest the cash collateral it receives, but it is possible that the value of the return of the reinvested cash collateral will not be sufficient to cover the amount to be repaid to the counterparty. In this circumstance, the Sub-Fund would be required to cover the loss.

As collateral will take the form of cash or certain financial instruments, market risk is also relevant.

Collateral received by a Sub-Fund may be held either by the Depositary or by a third-party depositary. In either case there is a risk of loss as a result of events such as the insolvency or negligence of the Depositary or the sub-depositary.

- Credit risk

The risk of loss resulting from a borrower's failure to meet financial contractual obligations, for instance timely payment of interest or principal. Depending on contractual agreements, various credit events may qualify as default, which include but are not limited to bankruptcy, insolvency, court-ordered reorganisation/liquidation, rescheduling of debts or non-payment of debts payable. The value of assets or derivative contracts may be highly sensitive to the perceived credit quality of the issuer or reference entity. Credit events may adversely affect the value of investments, as the amount, nature and timing of recovery may be uncertain.

- Credit rating risk: The risk that a credit rating agency may downgrade an issuer's credit rating. Investment restrictions may rely on credit rating thresholds and thus have an impact on securities selection and asset allocation. The Investment Managers may be forced to sell securities at an unfavourable time or price. Credit rating agencies may fail to correctly assess the credit worthiness of issuers.

- High yield investment risk: High yield bonds are often more volatile, less liquid and more prone to financial distress than other higher rated bonds. The valuation of high yield securities may be more difficult than other higher rated securities because of lack of liquidity. Investment in this kind of securities may lead to unrealised capital losses and/or losses that can negatively affect the Net Asset Value of the Sub-Fund.
- Distressed and defaulted debt securities risk: Bonds from issuers in distress are often defined as those (i) that have been given a very speculative long-term rating by credit rating agencies or those (ii) that have filed for bankruptcy or expected to file for bankruptcy. In some cases, the recovery of investments in distressed or defaulted debt securities is subject to uncertainty related to court orderings and corporate reorganisations among other things. Companies which issued the debt that has defaulted may also be liquidated. In that context, the fund may receive, over a period of time, proceeds of the liquidation. The received amounts may be subject to a case-by-case specific tax treatment. The tax may be reclaimed by the authority independently from the proceed paid to the Fund. The valuation of distressed and defaulted securities may be more difficult than other higher rated securities because of lack of liquidity. The Sub-Fund may incur legal expenses when trying to recover principal or interest payments. Investment in this kind of securities may lead to unrealised capital losses and/or losses that can negatively affect the Net Asset Value of the Sub-Fund.

- Custody risk

The assets of the Fund and its Sub-Funds shall be held in custody by the Depositary and its sub-custodian(s) and/or broker-dealers appointed by the Fund. Investors are hereby informed that cash and fiduciary deposits may not be treated as segregated assets and might therefore not be segregated from the relevant Depositary, sub-custodian(s), other custodian/ third-party bank and/or broker dealer's own assets in the event of the insolvency or the opening of bankruptcy, moratorium, liquidation or reorganisation proceedings of the Depositary, sub-custodian(s), other custodian / third-party bank or the broker dealer as the case may be. Subject to specific depositor's preferential rights in bankruptcy proceedings set forth by regulation in the jurisdiction of the Depositary, sub-custodian(s), other custodian / third-party bank, or the broker dealer, the Fund's claim might not be privileged and may only rank *pari passu* with all other unsecured creditors' claims. The Fund and/or its Sub-Funds might not be able to recover all of their assets in full.

- Settlement risk.

The risk of loss resulting from a counterparty's failure to deliver the terms of a contract at the time of settlement. The acquisition and transfer of holdings in certain investments may involve considerable delays and transactions may need to be carried out at

unfavourable prices as clearing, settlement and registration systems may not be well organised in some markets.

- Operational risk

The operations of the Fund (including investment management) are carried out by the service providers mentioned in this Prospectus. In the event of bankruptcy or insolvency of a service provider, investors may experience delays (for example, delays in the processing of subscriptions, conversions and redemption of Shares) or other disruptions.

- Legal risk

The Fund may be subject to a number of legal and regulatory risks, including contradictory interpretations or applications of laws, incomplete, unclear and changing laws, restrictions on general public access to regulations, practices and customs, ignorance or breaches of laws on the part of counterparties and other market participants, lack of established or effective avenues for legal redress, inadequate investor protection, or lack of enforcement of existing laws. Difficulties in asserting, protecting and enforcing rights may have a material adverse effect on the Sub-Funds and their operations.

In the case of financial derivative transactions, there is also a risk that financial derivative transactions may be terminated, for example because of bankruptcy, irregularity or changes in tax or accounting laws. In such circumstances, the Fund may be required to cover all losses incurred.

In addition, certain transactions are concluded on the basis of complex legal documents. These documents may be difficult to enforce or may be subject to dispute as to their interpretation in certain circumstances. Although the rights and obligations of the parties to a legal document may, for example, be governed by Luxembourg law, in certain circumstances (such as insolvency proceedings), other legal systems may apply as a priority, and this can affect the enforceability of existing transactions.

- Total Return Swap risk

For Total Return Swaps that do not involve physical holding of securities, synthetic replication through fully funded (or unfunded) Total Return Swaps may provide a means of obtaining exposure to strategies that are difficult to implement and which would otherwise be very expensive and difficult to access with physical replication. However, synthetic replication involves a counterparty risk. If a Sub-Fund engages in OTC financial derivative transactions, there is a risk - over and above the general counterparty risk - that the counterparty may default or be unable to fully fulfil its commitments. When the Fund and any of its Sub-Funds enter into Total Return Swaps on a net basis, the two cash flows are offset and the Fund or the Sub-Fund will receive or pay, as the case may be, only the net amount of the two payments.

Total Return Swaps concluded on a net basis do not imply physical delivery of investments, other underlying assets or principal. As a result, it is

anticipated that the risk of loss on Total Return Swaps will be limited to the net amount of the difference between the total return rate of a reference investment, an index or a basket of investments and fixed or variable payments. If the other party to a Total Return Swaps is in default, under normal circumstances, the risk of loss of the Fund or the concerned Sub-Fund is the net amount of the total return of payments that the Fund or the Sub-Fund is contractually entitled to receive.

- Sustainability risk

It means an environmental, social or governance event or condition that, if it occurs, could cause an actual or a potential material negative impact on the value of the investment.

The consideration of sustainability factors in the investment decision-making and advisory processes can realise benefits beyond financial markets. It can increase the resilience of the real economy and the stability of the financial system. In so doing, it can ultimately impact on the risk-return of financial products. It is therefore essential that the Prospectus provide the information necessary to enable end investors to make informed investment decisions.

## 5. Shares

### 5.1 General Provisions

The Management Company invests money paid to the Fund on behalf of a Sub-Fund and for the account of the Shareholders of the relevant Sub-Fund, in keeping with the principle of risk spreading in Transferable Securities and/or other legally permissible assets in pursuant to Article 41 of the 2010 Law. The funds invested and the assets acquired thereby constitute the respective Sub-Fund assets, which are held separately from the Management Company's own assets.

The Shares are of no par value and carry no preferential or pre-emptive rights

Registered shares are documented by the inscription of a Shareholder's name by the Registrar in the share register kept on behalf of the Fund. Fractions of registered Shares may be issued to three decimal of a Share. Written confirmation detailing the purchase of Shares will be sent to Shareholders. Confirmation of entry into the share register shall be sent to the Shareholders at the address specified in the share register. Shareholders are not entitled to the delivery of physical certificates.

Shares of a Sub-Fund may be listed or traded on an official stock exchange or on other markets, in which case the Sub-Fund Specific Information section will provide details.

### 5.2 Subscription and issuance of shares

Shares are issued on each Valuation Day at the issue price. The issue price is (i) the initial subscription price during the initial subscription period or (ii) after the initial subscription period, the Net Asset Value of a Share pursuant to Chapter 7 "Calculation and Publication of the Net Asset Value of Shares issued", plus a subscription fee, the maximum amount of which for each Sub-Fund is stipulated in its Sub-Fund Specific Information section. The issue price may be increased by fees or other charges payable in the countries where the Fund is distributed.

Subscription orders for the acquisition of registered shares may be submitted to the Management Company, the Global Distributor, or a Sub-Distributor. These receiving entities must immediately forward all subscription orders to the relevant entity in charge of registrar function. Receipt by the relevant entity in charge is decisive.

Complete subscription orders received by the Registrar in charge no later than the cut-off time further specified in the Sub-Fund Specific Information sections on a Valuation Day shall be settled at the issue price of that Valuation Day applicable. In any case, the Management Company ensures that Shares are issued on the basis of a previously unknown Net Asset Value per Share. If, however, an investor is suspected of engaging in Market Timing, the Management Company may reject the subscription order until the applicant has cleared up any doubts with regard to his order. Complete subscription orders received by the Registrar after cut-off time on a Valuation Day shall be settled at the issue price of the next following Valuation Day applicable.

If the subscription order is incorrect or incomplete, the subscription order shall be regarded as having been received by the Registrar on the date on which the subscription order is submitted properly.

The issue price is payable at the Depositary in Luxembourg in the respective Sub-Fund currency or, if there are several Classes, in the respective Class currency, within the payment period after the corresponding Valuation Day further specified in the Sub-Fund Specific Information sections.

Without limitation, the Management Company may refuse an application for subscription where it determines that the Shares would or might be held by, on behalf or for the account or benefit of any person not qualifying as an eligible investor. In such event, subscription proceeds received by the Depositary will be returned to the applicant as soon as practicable, at the risks and costs of the applicant, without interest or penalty.

The Fund/Management Company reserves the right to reject any subscription in whole or part at its absolute discretion, whether for an initial or additional investment, in which event the amount paid on the subscription or the balance thereof (as the case may be) will be returned (without interest or penalty) as soon as practicable in the currency of subscription and at the risk and cost of the applicant.

If the Fund determines that it would be detrimental to the existing Shareholders to accept a subscription application that exceeds a certain level determined by the Fund, the Fund may postpone the acceptance of such subscription application and, in consultation with the incoming Shareholder, may require such incoming Shareholder to stagger their proposed subscription over an agreed period of time. The Management Company can reject any subscription where all documents required to open an account are not provided, in which event paid in investment money will be returned without interest.

The circumstances under which the issue of Shares may be suspended are specified in the Chapter 12 "Temporary suspension of the calculation of the Net Asset Value of Shares and dealing activity".

### **5.3 Redemption of Shares**

Shareholders are entitled to request the redemption of their Shares at any time at the Net Asset Value per share in accordance with Chapter 7 "Calculation and Publication of the Net Asset Value of Shares issued", less any redemption fee if applicable ("redemption price"). This redemption will only be carried out on a Valuation Day. If a redemption fee is payable, the maximum amount of which for each Sub-Fund is stipulated in the Sub-Fund Specific Information sections.

The corresponding Share is cancelled upon payment of the redemption price. Payment of the redemption price, as well as any other payments to the Shareholders, shall be made via the Depositary and the Paying Agents, if any. The Depositary is only obliged to make payment insofar as there are no legal provisions, such as exchange control regulations or other circumstances beyond the Depositary's control, prohibiting the transfer of the redemption price to the country of the applicant.

The Management Company reserves the right to redeem Shares unilaterally against payment of the redemption price if this is deemed necessary in the interests of the Shareholders or for the protection of the Shareholders or a Sub-Fund.

The Management Company can proceed unilaterally to a redemption of a Share Class of an investor or switch the holding to another Class if the investor no longer meets the qualifying criteria to maintain the Class he holds.

If the Management Company believes that a Shareholder is no longer an eligible investor, the owner may be requested to prove his/her eligibility, but the Management Company can at its option proceed to a redemption without consent of owner.

