

**GAMA FUNDS**

*société d'investissement à capital variable* organised under the form of a *société anonyme*  
15, avenue J.F. Kennedy  
L-1855 Luxembourg  
Grand Duchy of Luxembourg  
RCS: B263176  
(the **Company**)

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**REDEMPTION NOTICE TO THE SHAREHOLDERS OF  
GAMA FUNDS – GLOBAL MACRO OPPORTUNITIES**

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**Re: Change of the investment objective and policy and other amendments to the special section of  
GAMA FUNDS – GLOBAL MACRO OPPORTUNITIES**

*The board of directors of the Company (the **Board**) accepts responsibility for the accuracy of the contents of this notice. Terms not defined herein shall have the meaning ascribed to them in the last visa stamped prospectus of the Company dated June 2023 (the **Prospectus**).*

Dear Shareholder,

We write to you in your capacity as shareholder of GAMA Funds – Global Macro Opportunities (the **Sub-Fund**), a sub-fund of the Company, to inform you that the Board has decided to amend the Special Section of the Sub-Fund. In particular, the Board has decided to amend the sections “*Investment objective*”, “*Investment Policy*” and “*Risk considerations specific to the Sub-Fund*” of the Special Section of the Prospectus relating to the Sub-Fund (the **Investment Policy Amendments**).

The Board, *inter alia*, has decided that the Sub-Fund:

- (a) has as investment objective to generate income and capital appreciation with a realized volatility of less than 8% by investing globally;
- (b) is reclassified from an article 6 SFDR financial product to an article 8 SFDR financial product that is managed to promote, among other characteristics, a combination of environmental and/or social characteristics, but does not make any sustainable investments, as further detailed in Annex 1 of the Sub-Fund’s Special Section (please refer to **Schedule 1**);
- (c) may invest up to 5% of its assets in Shariah-compliant fixed income securities;
- (d) may use TRS up to 15% of the Sub-fund’s net assets, instead of up to 10%;
- (e) may use Repurchase Transactions up to 20% each, with an expected percentage to 5%;
- (f) may use Reverse Repurchase Transactions up to 20% each, with an expected percentage to 5%.

The rationale for the Investment Policy Amendments is to materialize the environmental and social aspect within the investment policy of the Sub-Fund.

A mark-up of the revised Special Section of the Sub-Fund against the Special Section currently in place can be found under **Schedule 1** of this notice. Such mark-up shows all contemplated changes to be made to the Special Section of the Sub-Fund.

The Investment Policy Amendments are considered as material. Therefore, if you do not agree with the Investment Policy Amendments, you may redeem your shares free of charge during a period of one month starting on October 31<sup>st</sup> 2023 and ending on December 1<sup>st</sup> 2023 (the **Redemption Period**). Redemptions during this one-month period will be subject to the provisions of the Prospectus, but no redemption charge or fee will be payable.

The Amendments will be effective by December 1<sup>st</sup> 2023 and a new visa-stamped Prospectus will be made available to shareholders shortly thereafter.

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

Yours sincerely,

For the Board

**Representative in Switzerland:**

FundPartner Solutions (Suisse) SA  
Route des Acacias 60  
1211 Genève 73

**Paying Agent in Switzerland:**

Banque Pictet & Cie SA  
Route des Acacias 60  
1211 Genève 73

## Schedule 1

### Mark-up of the revised Special Section

#### SPECIAL SECTION 4 – GAMA FUNDS – GLOBAL MACRO OPPORTUNITIES

This Special Section must be read in conjunction with the General Section of the prospectus. This Special Section refers only to the GAMA Funds – Global Macro Opportunities (the **Sub-Fund**).

#### 1. INVESTORS' PROFILE

~~1.1~~ The Sub-Fund is a medium-risk vehicle aiming to provide income and capital growth in the reference currency of each share class, by investing in worldwide securities and via the use of derivatives mainly futures.

~~1.2~~ It may be suitable for investors who are seeking growth potential with an investment horizon of three years and more.

#### 1. INVESTMENT OBJECTIVE

1.1 The investment objective of the Sub-Fund is to generate ~~returns of 6% per annum over cash rates in the medium-term~~ income and capital appreciation with a realized volatility of less than 8% by investing globally. The main sources of return for the Sub-Fund are expected to be equity risk, credit risk, interest-rate risk, commodity risk and currency risk.

1.2 There can be no assurance that the investment objective will be achieved.

1.3 The Sub-Fund is managed to promote, among other characteristics, a combination of environmental and social characteristics within the meaning of article 8 of SFDR. The investee companies in which the Sub-Fund invests will follow good governance practices based on such policies which are further detailed in Annex 1 of this Sub-Fund's Special Section (the Annex).

1.4 In accordance with SFDR RTS, further information related to environmental and/or social characteristics is available in the Annex.

1.5 ~~2.3~~ The Sub-Fund is actively managed. The Sub-Fund has no benchmark index and is not managed in reference to a benchmark index.

#### 2. INVESTMENT POLICY

2.1 The Sub-Fund will be primarily exposed to equities and equity-related securities, debt securities of any type (including non-investment grade debt securities, inflation linked securities, money market instruments, convertible bonds and Contingent Convertible Bonds within the limits mentioned below), commodities (including precious metals), ~~and cash~~ and cash equivalents.

2.2 The Sub-Fund may apply capital preservation techniques.

2.3 In order to achieve its objective, the Sub-Fund will mainly invest:

- directly in the securities/asset classes mentioned under Section 3.1 above (except for commodities);

- in financial derivative instruments having as underlying or offering an exposure to the above-mentioned asset classes (such as futures, options, and CDS indices, within the limits set out in Schedule 1); and/or
- in Transferable Securities (such as structured investment products, as defined below) giving exposure to the asset classes mentioned under Section 3.1 above.

2.4 Allocations may vary significantly and the Sub-Fund may be concentrated in, or have net long or net short exposure to, certain markets, sectors or currencies from time to time.

2.5 The choice of investments will neither be limited by geographical area (including emerging markets), economic sector nor in terms of currencies in which investments will be denominated. However, depending on financial market conditions, a particular focus can be placed in a single country and/or in a single currency and/or in a single economic sector.

2.6 The Sub-Fund will be exposed to investment grade and non-investment grade debt securities (including non-rated debt securities) in proportions that will vary according to financial market conditions and investment opportunities. Investment-grade securities are expected to make up the majority of the Sub-Fund but non-investment-grade debt securities could represent the major part of the portfolio during certain periods. Under normal market conditions, the expected average credit rating of the Sub-Fund (debt securities) portfolio will be BBB- (or equivalent, as measured by any recognized credit rating agency or with quality considered as equivalent by the Investment Manager), or higher.

2.7 The Sub-Fund may also be exposed to Distressed Securities or Defaulted Securities up to 5% of its net assets.

2.8 The Sub-Fund may also invest up to 5% of its assets in Sukuk al Ijarah, Sukuk al Wakalah, Sukuk al Mudaraba or any other type of Shariah-compliant fixed-income securities within the limits of the Grand-Ducal Regulation 2008.

2.9 ~~3.8~~ On an ancillary basis, the Sub-Fund may also invest in any other type of eligible assets, as among others structured products (as described below); and UCIs (within the limit