The Fund cannot be held liable for any gain and losses resulting from such unilateral redemptions.

Complete orders for the redemption of registered shares can be submitted to the Management Company, the Global Distributor, Distributor(s) or paying agents (if any). The receiving agents are

obliged to immediately forward the redemption orders to the Registrar.

An order for the redemption of registered shares shall only be deemed complete if it contains the name and address of the Shareholder, the shareholder's account or reference number, the number and/or transaction value of the Shares to be redeemed, the name of the Fund, Sub-Fund, Class and the signature of the Shareholder.

Complete redemption orders for the redemption of Global Shares Certificates will be forwarded to the relevant entity in charge of the registrar function by the agent with whom the Shareholder holds his custody account.

Complete orders for the redemption of Shares received no later than the cut-off time further specified in the Sub-Fund Specific Information sections on a Valuation Day shall be settled at the share Net Asset Value of that Valuation Day, less any applicable redemption fees. The Management Company shall in any event ensure that Shares are redeemed on the basis of a previously unknown Net Asset Value per Share. Complete redemption orders received after cut-off time on a Valuation Day shall be settled at the Share Net Asset Value of the next following Valuation Day. Any applicable redemption fees shall be deducted.

The time of receipt of the redemption order by the Registrar shall be decisive.

The redemption price is payable in the relevant Sub-Fund currency or, if there are several Classes, in the relevant Class currency, within the payment period further specified in the Sub-Fund Specific Information sections after the relevant Valuation Day. In the case of registered shares, payment is made to the account specified by the Shareholder.

The Board of Directors is obliged to temporarily suspend the redemption of Shares due to a suspension of the calculation of the Net Asset Value. Further information on the possibility of such a suspension can be found in Chapter 12 "Temporary suspension of the calculation of the Net Asset Value of shares and dealing activity".

In the event of a significant volume of redemptions, the Depositary and the Management Company may decide, in the interest of the Shareholders, to postpone the execution of any redemption order until corresponding assets of the respective Sub-Fund have been sold without undue delay. Should such a measure be necessary, all redemption orders received on the same day will be processed at the same price. The Management Company shall, however, ensure that the respective Sub-Fund has sufficient liquid funds at its disposal such that, under normal circumstances, the redemption of Shares may take place immediately upon application from Shareholders.

Payment of redemption proceeds may be further delayed if there are any specific provisions such as foreign exchange restrictions, or any circumstances beyond the Fund's control which make it impossible to



transfer the redemption proceeds to the country where the redemption was requested.

Shareholders should also consider the sections of Chapter 11. "Liquidity Management Tools of the Fund to manage temporary constrained market liquidity" to be informed on specific measures the Fund may apply in case of redemptions under temporary constrained liquidity conditions.

## **5.4 Conversion of shares**

The conversion of all or some Shares for Shares in another Sub-Fund will take place on the basis of the applicable Share Net Asset Value of the relevant Sub-Funds taking into account the applicable conversion fee as further specified in the Sub-Fund Specific Information sections.

In the event that different Classes are offered within a single Sub-Fund, it is also possible to convert Shares of one class for those of another within the same Sub-Fund, unless otherwise stipulated in the Sub-Fund Specific Information sections and subject to the class specific eligibility and fee conditions applicable.

The Management Company may reject an order for the conversion of Shares, if this is deemed in the interests of the Fund or the Sub-Fund or in the interests of the Shareholders.

Complete orders for the conversion of registered shares can be submitted to the Management Company, the Global Distributor, Distributor, Sub-Distributor or the paying agents (if any). The receiving agents are obliged to immediately forward the conversion orders to the Registrar.

An order for the conversion of registered shares shall only be deemed complete if it contains the name and address of the Shareholder, the number and/or transaction value of the Shares to be converted, the name of the Sub-Fund and the signature of the Shareholder.

Complete orders for the conversion of Shares received no later than the cut-off time further specified in the Sub-Fund Specific Information on a Valuation Day shall be settled at the share Net Asset Value of that Valuation Day, less any applicable conversion fees. Complete conversion orders received after cut-off time on a Valuation Day shall be settled at the Share Net Asset Value of the next following Valuation Day. Any applicable conversion fees shall be deducted.

The Management Company ensures that Shares are converted on the basis of a previously unknown Net Asset Value per share. Any applicable conversion fee shall be taken into consideration.

The time of receipt of the conversion order by the Registrar shall be decisive.

The Management Company is obliged to temporarily suspend the conversion of Shares due to a suspension of the calculation of the Net Asset Value.

Subject to prior approval from the Depositary and while preserving the interests of the Shareholders, the

Management Company shall only be entitled to process significant volumes of conversion orders after selling corresponding assets of the respective Sub-Fund without delay. In this case, the conversion shall be carried out at the price valid at that time. The Management Company shall, however, ensure that the respective Sub-Fund has sufficient liquid funds at its disposal such that, under normal circumstances, the conversion of Shares may take place immediately upon application from Shareholders.

## **5.5 Distribution of income, reinvestment of income**

Each Sub-Fund may offer distributing Shares and non-distributing Shares. Distributing Shares and non-distributing Shares issued within the same Sub-Fund will be represented by different Share Classes.

In case of distribution Shares, dividends are intended to be distributed and the Net Asset Value per Share may subsequently be reduced by the amount of dividends paid out. In the case of capitalisation or accumulation Shares, net profits are not intended to be distributed but to be capitalised, thus with no reduction on the Net Asset Value per Share. The distribution policy for each Sub-Fund, Class or Category of Shares is specified in the Sub-Fund Specific Information sections.

Annual dividends may be declared in respect of any type of Shares at the annual general meeting.

In respect of distribution Shares, interim dividends may be paid at intervals as determined from time to time by the Board of Directors. Interim dividends must be approved and ratified by the annual general meeting of Shareholders. In that case, the Net Asset Value of the Sub-Fund or Class concerned is reduced by the amount of paid dividends. If the issuing fee was originally paid by direct debit, distributions will be paid to the same account.

Detailed information regarding the use of income will be published on the Management Company's website.

## **6. Prevention of Market Timing and Late Trading Risks**

The Sub-Funds are not intended to be used as an excessive short-term trading vehicle. Whilst recognising that Shareholders may have legitimate needs to adjust their investments from time to time, the Fund may at its sole discretion take any action to prevent any activities deemed to adversely affect the interests of the Shareholders.

Market timing is generally understood as the technique of arbitrage whereby a Shareholder systematically subscribes, converts and redeems Shares in a Sub-Fund within a short period by exploiting time differences and/or the imperfections or weaknesses in the valuation system for calculating the Sub-Fund's Net Asset Value. The Management

Company takes the appropriate protection and/or control measures to avoid such practices. It also reserves the right to reject, cancel or suspend an order from a Shareholder for the subscription or conversion of Shares if the investor is suspected of engaging in Market Timing.

The Management Company strictly opposes the purchase or sale of shares after the close of trading at already established or foreseeable closing prices i.e. late trading. In any case, the Management Company ensures that Shares are issued and redeemed on the basis of a Share value previously unknown to the shareholder. If, however, a Shareholder is suspected of engaging in late trading, the Management Company may reject the redemption or subscription order until the applicant has cleared up any doubts with regard to his order.

## 7. Calculation and Publication of the Net Asset Value of shares issued

### 7.1 Calculation of the NAV

The Net Asset Value of each Sub-Fund and the Net Asset Value per Share of each Sub-Fund, and, where applicable, each Class of Shares of a Sub-Fund is calculated on each Valuation Day as further specified for each Sub-Fund in the Sub-Fund Specific Information sections.

The NAV of any Sub-Fund is calculated by subtracting the Sub-Fund's liabilities from the Sub-Fund's assets on the Sub-Fund's respective Valuation Day. The NAV of each Sub-Fund is calculated in the Reference Currency of the Sub-Fund.

The NAV of any Class is calculated by determining the proportional Share of the assets of the Sub-Fund attributable to that Class less the proportional share of the liabilities of the Sub-Fund attributable to that Class on the Valuation Day. To determine the NAV per Share of any Class the NAV of that Class will be divided by the number of Shares of that Class then outstanding as at close of business. In case of distributing Classes, the value of the net assets attributable to the distributing Shares is reduced by the amount of such distributions. In cases of any Class with a Reference Currency different to the Reference Currency of the corresponding Sub-Fund, the NAV per Share of that Class will be converted and published in the currency in which that Class is denominated.

The NAV must in principle be calculated at least twice a month. The applicable calculation frequency of each Sub-Fund is specified in Sub-Fund Specific Information section.

The NAV per Share is calculated by dividing the value of the assets less the value of the liabilities of the Sub-Fund by the total number of outstanding Shares of the Sub-Fund on the Valuation Day. The NAV of a Class is determined by the proportional Share of the assets of

the Fund attributable to such a Class less the proportional Share of the liabilities of the Sub-Fund attributable to that Class on the Valuation Day. In case of distributing Classes, the value of the net assets attributable to the distributing Shares is reduced by the amount of such distributions.

The NAV is rounded to two decimal places, unless otherwise foreseen for a Sub-Fund in the Sub-Fund Specific Information sections.

### 7.2 Publication of the NAV

The NAV per Share of each Class and/or the issue, redemption and conversion price relating to each Class is published on each Valuation Day and is also available at the registered office of the Fund, the Management Company, the Paying and Information Agents (if any) or the Distributors during normal business hours.

### 7.3 Determination of the issue price and the redemption price of shares

The issue price per Share of each Class is calculated based on the NAV of the Class by adding the sales charge, if any, and any taxes, commissions or other applicable fees and expenses. The entry charge is expressed as a percentage of the NAV.

NAV per share	100 EUR
+ Entry charge	1%

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Issue price per share 101 EUR  
(excl. any taxes)

The redemption price per Share of each Class is calculated based on the NAV of the Class by subtracting the exit charge, if any, and any taxes, commissions or other applicable fees and expenses as demonstrated in the following calculation model. The exit charge is expressed as a percentage of the NAV.

NAV per Share	100 EUR
./. Exit charge	1%

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Redemption price per share 99 EUR  
(excl. any taxes)

### 7.4 Modalities concerning the valuation of assets in the portfolio

The value of the assets of Sub-Fund is determined according to the following principles:

- transferable Securities and Money Market Instruments admitted to official listing on a stock exchange or dealt in on another Regulated Market which is regulated, operates regularly and is recognised and open to the public provided, are valued on the basis of the latest available market price. If the same security is quoted on different

markets, the quotation of the main market for this security will be used. If there is no relevant quotation or if the quotations are not representative of the fair value, the evaluation will be done with care and in good faith by the Board of Directors or its delegate with a view to establishing the probable realisation value for such securities;

- securities and money market instruments not listed and traded on any stock exchange or other regulated market are valued on the basis of their probable realisation value as determined with care and in good faith by the Board of Directors or its delegate;
- shares or units of UCITS or other UCIs are valued at their latest available net asset value per share;
- liquid assets are valued at their nominal value plus accrued interest;
- financial derivative instruments which are listed on any official stock exchange or traded on another Regulated Market are valued at market value;
- financial derivative instruments which are not listed on any official stock exchange or traded on another Regulated Market will be valued at their fair value as determined in good faith by or under the direction of the Board of Directors;
- currencies are valued at the applicable foreign exchange rate (for currencies held as assets as well as for value conversion of securities denominated in a currency other than the Reference Currency);
- the determined value of the assets will be converted into the Reference Currency of the Sub-Fund at the applicable foreign exchange rates that are determined on the Valuation Day.
- the value of any cash on hand or on deposit, bills and demand notes and accounts receivable, prepaid expenses, cash dividends and interest declared or accrued as aforesaid and not yet received shall be deemed to be the full amount thereof, unless in any case the same is unlikely to be paid or received in full, in which case the value thereof shall be arrived at after making such discount as the Board of Directors may consider appropriate in such case to reflect the true value thereof.

In the event that the valuation of an asset in accordance with the above principles is rendered impossible, incorrect or not representative, the Board of Directors or its delegate is entitled to use other generally recognised and auditable valuation principles in order to reach a fair valuation of that asset.

## 8. Fees and Charges

This section provides general information on the various kinds of fees and charges that can be applied

and whether they are deducted before or after investing or from the Sub-Fund's assets over a year.

Details on the fees and charges and related rates that apply per Sub-Fund as well as specifications on calculation, accounting treatment and payment conditions where relevant are provided further in the Sub-Fund Specific Information sections.

### 8.1 One-off charges taken before or after investing

One-off charges are charges of various kinds deducted upfront from a Shareholder's investment amount, switch amount or redemption proceeds, including any rounding adjustments.

#### 8.1.1 Subscription fee/Entry charge

Entry charge is deducted from the subscription amount of Shares before investment; calculated as a percentage of the subscription amount; may be waived in whole or in part at the discretion of the beneficiary of this charge. Such sales commission, if any (please refer to section 19 – sub-section Classes of Shares) is due to Distributors of Share Class A in cases such a Distributor has been appointed.

#### 8.1.2 Redemption fee/Exit charge

Exit charge is deducted from the redemption amount of Shares before payment out of the redemption proceeds; calculated as a percentage of the redemption amount; may be waived in whole or in part at the discretion of the beneficiary of this charge.

#### 8.1.3 Conversion fee/Switch charges

Amount charged on conversion from one Class or Sub-Fund to another Class or Sub-Fund deducted from subscription amount of new Class or Sub-Fund before investment; calculated as a percentage of the subscription amount in the new Class or Sub-Fund; may be waived in whole or in part at the discretion of the beneficiary of this charge.

### 8.2 Fees and expenses taken from the share class over a year (annual fees)

These fees and expenses are deducted from the Sub-Fund or Class NAV, and are generally the same for all Shareholders of a given Sub-Fund or Class. With the exception of the direct and indirect fund expenses described below, the fees and expenses are paid to the Management Company unless specified otherwise in the Sub-Fund Specific Information sections. The amount charged varies depending on the value of the NAV and does not include portfolio transaction costs.

Fees and expenses borne by the Fund as well as income received by the Fund may be subject to value added tax and other applicable taxes.

Most of the ongoing business expenses of the Fund are covered by these fees and expenses. Further details of the fees and expenses charged to the Fund can be found in the financial statements. These fees and expenses are calculated for each Class of each Sub-Fund, as a percentage of average daily net assets being accrued daily and paid monthly in arrears. Each Sub-Fund and each Class pays all costs it directly incurs and also pays its pro rata share (or an equal share if the Management Company deems it is fairer for investors) of costs not attributable to a specific Sub-Fund or Class based on its total net assets.

### 8.2.1 Management Fee

The annual management fee remunerates the Management Company for its services relating to the management of the Sub-Funds.

### 8.2.2 Investment Management fee / Investment Advisory fee

In addition to the management fee, there will be an Investment Manager fee (and a Sub-Investment Management fee in case of sub-delegation) if not included in the Management fee. This fee goes to pay the Investment Manager(s)/Sub-Investment Manager(s) for the day-to-day management of the Sub-Fund's portfolio out of the net assets of the sub-funds concerned. Similarly, in case one or more Investment Advisors are appointed there can be an Investment Advisory fee to be paid for the investment advice provided by the Investment Advisor(s)/Sub-Investment Advisor(s).

### 8.2.3 Distribution fee

The Company compensates the Global Distributor in relation to Share Class A. The Global Distributor typically uses some or all of this fee to compensate distributors for their services in connection with marketing and distributing specific Classes or Sub-Funds. such fee may be varied, at any time and for intervals as short as a single day, to any amount between zero and the stated maximum Any Distributor appointed by the Global Distributor will receive the Sales Commission as further as detailed in section 19 – sub-section Fees and Charges.

### 8.2.4 Services Fee Operating Expenses

The components of the operating and administrative expenses are:

**Formation expenses** include any non-ongoing expenses linked to the constitution and, if any, transformation of the Fund and/or any Sub-Fund, such as related legal and notary fees and registration costs.

Formation expenses are directly paid by the Fund. They will be charged to the concerned Sub-Funds on a pro rata basis according to their NAV.

Formation expenses are amortised over a period of maximum 5 years in accordance with the applicable accounting standards.

The amount of formation expenses will not exceed a maximum amount of EUR – 70,000.- at the level of the Fund and of EUR.- 70.000,- at the level of any Sub-Fund.

**Direct fund expenses** directly paid by the Fund include, but are not limited to:

- custodian and depositary fees;
- UCI administrator, domiciliary agent, registrar agent;
- audit fees and expenses;
- the Luxembourg *taxe d'abonnement*;
- fees paid to independent directors; and
- reasonable out-of-pocket expenses paid to all directors.

### Indirect fund expenses:

These are expenses directly contracted by the Management Company on behalf of the Fund and include, but are not limited to:

- legal fees and expenses;
- formation expenses, such as organisation and registration costs;
- ongoing registration, listing and quotation fees, including, if any, translation expenses;
- documentation costs and expenses, such as preparing, printing and distributing the Prospectus, PRIIPS KIDs or any other offering document, as well as financial statements, shareholder's reports and any other documents made available to Shareholders;
- the fees and reasonable out-of-pocket expenses of the paying agents and representatives, if any;
- the cost of publication of the Share prices, and costs of postage, telephone, facsimile transmission and other electronic means of communication.

The Fund is not currently subject to any Luxembourg taxes on income or capital gains.

### 8.2.5 Performance fee

For certain Classes of certain Sub-Funds, a performance fee may be deducted from the NAV and paid to the Investment Manager. The Investment Manager(s) may be entitled to receive part or all of the performance fee under their respective Investment Management Agreement. This fee is designed to reward Investment Managers or Sub-Investment Managers who have outperformed a benchmark, a hurdle rate and/or a high water-mark (or a combination of them) during the performance reference period, while also ensuring consistency with the Fund / Sub-Fund's investment objectives, strategy and policy, and alignment of interests between the Investment Manager(s) and the investors.

Information on whether a performance fee is charged to a Sub-Fund and, if applicable, on the calculation methodology is provided in the Sub-Fund Specific Information sections.



### 8.2.6 Other fees

Most operating expenses are included in the fees and expenses described above. However, in addition each Sub-Fund may bear other operating costs as well as extraordinary expenses such as:

#### Other operating costs:

- interest charges, if any, linked to the fund's holdings in assets as well as liabilities (e.g. borrowing)

#### Extraordinary expenses:

- interest and full amount of any duty, levy and tax or similar charge imposed on a Sub-Fund and/or the Fund;

- litigation expenses;

- any extraordinary expenses or other unforeseen charges.

All of these expenses are paid directly from the relevant Sub-Fund assets and are reflected in NAV calculations.

### 8.3 Transaction fees

Transaction costs include costs incurred by the Fund in connection with transactions on the portfolios of the Sub-Funds, including:

- brokerage fees and commissions;

- transaction costs associated with buying and selling Sub-Fund assets, including interest, taxes, governmental duties, charges and levies;

- expenses for operating hedged Share Classes;

- other transaction related costs and expenses.

## 9. Tax Considerations

The information below is based on the current Luxembourg law, regulations and administrative practice and may accordingly change in the future.

### 9.1 Tax treatment of the Fund

The Fund is not subject to any taxation on its income and profits in the Grand Duchy of Luxembourg.

Income received by the Fund (especially interest and dividends) may be subject to withholding tax or assessed tax in the countries in which the Fund's assets are invested. The Fund may also be taxed on realised or unrealised capital gains of its investments in the source country.

Distributions by the Fund as well as liquidation and disposal gains are not subject to withholding tax in the Grand Duchy of Luxembourg.

For subscription tax, refer to section 9.6 Taxe d'abonnement below.

### 9.2 Tax treatment of Shareholders

Tax treatment varies depending whether the Shareholder is an individual or a corporate structure.

Shareholders who are not or have not been tax resident in the Grand Duchy of Luxembourg and who do not maintain a permanent establishment or have a permanent representative there are not subject to any Luxembourg taxation of income in respect of income from or the capital gains on their Shares.

Interested parties and investors are recommended to find out about the laws and regulations that apply to the taxation of the Fund assets and to the subscription, purchase, ownership, redemption or transfer of Shares in their country of residence, and to seek the advice of external third parties, especially a tax advisor.

### 9.3 FATCA

FATCA was passed as part of the Hiring Incentives to Restore Employment Act of March 2010 in the United States. FATCA requires financial institutions outside the United States of America ("foreign financial institutions" or "FFIs") to send information on financial accounts that are held directly or indirectly by "specified US persons" or non-US entities with Controlling Person(s) who are specified US Person(s) on an annual basis to the US tax authorities (Internal Revenue Service or IRS). A withholding tax of 30% might be deducted from certain types of U.S. income from FFIs in case the reporting obligation is not met.

On 28 March 2014, the Grand Duchy of Luxembourg entered into an Intergovernmental Agreement ("IGA"), in accordance with model 1, and a related memorandum of understanding with the United States of America. The IGA was transposed into Luxembourg law via the law of 24 July 2015, as modified.

The Management Company and the Fund both comply with the FATCA regulations.

In any case, Shareholders and investors should take note and acknowledge that the Fund or the Management Company may be required to disclose to the Luxembourg tax authority certain confidential information in relation to the investor and the Luxembourg tax authority may be required to automatically exchange such information with the Internal Revenue Service.

For any questions concerning FATCA and the FATCA status of the Fund, Shareholders and potential investors are advised to contact their financial, tax and/or legal advisors.

## 9.4 OECD Common Reporting Standards Reporting

The importance of the automatic exchange of information to combat cross-border tax fraud and tax evasion has increased significantly at the international level in recent years. For this purpose, the OECD has published, among other things, a global standard for the automatic exchange of information on financial accounts in tax matters (Common Reporting Standard, hereinafter "CRS"). The CRS was integrated into Directive 2011/16/EU at the end of 2014 with Council Directive 2014/107/EU of 9 December 2014 regarding the obligation to automatically exchange information in the area of taxation. The participating states (all EU member states and several third countries) apply the CRS. Luxembourg implemented the CRS into national law with the Law of 18 December 2015 as modified transposing the automatic exchange of financial account information in tax matters.

With the CRS, reporting financial institutions are obliged to obtain certain information about their clients and/or investors and potentially their controlling persons. If the clients/investors (natural persons or legal entities) are persons subject to reporting requirements and tax resident in other participating states, their financial accounts will be classified as reportable accounts. The reporting financial institutions will then annually transmit certain information for each reportable account to their home tax authority. The latter will then transmit the information tax authority of the reportable clients and/or investors and potentially of their controlling person(s).

The information to be transmitted is essentially the following:

- Family name, first name, address, tax identification number, countries of residence as well as the date and place of birth of each reportable person,
- register number,
- register balance or value,
- credited capital gains, including sales proceeds.

## 9.5 Country specific tax considerations

Interested parties and Shareholders are recommended to find out about the laws and regulations that apply to the taxation of the Fund assets and to the subscription, purchase, ownership, redemption or transfer of Shares in the country of their residence, and to seek the advice of external third parties, especially a tax advisor.

## 9.6 « *Taxe d'abonnement* » (subscription tax)

In the Grand Duchy of Luxembourg, the Fund's assets are only subject to the *taxe d'abonnement*, which is currently 0.05% p.a. A reduced *taxe d'abonnement* of 0.01% p.a. of their net assets calculated and payable

at the end of each quarter is applicable to (I) Sub-Funds or Classes whose Shares are only issued to Institutional Investors within the meaning of Article 174 of the 2010 Law, (ii) Sub-Funds whose sole purpose is to invest in Money Market Instruments, time deposits with credit institutions or both.", (iii) Sub-Funds whose purpose is to invest in micro finance.

A reduced rate from 0.01% to 0.04% p.a. is applicable for the portion of net assets that is invested into sustainable investments as defined by the EU Taxonomy Regulation 2020/852).

The *taxe d'abonnement* is payable quarterly, based on the Fund's net assets reported at the end of each quarter. The applicable rate of the *taxe d'abonnement* is specified for each Class in the Prospectus. An exemption from the *taxe d'abonnement* applies, inter alia, to the extent that the Fund's assets are invested in other Luxembourg investment funds which in turn are subject to a *taxe d'abonnement*.

## 10. Conflicts of interest

The Management Company, the Board of Directors, the Investment Manager, the Depositary, the UCI Administrator, their delegates, if any, and respective affiliates or any person connected with them (together the "Relevant Parties") may from time to time act as directors, management company, investment manager, distributor, trustee, custodian, depositary, registrar agent, NAV and fund accounting agent, communication agent, broker, administrator, investment advisor or dealer in relation to, or be otherwise involved in, other investment funds which have similar or different objectives to those of the Fund or which may invest in the Fund. It is, therefore, possible that any of them may, in the course of business, have potential conflicts of interest with the Fund.

The Relevant Parties have adopted policies and procedures reasonably designed to prevent, limit or mitigate conflicts of interest. In addition, these policies and procedures are designed to comply with applicable law and regulation where the activities that give rise to conflicts of interest are limited or prohibited by law, unless an exception is available.

The Board of Directors and each of the relevant parties will, at all times, have regard in such event to its obligations to the Fund and will endeavour to ensure that such conflicts are identified, mitigated and resolved fairly if they cannot be avoided.

In addition, subject to applicable law, any Relevant Party may deal, as principal or agent, or enter into transactions with the Fund, provided that such dealings and transactions are carried out as if effected on normal commercial terms negotiated on an arm's length basis in accordance with applicable law and regulation and the provisions of the Investment Management Agreement, the Management Company Services Agreement, the Administration Agreement,

the Depositary Agreement and the Registrar Agreement, to the extent applicable.

The Investment Manager or any of its affiliates or any person connected with the Investment Manager may invest in, directly or indirectly, or manage or advise other investment funds or accounts which invest in assets which may also be purchased or sold by the Fund. Neither the Investment Manager nor any of its affiliates nor any person connected with the Investment Manager is under any obligation to offer investment opportunities of which any of them becomes aware to the Fund or to account to the Fund in respect of (or share with the Funds or inform the Fund of) any such transaction or any benefit received by any of them from any such transaction, but will allocate such opportunities on an equitable basis between the Fund and other clients.

Where applicable, the prospect of a Performance Fee may be considered to create an incentive which may lead the Management Company/Investment Manager to make investments that are riskier than would otherwise be the case and increase the risk profile of the relevant Sub-Fund.

In calculating a Sub-Fund's Net Asset Value, the UCI Administrator may consult with the Management Company/Investment Manager with respect to the valuation of certain investments. There is an inherent conflict of interest between the involvement of the Management Company/Investment Manager or any Sub-Investment Manager in determining the Net Asset Value of a Fund and the entitlement of the Investment Manager or any Sub-Investment Manager to a management fee which is calculated on the basis of the Net Asset Value of the Fund.

The foregoing does not purport to be a complete list of all potential conflicts of interest involved in an investment in the Fund.

The Management Company has established, implemented an effective conflict of interest policy which is maintained and available on its website <https://www.lemanikgroup.com/corporate-governance/>.

The Board of Directors will seek to ensure that any conflict of interest of which they are aware is resolved fairly.

The Depositary maintains comprehensive and detailed corporate policies and procedures requiring the Depositary to comply with applicable laws and regulations.

The Depositary has policies and procedures governing the management of conflicts of interest. These policies and procedures address conflicts of interest that may arise through the provision of services to UCITS, such as the Fund.

The Depositary's policies require that all material conflicts of interest involving internal or external parties are promptly disclosed, escalated to senior management, registered, mitigated and/or prevented, as appropriate. In the event a conflict of interest may not be avoided, the Depositary shall maintain and

operate effective organisational and administrative arrangements in order to take all reasonable steps to properly (i) disclosing conflicts of interest to the Fund and to Shareholders and (ii) managing and monitoring such conflicts.

The Depositary ensures that its employees are informed, trained and advised of conflicts of interest policies and procedures and that duties and responsibilities are segregated appropriately to prevent conflicts of interest issues.

The Depositary may from time to time, act as the depositary of other open-ended investment companies. The Depositary will provide, from time to time, a description of the conflicts of interest that may arise in respect of its duties. Moreover, if the Depositary delegates the whole or part of its safekeeping functions to a sub-custodian, it will provide, from time to time, a list of any conflicts of interest that may arise from such a delegation.

Compliance with conflicts of interest policies and procedures is supervised and monitored by the Depositary's authorised management, as well as the Depositary's compliance, internal audit and risk management functions.

The Depositary shall take all reasonable steps to identify and mitigate potential conflicts of interest. This includes implementing its conflict of interest policies that are appropriate for the scale, complexity and nature of its business. This policy identifies the circumstances that give rise or may give rise to a conflict of interest and includes the procedures to be followed and measures to be adopted in order to manage conflicts of interest. A conflicts of interest register is maintained and monitored by the Depositary.

Where the Depositary also acts as the UCI Administrator of the Fund, the entity has implemented appropriate segregation of activities between the depositary services and the administration services rendered, including escalation processes and governance. In addition, the depositary function is hierarchically and functionally segregated from the Fund administration business unit.

A potential risk of conflicts of interest may occur in situations where the correspondents may enter into or have a separate commercial and/or business relationship with the Depositary in parallel to the safekeeping delegation relationship. In the conduct of its business, conflicts of interest may arise between the Depositary and the correspondent. Where a correspondent shall have a group link with the Depositary, the Depositary undertakes to identify potential conflicts of interests arising from that link, if any, and to take all reasonable steps to mitigate those conflicts of interest.

The Depositary does not anticipate that there would be any specific conflicts of interest arising as a result of any delegation to any correspondent. The Depositary will notify its board of directors, the Board of Directors and/or the board of directors of the Management Company of the Fund of any such conflict should it so arise.

To the extent that any other potential conflicts of interest exist pertaining to the Depositary, they will be identified, mitigated and addressed in accordance with the Depositary's policies and procedures.

Updated information on the Depositary's custody duties and conflicts of interest that may arise may be obtained, free of charge and upon request, from the Depositary.

## **11. Liquidity Management Tools of the Fund to manage temporary constrained market liquidity**

### **11.1 Gating/Deferral**

The Fund reserves the right not to accept instructions to redeem or convert on any one Valuation Day more than 10 % of the net assets of a Sub-Fund. In these circumstances, the Fund may declare that any such redemption or conversion requests will be deferred until the next Valuation Day and will be valued at the NAV per Share prevailing on that next Valuation Day.

On such Valuation Day, postponed orders are dealt with in priority.

If the total net redemption requests received for one Sub-Fund or one Class of Shares on any Valuation Day exceed 10% of the Net Asset Value thereof, the redemption requests received may be reduced and differed proportionally so as to reduce the number of Shares redeemed on such day to 10% of the Net Asset Value of the Sub-Fund or Class of Shares in question. Any redemption request thus differed will have priority over the redemption requests received on the following Valuation Day, but always subject to the limit of 10% mentioned above.

### **11.2 Others**

The Fund reserves the right to extend the period of payment of redemption proceeds to such period, not exceeding 5 Business Days, as shall be necessary to repatriate proceeds of the sale of investments in the event of impediments due to exchange control regulations or similar constraints in the markets in which a substantial part of the assets of the Sub-Fund are invested or in exceptional circumstances where the liquidity of the Sub-Fund is temporary not sufficient to meet the redemption requests.

As an additional supplementary liquidity management tools, the Fund may decide to meet a redemption request by transferring securities, instead of cash, to the redeeming investors, subject to the procedure relating to a redemption in kind as referred to in section 5.3 "Redemption of Shares". Redemption-in-kind may protect investors remaining in the relevant

Sub-Fund against the high liquidation costs which might otherwise arise.

Finally, the Fund may decide to extend the temporarily stipulated ordinary period of advance notice that investors must give to the Fund when redeeming their investments in order to give the Investment Manager or Sub-Investment Manager(s) more time to meet redemption requests during exceptionally deteriorated market conditions.

## **12. Temporary suspension of the calculation of the Net Asset Value of shares and dealing activity**

This section provides useful information on possible cases that may trigger a suspension, restrictions to subscribe and redeem and convert, the duration of such suspensions and how investors are informed.

The Board of Directors of the Fund is authorised to temporarily suspend the calculation of the NAV of Shares of any Sub-Fund or any Class as well as the issue, redemption and conversion of Shares of any Sub-Fund or any Class, in the following circumstances:

- a) during any period (other than ordinary holidays or customary weekend closings) when any market or stock exchange is closed or when trading on any market or stock exchange is restricted or suspended, if that market or stock exchange is the main market or stock exchange for a significant part of Sub-Fund's investments; or
- b) during any period when an emergency exists as a result of which it is impossible to dispose of investments which constitute a substantial portion of the assets of a Sub-Fund; or it is impossible to transfer monies involved in the acquisition or disposition of investments at normal rates of exchange; or it is impossible to fairly determine the value of any asset in a Sub-Fund; or
- c) during any breakdown in the means of communication normally employed in determining the price of any of a Sub-Fund's investments or of current prices on any stock exchange; or
- d) if for any reason the prices of any investment owned by a Sub-Fund cannot be reasonably, promptly or accurately determined; or
- e) during any period when remittance of monies which will or may be involved in the purchase or sale of any of the Sub-Fund's investments cannot, in the opinion of the Board of Directors, be carried out at normal rates of exchange; or
- f) following a decision to liquidate or dissolve the Fund/a Sub-Fund or a Class; or
- g) in the case of a merger of the Fund/a Sub-Fund or a Class, if the Board of Directors



deems this to be justified for the protection of the Shareholders; or

- h) in the event that a Sub-Fund is a feeder fund, following a suspension of the calculation of the NAV of the master fund or any other suspension or deferral of the issue, redemption and/or conversion of shares in the master fund; or
- i) in all other cases in which the Board of Directors of the Fund considers a suspension to be in the best interest of the Shareholders.

The suspension of the calculation of the NAV and of the issue, redemption and conversion of the Shares will be notified immediately to Shareholders who have made an application for subscription, redemption or conversion of Shares for which the calculation of the NAV and of the issue, redemption and conversion of Shares has been suspended. Such Shareholders will also be notified immediately once the calculation of the NAV per Share is resumed.

During the time of suspension, any unprocessed and incoming subscription, redemption and conversion requests will be suspended, unless they are withdrawn by the Shareholders. Requests that have not been withdrawn will, in principle, be processed on the first Valuation Day after termination of the suspension period.

The suspension of the calculation of the NAV as well as the issue, redemption and conversion of a Class has no effect on the NAV calculation and dealing of other Classes or other Sub-Funds.

## **13. General Meetings of Shareholders and financial year**

### **13.1 Information on the modalities for convening the annual general shareholders meeting and on venue**

The annual general meeting is generally held at the Fund's registered office at 10.30 a.m. on the second Tuesday in September each year, or if that is not a Business Day (as defined in this Prospectus), then the next Business Day.

To the extent required by law, notices shall, in addition, be published in the RESA and in a Luxembourg newspaper.

In exceptional circumstances the Board of Directors may hold the annual general meeting outside of Luxembourg. Other Shareholder meetings may be held at other places and times, with appropriate approval and notification. A participation at any meeting of Shareholders by videoconference or any other means of telecommunication can be allowed, in which case the meeting shall be deemed to be held at

the registered office of the Fund. Such video or other electronic means must allow the identification of such Shareholder, allow them to effectively act at such meeting of Shareholders and the proceedings of such meeting must be retransmitted continuously to such Shareholder. The written notices convening annual general meetings, indicating the agenda, the date and time of the meeting and setting out the quorum and majority vote requirements, will be sent at least 8 days prior to the meeting to all holders of registered shares at their address listed in the register of Shareholders. Resolutions concerning the interests of all Shareholders generally will be taken in a general meeting, and will become effective if approved by two-thirds of the votes cast (whether in person or by proxy).

### **13.2 Rights and obligations of Shareholders**

Among other matters, Shareholders will be asked to approve the dividends proposed by the Board of Directors, with the option of modifying them, within the limits of applicable law, as to the portion of annual net profits for the fiscal period to be included, as well as any portion of net assets. The Fund's financial statements must reflect the amount of net investment income and of capital in each dividend payment. Approval of a dividend requires the approval of a majority (as defined in the Articles of Incorporation) of the Shareholders of the applicable Sub-Fund or Class. Each Share gets one vote in all matters brought before a general meeting of Shareholders. Fractional Shares do not have voting rights. Nominees determine the voting policy for all Shares of which they are the owner of record. If the Shares are registered in the name of more than one holder, the unanimous approval of all account holders is required in order to enter a vote for the account, unless the account holders have notified the Fund that they have unanimously approved a representative to vote on behalf of the account. For information on admission and voting at any meeting, refer to the applicable meeting notice.

## **14. Merger of Fund or Sub-Funds**

### **14.1 Mergers and reorganisation of Sub-Funds or Classes decided by the Board of Directors**

The Board of Directors may from time to time elect to proceed with a merger within the meaning of the 2010 Law of the Fund or of one of its Sub-Funds, either as a receiving or a merging UCITS or Sub-Fund, subject to the conditions and procedures imposed by the 2010 Law, including the following provisions regarding notice and approval:

#### **14.1.1 Merger of the Fund or Sub-Fund with another UCITS:**

The Board of Directors may decide to proceed with a merger of the Fund or Sub-Fund, only on a receiving basis, with:

- another Luxembourg or foreign UCITS;

or

- a sub-fund thereof,

and, as appropriate, to re-designate the Shares of the relevant Sub-Fund thereof, as applicable.

In case the Fund is the receiving UCITS within the meaning of the 2010 Law, only the Board of Directors will decide on the merger and effective date thereof.

Such a merger shall be subject to the conditions and procedures imposed by the 2010 Law, in particular concerning the merger project and the information to be provided to the Shareholders.

In the case where the Fund is the merging UCITS within the meaning of the 2010 Law, and hence ceases to exist, the general meeting of the Shareholders, rather than the Board of Directors, has to approve, and decide on the effective date of, such a merger as further described below in 14.2 "Mergers decided by the Shareholders".

#### **14.1.2 Merger between Sub-Funds of the Fund**

The Board of Directors may decide to proceed with a merger of any Sub-Fund, either as receiving or merging Sub-Fund, with another existing Sub-Fund within the Fund and, as appropriate, to re-designate the Shares of the Sub-Fund concerned as Shares of either the receiving or merging Sub-Fund.

Under the same conditions and procedure as for a merger, the Board of Directors may decide to reorganise a Sub-Fund or Class by means of a division into two or more Sub-Funds or Classes.

### **14.2 Mergers decided by the Shareholders**

#### **14.2.1 Merger of the Fund as merging UCITS**

In case the Fund is the merging UCITS within the meaning of the 2010 Law and hence ceases to exist, the general meeting of the Shareholders is competent to approve, and decide on the effective date of, such merger by a resolution adopted with no quorum requirement and at a simple majority of the votes validly cast at such meeting.

Such a merger shall be subject to the conditions and procedures imposed by the 2010 Law, in particular concerning the merger project and the information to be provided to the Shareholders.

#### **14.2.2 Merger of Sub-Funds as receiving or merging UCITS**

In case the Board of Directors submits the decision for a merger to Shareholders, the general meeting of the Shareholders of a Sub-Fund may also decide a merger within the meaning of the 2010 Law of the relevant Sub-Fund, either as receiving or merging Sub-Fund, with another Sub-Fund of a Luxembourg or foreign UCITS by a resolution adopted with no quorum requirement at a simple majority of the votes validly cast at such meeting.

Such a merger shall be subject to the conditions and procedures imposed by the 2010 Law, in particular concerning the merger project and the information to be provided to the Shareholders.

### **14.3 Rights of the Shareholders and imputation of costs**

In all the merger cases above, the Shareholders will in any case be entitled to request the redemption of their Shares, or, where possible, to convert them into units or shares of another Sub-Fund pursuing a similar investment policy and managed by the Management Company or by any other company with which the Management Company is linked by common management or control, or by substantial direct or indirect holding, in accordance with the provisions of the 2010 Law. Any legal, advisory or administrative costs associated with the preparation and the completion of the merger shall not be charged to the merging or the receiving Fund respectively Sub-Fund, or to any of their shareholders.

## **15. Liquidation of the Fund or related Sub-Funds**

### **15.1 Liquidation of the Fund**

The Fund may be dissolved and put into liquidation at any time with or without cause by a resolution of the general meeting of Shareholders as foreseen in the Articles of Incorporation. This meeting will be convened by the Board of Directors in compliance with Luxembourg law.

Should the Fund be liquidated, such liquidation shall be carried out in accordance with the provisions of the 2010 Law and of the law of 10 August 1915 on Commercial Companies and which specify the steps to be taken to enable Shareholders to participate in the liquidation distributions and in this connection provides for deposit in escrow at the Caisse de Consignation in Luxembourg of any such amounts which it has not been possible to distribute to the Shareholders at the close of liquidation. Amounts not claimed within the prescribed period are liable to be forfeited in accordance with the provisions of Luxembourg law. The net liquidation proceeds of the Fund shall be distributed to the Shareholders of each

Sub-Fund/Class of the Fund in proportion to their respective holdings of such Sub-Fund/Class.

## **15.2 Liquidation of a Sub-Fund or Class**

In the event that, for any reason, the Board of Directors determines that (i) the Net Asset Value of any Sub-Fund or Class has decreased to, or has not reached, the minimum level for that Sub-Fund or Class to be managed and/or administered in an efficient manner, or (ii) changes in the legal, economic or political environment would justify such termination, or (iii) a product rationalisation or any other reason would justify such termination, (iv) to do so would be in the interests of Shareholders, the Board of Directors may decide to compulsorily redeem all Shares of the relevant Sub-Fund or Class at the Net Asset Value per share (taking into account actual realisation prices of investments, realisation expenses and liquidation costs) for the Valuation Day in respect of which such decision shall be effective, and to terminate and liquidate such Sub-Fund or Class.

The Shareholders will be informed of the decision of the Board of Directors to terminate a Sub-Fund or Class by way of a notice and/or in any other way as required or permitted by applicable laws and regulations. The notice will indicate the reasons for and the process of the termination and liquidation.

Notwithstanding the powers conferred on the Board of Directors by the preceding paragraphs, the general meeting of Shareholders of a Sub-Fund or Class may also decide on such termination and liquidation and have the Fund compulsorily redeem all Shares of the relevant Sub-Fund or Class at the Net Asset Value per share for the Valuation Day in respect of which such decision shall be effective. Such general meeting will decide by resolution taken with no quorum requirement and adopted by a simple majority of the votes validly cast. The liquidation of the last remaining Sub-Fund will result in the termination and liquidation of the entire Fund.

Actual realisation prices of investments, realisation expenses and liquidation costs will be considered in calculating the Net Asset Value applicable to the liquidation. Following the decision to liquidate a Sub-Fund, the Board of Directors will determine whether dealing in Shares may continue up to the date of liquidation and will inform Shareholders in the notice of liquidation. Shareholders in the Sub-Fund or Class concerned will be authorised to continue requesting the redemption or conversion of their Shares prior to the effective date of the compulsory redemption where the Board of Directors is satisfied that this will not jeopardise the fair treatment of the Shareholders.

Liquidation proceeds which have not been claimed by the Shareholders upon closure of the liquidation process will be deposited, in accordance with applicable laws and regulations, in escrow at the Caisse de Consignation on behalf of the persons entitled thereto. Proceeds not claimed within the statutory period will be forfeited in accordance with laws and regulations.

# **16. Benchmarks**

## **16.1 Definition of use of Benchmarks and Purpose**

The Benchmark Regulation introduces a common framework to ensure the accuracy and integrity of indices used as benchmarks in the European Union, thereby contributing to the proper functioning of the internal market while achieving a high level of consumer and investor protection. To achieve this goal the Benchmark Regulation foresees, inter alia, that an EU-supervised entity may use a benchmark or a combination of benchmarks in the European Union if the benchmark is provided by an administrator located in the European Union and included in the public register maintained by ESMA or is a benchmark which is included in the ESMA register. As further defined in the Benchmark Regulation, a fund uses an index or a combination of indices (further referred to as a 'benchmark') where the benchmark is used to measure the performance of the Sub-Fund for the purpose of tracking the return of such index or combination of indices, of defining the asset allocation of a portfolio, or of computing the performance fee.

### **16.1.1 Use of benchmarks**

The Sub-Fund Specific Information sections provides details on the use of benchmarks as defined under the Benchmark Regulation. A benchmark can in principle be used for the following purposes:

- Management in reference to a benchmark in order to define the asset allocation of a portfolio;
- Management in reference to a benchmark in order to track the performance of this benchmark;
- Management in reference to a benchmark in order to calculate the performance fee;

### **16.1.2 Plans setting out actions in the event that a benchmark materially changes**

For each benchmark, the Management Company has established written plans in which it has defined measures that it would take if the benchmark was to change materially or cease to be provided ("Contingency Plan"). A copy of the Contingency Plan may be obtained, free of charge, and upon request at the registered office of the Management Company.

### **16.1.3 Benchmark Regulation & ESMA register**

Under the Benchmarks Regulation, ESMA publishes and maintains a public register ("ESMA register") that contains the consolidated list of EU administrators and third country benchmarks, in accordance with article 36 of the Benchmarks Regulation. A Sub-Fund may use a benchmark in the European Union if the EU administrator or if the benchmark appears in the ESMA register or if it is exempted according to article 2(2) of the Benchmark Regulation, such as, for example,

benchmarks provided by EU and non-EU central banks. Further, certain third country benchmarks are eligible even though they do not appear in the ESMA register as benefiting from a transitional provision under article 51.5 of the Benchmark Regulation.

#### **16.1.4 Sub-Funds managed in reference to a benchmark**

The following Sub-fund(s) use(s) a benchmark:

ALITER INVESTORS – Ethica Balanced

Name of the Benchmark: 45% MSCI World (dividend reinvested) index + 45% Bloomberg Barclays Euro Aggregate 1-3 index + 10% IMON ICE EUR 1M CM € index

Name of the Benchmark Administrator: MSCI is the administrator of MSCI World (dividend reinvested) index. Bloomberg Finance LP is the administrator of Bloomberg Barclays Euro Aggregate 1-3 index and ICE BofA Merrill Lynch is the administrator of IMON ICE EUR 1M CM € index.

Purpose of use: The Benchmark is used for information purpose only, to allow Shareholders to compare the performance of the Sub-Fund. The portfolio of the Sub-fund has no correlation with the Benchmark and may totally differ from the later.

Website: Further information can be found on the following websites (please note that specific access are required):

- MSCI World (dividend reinvested) index € not hedged:

<https://www.msci.com/msci-sri-indexes>

- Bloomberg Barclays Euro Aggregate 1-3 index :

<https://www.bloomberg.com/quote/LEC1TREU:IND#xj4y7vzkg>

- IMON ICE EUR 1M CM € index (ICE BofA Euro Currency 1-Month Deposit Offered rate Constant Maturity Index)

<https://indices.theice.com/>

## **17. Prevention of money laundering and financing of terrorism**

In accordance with international regulations and Luxembourg laws and regulations in relation to the fight against money laundering and terrorism financing in force at the date of signature of the prospectus, obligations have been imposed on all professionals of the financial sector to prevent the use of undertakings for collective investment for money laundering and terrorism financing purposes.

Measures aimed towards the prevention of money laundering, as provided in these regulations, may require a detailed verification of a prospective Investor's identity. For the sake of completeness, such verification also entails the mandatory and regular controls and screenings related to international sanctions and performed against targeted financial sanctions and politically exposes persons (PEP) lists.

The Fund, the Management Company and the UCI Administrator have the right to request any information as is necessary to verify the identity of a prospective Investor. In the event of delay or failure by the prospective Investor to produce any information required for identification or verification purposes, the Board of Directors (or its delegate) may refuse to accept the application and will not be liable for any interest, costs or compensation. Similarly, when Shares are issued, they cannot be redeemed or converted until full details of registration and anti-money laundering documentation have been completed.

The Board of Directors reserves the right to reject an application, for any reason, in whole or in part in which event the application monies or any balance thereof will be returned without unnecessary delay to the applicant by transfer to the applicant's designated account, provided the identity of the applicant can be properly verified pursuant to Luxembourg anti-money laundering regulations. In such event, the Fund, the Management Company and the UCI Administrator will not be liable for any interest, costs or compensation.

Failure to provide proper documentation may result in the withholding of distribution and redemption proceeds by the relevant Sub-Fund.

### **17.1 Fund RBO Register**

The Fund, or any delegate thereof, will further provide the Luxembourg beneficial owner register (the "RBO") created pursuant to the Law of 13 January 2019 establishing a register of beneficial owners with relevant information about any Shareholder or, as applicable, beneficial owner(s) thereof, qualifying as beneficial owner of the Fund within the meaning of the AML/CFT Rules. Such information will be made available to the general public through access to the RBO, as required by, and under the conditions set forth in the Luxembourg anti-money laundering laws and regulations. In addition, the Investor acknowledges that failure by a Shareholder, or, as applicable, beneficial owner(s) thereof, to provide the Fund, or any delegate thereof, with any relevant information and supporting documentation necessary for the Fund to comply with its obligation to provide same information and documentation to the RBO is subject to criminal fines in Luxembourg.

Furthermore, considering that money laundering, terrorism financing and proliferation financing risks also exist on the investment side, the Fund is required to perform due diligence and adequate sanctions screening when performing investments operations. For investment transactions, the Fund may ask for additional documents at any time if it considers it to



be necessary, and may delay the investment operation and any associated transaction requests until it receives and judges to be satisfactory all requested documents.

## **18. Further information, notices and documents available for investors**

Besides this Prospectus, additional information is made available by the Fund at its registered office and at the registered office of its Management Company, upon request, in accordance with the provisions of Luxembourg law and regulation. This additional information may include further documents made available by the Fund to inform investors on their investment in a Sub-Fund, on the procedures relating to complaints handling, notices to investors, remuneration policies, conflict of interest, the strategy followed for the exercise of voting rights of the Fund, the best execution policy as well as the arrangements relating to the fees, commissions or non-monetary benefits, if any, in relation with the investment management and administration of the Fund.

### **18.1 Packaged Retail and Insurance-based Investment Products - Key Information Document (PRIIPS KID), Semi-annual and annual financial statements**

This Prospectus is one of the compulsory documents required by law together and in cooperation with the obligatory PRIIPS KID and the semi-annual and annual financial report.

Investors are advised to read these documents to get informed about the structure, activities and investment proposals of the Fund and its Sub-Fund(s) they are invested in.

### **18.3 Information and documents available to investors**

The rights of Shareholders who have subscribed to Shares of the Company through a financial intermediary (the "final beneficiaries") may be affected when paying compensation in the event of NAV calculation errors/non-compliance with the Sub-Funds' investment rules occurring at the level of the Company. In the event of an error or non-compliance, all relevant information will be transmitted to the financial intermediaries who act on behalf of final beneficiaries in order to enable such intermediaries to provide the necessary compensation to the final beneficiaries.

The following documents are available at the registered office of the Fund:

Prospectus, PRIIPS KID
Articles of Incorporation, financial statements
Complaints Procedure

#### **18.1.1 PRIIPS KID**

A PRIIPS KID exists for each Class, consistent with the relevant Sub-Fund Specific sections of the Prospectus. The PRIIPS KID contains only the essential elements for making the investment decision. The nature of the information is harmonised so as to provide standardised and consistent information in a non-technical language. The PRIIPS KID is a single document for each Sub-Fund or Class of limited length presenting the information in a specified sequence that should help to understand the nature, characteristics, the risks, costs and past performance of the investment product.

#### **18.1.2 Semi-annual and annual financial statements**

The financial statements include, amongst other things, a balance sheet or a statement of assets and liabilities, a detailed income and expenditure account for the past financial (half) year, a description of how the remuneration and the benefits have been calculated, a report on the activities of the past financial (half) year as well as information which will enable investors to make an informed judgement on the development of the activities and the results of the Fund. Audited annual reports are available within four months after the end of the Fund's financial year. Unaudited semi-annual reports are available within 2 months after the end of the Fund's financial year.

These documents about the Fund or a Sub-Fund can be accessed as further described below in section 18.3 Information and Documents available to investors upon request.

#### **18.2 Complaints handling and queries**

The details of the Fund's complaint handling procedures may be obtained free of charge during normal office hours at the registered office of the Fund in Luxembourg or of the Management Company

Agreements between the Fund/Management Company and service providers
NAV per share (subscription/redemption price)
Dividend announcements
Notice of suspension of NAV, subscriptions, redemptions
Convening notices to Shareholder meetings
Other notices to Shareholders (mergers, liquidations, pre-notices of material changes concerning the Fund)
Holdings statements/contract notes
Management Company's remuneration policy, counterpart selection policy/list, conflict of interest policy, list of other funds managed, list of benchmarks used and related contingency plans
Depository's duties, Conflict of Interest Policy, sub-custodian network

## **19. Sub-Fund Specific Information**

All of the Sub-Funds described under this section are part of Aliter Investors that functions as an umbrella structure. The Fund exists to offer investors a broad range of sub-funds with different objectives and strategies.

For each Sub-Fund, the specific investment objectives and the main securities it may invest in, along with other key characteristics, are described in this section. In addition, all Sub-Funds are subject to the general investment policies and restrictions that are described in Chapter 3 "Investment Objectives, Policies and Restrictions" of the general part of this Prospectus.

The Board of Directors of the Fund has overall responsibility for the Fund's business operations and its investment activities, including the investment activities of all of the Sub-Funds. The Board of Directors has delegated the day-to-day management of the Sub-Funds to its Management Company which in turn has delegated some of its responsibilities to a number of Investment Managers and other service providers.

The Board of Directors retains supervisory approval, control and responsibility over the Management Company.

For general information on fees, charges and expenses which investors may have to pay in connection with their investment in the Fund, please consult the Chapter 8 "Fees and Charges".

## ALITER INVESTORS - Ethica Balanced

<b>General information</b>	<p>This financial product promotes Social and/or environmental characteristics but does not make any sustainable investment. Aliter Investors Ethica Balanced ("AIEB") promotes Social and environmental characteristics in a broad sense, meaning that it invests primarily in companies that display an outstanding ability to preserve the environment, and care about their employees, with a specific focus on the protection of human dignity. The investment philosophy is people centred, in the areas of social conditions, good corporate governance, the environment and the protection of life. In addition to excluding controversial armaments, areas of addiction and what offends human dignity, the Sub-Fund seeks to assess the excellence of company practices on materiality criteria; this affects both the field of 'environment and the social field. The Sub-Fund also seeks to identify companies that show the best improvement in their practices over the long term.</p>
<b>Investment Objective of the Sub-Fund</b>	<p>To achieve a combination of income and capital growth (total return) with a SRI (SRI=Socially Responsible Investments) and ethical approach. Specifically, the sub-fund seeks to outperform (after applicable fees) the composite index 45% MSCI World (dividend reinvested) index + 45% Bloomberg Barclays Euro Aggregate 1-3 index + 10% IMON ICE EUR 1M CM € index over any given 5-year period.</p>
<b>Investment Policy</b>	<p>The sub-fund invests mainly in equities around the world (mainly in the developed markets) and in investment grade debt instruments that are denominated in euro.</p> <p>The sub-fund may invest 30% to 50% of the net assets in equities and it may invest 30% to 60% of the net assets in investment grade debt instruments. In addition, the Sub-fund may invest up to 10% of the net assets in UCITS/UCIs. This upper limit also applies to investments in money market UCITS/UCIs.</p> <p>The Sub-Fund may hold Ancillary Liquid Assets (up to 20% of its net assets) in order to cover current or exceptional payments or for the time necessary to reinvest those Ancillary Liquid Assets in eligible assets provided under Chapter 3.4 "Investment Restrictions" or for a time strictly necessary in case of unfavourable market conditions to preserve the Shareholders' capital and invest such Ancillary Liquid Assets when better investment opportunities arise. This 20% limit could be temporarily breached for a period of time strictly necessary when, because of exceptional unfavourable market conditions, circumstances so require and where such breach is justified having regard to the interests of the Shareholders.</p> <p>Derivatives are integral to the sub-fund's investment strategies. The sub-fund may use listed derivatives for hedging and efficient portfolio management, and to increase its net exposure.</p>
<b>Investor Profile</b>	<p>Investors are looking for a balanced investment policy, with a strong focus on SRI (Socially Responsible Investments) and ethical multi asset investment. Investors are aiming at mid to long-term investments. The leverage is expected to be between 0% and 100% of the sub-fund's net assets.</p>
<b>Use of Financial Derivatives Instruments, Efficient Portfolio Management Techniques, Total Return Swaps</b>	<p>The sub-fund may use listed derivatives to increase its net exposure. The Sub-Fund will nevertheless not enter into OTC Derivatives transactions, will not use SFTs in the meaning of SFTR.</p>
<b>Investment Manager</b>	<p>Lombard Odier (Europe) S.A., succursale en France 8 Rue Royale 75008 Paris France</p>

<b>Investment Advisor</b>	<p>Multiplus Finance SA 11 rue du Conseil-GénéralCH-1205 Geneva Switzerland</p>
<b>Benchmark used</b>	<p>45% MSCI World (dividend reinvested) index + 45% Bloomberg Barclays Euro Aggregate 1-3 index + 10% IMON ICE EUR 1M CM € index.</p> <p>Shareholders are informed that the Sub-fund will be actively managed.</p> <p>The reference to the index is for indicative purpose only and the Sub-Fund will have the flexibility to invest in securities which are not included in the index in order to take advantage of specific investment opportunities. The portfolio holdings and their weighting may consequently deviate substantially from the benchmark.</p>
<b>Risk Profile</b>	<p>Investing in the sub-funds may entail the following risks in particular:</p> <p>a) Interest rate risk</p> <p>Insofar as the sub-fund invests in interest-bearing securities, it is exposed to the risk of a change in interest rates. If the market interest rate rises, the price of the interest-bearing securities belonging to the Fund may fall considerably. This will particularly be the case if the sub-fund also holds interest-bearing securities with a long residual maturity and low nominal rate of interest.</p> <p>b) Creditworthiness risk</p> <p>The creditworthiness (ability and willingness to pay) of the issuer of a security held by the sub-fund may subsequently fall. This generally causes the price to decline in excess of general market fluctuations.</p> <p>c) General market risk</p> <p>If the sub-fund invests in shares, it is subject to the general trends and tendencies of the stock market, which are based on various, often irrational, factors. Such factors may lead to more significant and longer-lasting declines in prices affecting the entire market. The securities of first-class issuers are in principle subject to general market risk in the same way.</p> <p>d) Company-specific risk</p> <p>The performance of the securities and money market instruments held by the sub-fund also depends on company-specific factors, such as the operational situation of the issuer. If the company-specific factors deteriorate, the market value of a given security may fall substantially and permanently, even if stock market developments are otherwise generally positive.</p> <p>e) Counterparty default risk</p> <p>The issuer of a security held by the sub-fund or the debtor of a claim belonging to the sub-fund may become insolvent. The sub-fund's assets may therefore become economically worthless.</p> <p>f) Counterparty risk</p> <p>In the event that transactions for the sub-fund are not carried out via a stock exchange or a regulated market (OTC trading), there is a risk that the counterparty may default or may fail to meet its obligations to the full extent.</p> <p>g) Currency risk</p> <p>If the sub-fund holds assets denominated in a foreign currency, it is exposed to currency risk (if FX positions are not hedged). Any depreciation of the foreign currency against the sub-fund's base currency will result in a fall in the value of the assets that are denominated in the foreign currency.</p> <p>h) Liquidity risk</p> <p>In the case of illiquid (narrow-market) securities, even moderately sized orders may lead to considerable changes in prices for both purchases and sales. If an asset is not liquid, there is a risk that said asset cannot be sold, or can only be sold by agreeing upon a considerable</p>



	<p>reduction in the sale price. The illiquidity of an asset may cause the purchase price to rise considerably if it is bought.</p> <p>i) Country and transfer risk</p> <p>Economic or political instability that unfolds in countries in which the sub-fund is invested may lead to the sub-fund's failure to receive all or part of the monies owed, despite the corresponding security issuer's ability to pay. Currency or transfer limitations or other legal changes, for example, may be of significance in this regard.</p> <p>j) Doubling of fees for investments in target funds</p> <p>Insofar as the sub-fund invests in target fund units issued and/or managed by other companies, it should be noted that issue premiums, redemption fees or additional service provider fees may be charged for these target funds.</p> <p>k) Emerging market risk</p> <p>An investment in emerging markets is associated with above-average price potential, but also higher risks than would result from investments on standard stock exchanges in accordance with a conservative investment policy. Such particular risks include relatively high volatility for securities and currencies, a lack of liquidity, market instability, potential government intervention in financial and economic policy (e.g. currency control, tax law aspects), a lack of market transparency and restricted access to information.</p> <p>l) Use of derivatives and instruments and associated risks</p> <p>The Investment Manager intends to use techniques, instruments and derivatives to the extent outlined in section 3.2 (G) The ability to use such investment strategies may be restricted by market conditions or as a result of regulatory restrictions, and there is no assurance that the pursuit of such strategies will in fact achieve the desired aim.</p> <p>Using derivative instruments to hedge the sub-fund's assets largely reduces the economic risk to the sub-fund inherent in an asset. However, this also means that the sub-fund can no longer participate in the positive development of the hedged asset when such positive development occurs.</p> <p>In using derivative instruments (not for hedging purposes) to increase income in pursuit of the investment objective, the sub-fund is exposed to additional risks and shall ensure that any resulting risks are adequately covered by the risk management process of the sub-fund.</p> <p>Exposure to the futures and options market and to swap and foreign exchange transactions is linked with investment risks and transaction costs to which the sub-fund would not be subject were these strategies not applied. These risks include:</p> <ul style="list-style-type: none"> <li>a. The risk that the forecasts made by the Company concerning the future development of interest rates, security prices and currency markets are subsequently proven to be incorrect;</li> <li>b. The incomplete correlation between prices for futures and options contracts on the one hand, and price movements of the hedged securities or currencies on the other, which could make full hedging impossible;</li> <li>c. The possible lack of a liquid secondary market for a specific instrument at a given moment, which may result in the impossibility of neutralising (closing) a derivative position, even though this would make sense in terms of the investment policy;</li> <li>d. The risk of not being able to sell securities made up of derivative instruments at an opportune moment or of having to buy or sell them at an unfavourable moment;</li> <li>e. The potential loss incurred by using derivative instruments which may not be foreseeable and which could even exceed the margins;</li> <li>f. Furthermore, the relevant sub-fund may suffer losses due to the reinvestment of cash collateral or of cash from derivatives, securities lending transactions, repo transactions or reverse repo transactions. Such a loss may lead to a decline in value of the investments made with cash collateral. A decline in value of investments made with cash collateral has the consequence that the amount of collateral available to the sub-fund to repay the counterparty upon completion of the transaction is reduced. In this case, the relevant sub-fund shall be liable to pay the difference in value between the originally received collateral and the amount actually available to be repaid to the counterparty, which shall result in a loss for the sub-fund in question.</li> </ul>
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	<p>The Company may add to the aforementioned techniques and instruments if new instruments that serve the investment objective are offered on the market that the Fund may use in accordance with regulatory and legal provisions.</p>
<b>Global exposure approach</b>	<p>Within the framework of the risk management procedure, the overall risk of the sub-fund is measured and controlled by a Commitment Method.</p> <p>The commitment approach is the conversion of financial derivatives into the equivalent position in the underlying asset of those derivatives. When calculating the overall risk, the methods and principles of netting and hedging may be applied, as well as the use of efficient portfolio management techniques.</p> <p>The Fund must guarantee that the overall risk in financial derivatives, based on the commitment approach, does not exceed 100% of the total net assets.</p>
<b>Leverage</b>	<p>The anticipated leverage of the sub-fund is calculated using the expected average sum of the nominal amounts of the derivatives according to CESR Guideline 10-788. Furthermore, the Management Company may choose to complete the leverage calculation using the commitment approach, where appropriate. The leverage is expected to be between 0% and 100% of the sub-fund's net assets. In this context, leverage of 0% is understood as a portfolio without leverage.</p> <p>Shareholders should note that derivatives may be used for different purposes, particularly for hedging or investment purposes. However, the calculation of the expected leverage does not distinguish between the different objectives of derivative use. This amount thus provides no indication of the risk to the Fund.</p>
<b>Fees and Charges</b>	<p>The Management Company receives a payment from the sub-fund assets of maximum 1.10% per year (with a minimum fee of maximum EUR 30,000.- per annum) in its capacity as a Management Company calculated and paid monthly in arrears based on the average sub-fund assets in each month.</p> <p>The Management Company will also receive EUR 5,000.- p.a. for domiciliation services, which is to be calculated and paid monthly in arrears based on the average sub-fund assets in each month.</p> <p>The Investment Manager receives a payment from the sub-fund assets of maximum 0.40% per annum of the average net assets of the Sub-fund, which is to be calculated and paid monthly in arrears based on the average assets of the sub-fund in the respective quarter.</p> <p>The Depositary Bank and UCI Administrator receives a payment from the sub-fund assets of 0.10% of the average net assets of the Sub-fund together with a fixed amount of EUR 15,000.- p.a.</p> <p>The Global Distributor receives a payment from Share Class B of 0.6% per annum of the average net assets of the Share Class B, which is to be calculated and paid quarterly in arrears based on the average assets of the Share Class B in the respective quarter.</p> <p>The Sub-fund will also support auditors fees, supervisory fees and may potentially be subject to additional fees depending on the additional optional services that the Board may subscribe.</p>
<b>Sub-Fund Currency</b>	EUR
<b>Valuation Days, Dealing Days, Cut-Off times, Payment Periods of Subscriptions, Redemptions, Conversions</b>	<p>Each full business day. In the event this is not a business day, the valuation date will be the following business day. The share value for each valuation day is calculated on the following banking day ("calculation day") after the valuation day. A business day is a day on which banks in Luxembourg and Frankfurt am Main are normally opened for business, with the exception of 24 and 31 December of each year.</p> <p>Cut-off for the receipt of orders in relation to a given Valuation Day is 12.00 noon on such Valuation Day. Orders received after the cut-off are dealt with on the following Valuation Day.</p> <p>The subscription price is payable within three banking days after the corresponding Valuation Day. The redemption price will be paid within three banking days after the corresponding Valuation Day.</p>

<b>Specific liquidity considerations</b>	The Sub-fund should not suffer any liquidity issue as invested mainly in listed equities. Nevertheless, in case of liquidity issue due to a massive redemption, the Board reserves the right to proceed to "Gating", as foreseen under section 11.1.																										
<b>Classes of Shares</b>	<table border="1"> <tr> <td><b>Share classes:</b></td><td>A</td><td>B</td><td>D</td></tr> <tr> <td><b>ISIN:</b></td><td>LU1937026869</td><td>LU2127863061</td><td>LU2948441048</td></tr> <tr> <td><b>Minimum Subscription:</b></td><td>1 share</td><td>1 share</td><td>1 Share</td></tr> <tr> <td><b>Sales Commission*:</b></td><td>n/a</td><td>Up to max. 1% of the subscribed amount</td><td>n/a</td></tr> <tr> <td><b>Appropriation of profits:</b></td><td>Reinvestment</td><td>Reinvestment</td><td>Distribution</td></tr> <tr> <td><b>Initial Issue Price</b></td><td>/</td><td>/</td><td>EUR 1,000.-</td></tr> </table> <p>* The Sales Commission is due to the Distributor that may be appointed by the Global Distributor for distributing Share Class B.</p>			<b>Share classes:</b>	A	B	D	<b>ISIN:</b>	LU1937026869	LU2127863061	LU2948441048	<b>Minimum Subscription:</b>	1 share	1 share	1 Share	<b>Sales Commission*:</b>	n/a	Up to max. 1% of the subscribed amount	n/a	<b>Appropriation of profits:</b>	Reinvestment	Reinvestment	Distribution	<b>Initial Issue Price</b>	/	/	EUR 1,000.-
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<b>Appropriation of profits:</b>	Reinvestment	Reinvestment	Distribution																								
<b>Initial Issue Price</b>	/	/	EUR 1,000.-																								
<b>Template of sustainability-related disclosures</b>	The sub-fund actively promotes environmental or social characteristics and is considered a financial product in accordance with Article 8(1) SFDR, however it does not conduct any sustainable investments SFDR. For more information about the sub-fund and the ESG criteria of the investment policy within the framework of the SFDR, investors should refer to "Appendix A — Sustainability-related disclosures" of the sales prospectus.																										

**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**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

## Pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

**Product name:** Aliter Investors – Ethica Balanced

**Legal entity identifier:** 984500DAFX95D9DF8057

## Environmental and/or social characteristics

### Does this financial product have a sustainable investment objective?



Yes



No



It will make a minimum of **sustainable investments with an environmental objective**: \_\_\_\_%



in economic activities that qualify as environmentally sustainable under the EU Taxonomy



in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy



It will make a minimum of **sustainable investments with a social objective**: \_\_\_\_%



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



with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy



with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy



with a social objective



It promotes E/S characteristics, but **will not make any sustainable investments**



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

Aliter Investors promotes environmental and social characteristics in the broadest sense, which means that it predominantly invests in companies that distinguish themselves in their ability to protect the environment and to care about their employees, with special focus being placed on the protection of human dignity.

For this purpose, the sub-fund carries out both positive and negative screening.



**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 predominantly measures the attainment of the environmental and social characteristics promoted by this financial product by considering whether a defined exclusion policy and key indicators for adverse impacts have been met. The key indicators for adverse impacts that are applied for this purpose are:

The principal adverse sustainability indicator no. 14 in Table 1 of Annex I to the SFDR Level 2, which relates to the exposure to controversial weapons (anti-

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

personnel mines, cluster munitions, chemical weapons and biological weapons), is taken into account by the Manager's exclusion regulation set out below.

- The principal adverse sustainability indicator no. 10 in Table 1 of Annex I to the SFDR Level 2, which relates to violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises, is implemented by the investment restriction for considerable controversies described below and is also contained in the Manager's own ESG materiality assessment by means of a rating penalty.
- Other principal adverse sustainability indicators in Table 1 of Annex I to the SFDR Level 2 are fully integrated into Lombard Odier's ESG/CAR materiality assessment methodology, if this deals with the assessment of the direct engagement with the sub-fund's target values. For every issuer, the weighting of the principal adverse sustainability indicators is set out in accordance with the Investment Manager's internal materiality framework, which defines the exposure of the different sectors to sustainability challenges. For this reason, the weighting of the principal adverse sustainability indicators can vary depending on the composition and exposure of the portfolio (e.g. water and waste figures being assigned a lower weighting if they are not relevant to the activities of the investee companies).
- Other principal adverse sustainability indicators in Table 2 (environment) and Table 3 (social) in Annex I to the SFDR Level 2 are incorporated into the Investment Manager's ESG materiality assessment, if they are available.

The way in which principal adverse sustainability indicators are taken into consideration may change over time depending upon a number of factors, including the changing composition of the Sub-Fund's investment portfolio, market conditions, data coverage and developments in global sustainability analysis.

**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.

**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.





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



Yes, Principal adverse impacts on sustainability factors are those impacts of investment decisions and advice that result in negative effects on environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters. They are taken into account as follows:

- Principal adverse sustainability indicator number 14 in Table 1, Annex I of SFDR Level 2 related to the exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons) is taken into account through the Manager's investment exclusion rule described below.
- Principal adverse sustainability indicator number 10 in Table 1, Annex I of SFDR Level 2 related to the Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises is implemented through the investments restriction of severe controversies described below and is also included into the Managers proprietary ESG materiality rating via a rating penalty.
- Other principal adverse sustainability indicators in Table 1, Annex I of SFDR Level 2 are fully embedded within the Lombard Odier ESG/CAR Materiality Rating Methodology when assessing direct exposure to the Sub-Fund's target assets. For each issuer, the weighting of the principal adverse sustainability indicators is set according to the Investment Manager's in-house materiality framework that defines the exposure of the different industries to the sustainability challenges. The principal adverse sustainability indicators weighting may thus vary according to the portfolio composition and exposure (e.g. water or waste metrics will be underweighted if not relevant for the investee companies activities).
- Other principal adverse sustainability indicators in table 2 (environmental) and table 3 (social), Annex I of SFDR Level 2 are embedded into the Investment Manager's ESG materiality rating when available.

The way in which principal adverse sustainability indicators are taken into consideration may change over time depending upon a number of factors, including the changing composition of the Sub-Fund's investment portfolio, market conditions, data coverage and developments in global sustainability analysis.

No

## What investment strategy does this financial product follow?

The sub-fund invests mainly in equities around the world (mainly in the developed markets) and in investment grade debt instruments (bonds and money market instruments) that are denominated in euro.

The sub-fund invests in companies that meet ESG (environment, social and governance) criteria, with an ethical approach and exclusion policy being applied with respect to the following elements:

- The arms industry: no direct investment in companies involved in manufacturing or selling of anti-personal mines, cluster bombs (Ottawa and Oslo conventions), or nuclear (whether depleted or enriched), biological, chemical (white phosphorus in particular);
- Sectors causing addiction: tobacco and related products (e-cigarettes and next-generation tobacco/nicotine products) and supporting services (filters, smoking halls, etc) whether in production, sales or distribution (5% of revenues), alcohol



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

(no more than 20% of revenues), gambling (no more than 5% of revenues), pornography (0% of revenues).

The investment team uses a best in class process for the ESG selection:

- The Sub-Fund's investment universe consists of the top-rated companies (those companies that make the greatest effort) in terms of their sustainable development strategy, assessed using ESG criteria;
- The ESG rating ranges from A to D (with A+ being the best rating). Companies and countries with a rating below B- are automatically excluded from the portfolio.

In case of an issuer's ESG rating being downgraded to the non-investment universe, the Investment Manager must sell this position within three months of the downgrade.

In addition to the exclusion policy and best in class approach, this sub-fund will overweight investments in companies with the best ESG practices that contribute to environmental sustainability, focus on healthy life and work conditions, and protect human life and human dignity.

When selecting bonds, only investment-grade bonds (corporate bonds) are selected. The selection of bonds is made in a similar way as for the equity part, by maximising the ESG score and minimising the tracking error. The modified duration of the non-equity segment is intended to range from -2 to +5. The ESG approach also applies to government bonds based on the Lombard Odier (Europe) S.A. internal selection methodology.

Furthermore, the sub-fund may (directly or via UCITS/UCIs) invest up to 10% of its net assets in transferable securities (equities, bonds or money market instruments) that are selected on the basis of their environmental or social dimension or their thematic output. For this reason, the environmental and social influence of all securities is analysed by a dedicated team prior to their acceptance into the sub-fund.

The sub-fund may invest 30% to 50% of its net assets in equities and 30% to 60% of its net assets in investment-grade debt instruments. In addition, the sub-fund may invest up to 10% of its net assets in UCITS/UCIs. This upper limit also applies to investments in money market UCITS/UCIs.

● ***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?***

The investee companies are evaluated by the Investment Manager before any investments are made. This ensures that the company fulfils all of the requirements of the binding elements of the investment strategy, i.e. the positive and negative screening criteria. The portfolio is also reviewed on an ongoing basis. If a company falls below the standards, the Investment Manager has three months to terminate the investment.

Furthermore, the companies being invested in are regularly monitored on a monthly basis in order to ensure that they meet the fund's ESG criteria.

Finally, the Investment Manager applies an exclusion policy relating to direct investments that are deemed incompatible with Lombard Odier's and Aliter Investors' approach to responsible investments. Hence, The Sub-Fund shall not be invested in companies which themselves or through entities they control companies:

- are involved in the manufacture or sale of antipersonnel mines, cluster bombs (Ottawa and Oslo Conventions), or nuclear (whether depleted or enriched), biological weapons, chemical weapons (white phosphorus in particular);
- act in sectors linked to addiction: tobacco and related products (e-cigarettes and next-generation tobacco/nicotine products) and supporting services (filters, smoking halls, etc) whether in production, sales or distribution (0% maximum of turnover), alcohol (20% maximum of turnover), games of chance (5% maximum of turnover), pornography (0% maximum of turnover).

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

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

Taxonomy-aligned activities are expressed as a share of:

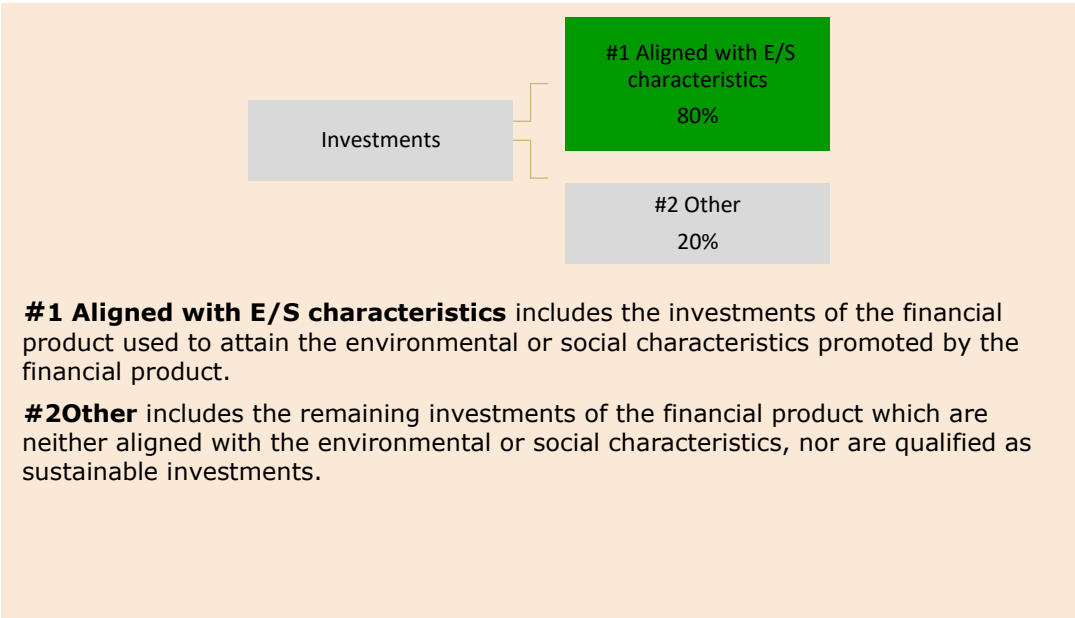
- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities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



To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2023. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.



N/A.

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

Criteria used to assess good governance practices include business ethics, management of the legal and regulatory environment, labor practices, and employee engagement.

**What is the asset allocation planned for this financial product?**

The fund is invested in such a way that at least 80% of investments (with the exception of cash) promote environmental or social characteristics. This includes both single line securities and external UCITS funds, which, according of the prospectus, may represent up to 10% of the fund. The investments in the category Other, up to 20%, are cash, cash equivalents and equity that are not aligned with the climate impact mitigation characteristic or for which there are not sufficient ESG data available. The Investment Manager will ensure that thes companies pass nevertheless the other filters, namely the exclusion strategy.

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

Derivatives are not in the scope of investments used to meet the environmental or social characteristics promoted by the sub-fund. They are used for portfolio management efficiency purposes.



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

This Sub-Fund promotes environmental and/or social characteristics but does not make any sustainable investments.

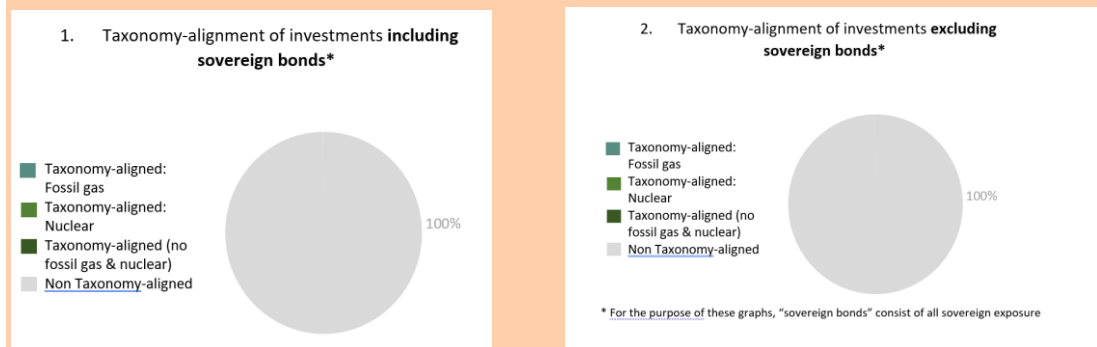
● **Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with EU Taxonomy?**

☐ 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-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

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

This Sub-Fund promotes environmental and/or social characteristics but does not make any sustainable investments



**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?**

Investments under "#2 Other" are investment that are not used to meet the environmental or social characteristics promoted by the Sub-fund. They can be comprised of investments in UCITS/UCIs, derivatives, or cash and cash equivalents. These investments cannot be immediately linked to a single issuer and therefore cannot be evaluated against any minimum environmental or social safeguards.



**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?**

N/A.

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

N/A.

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

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

- *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?**

**More product-specific information can be found on the website:**

to be created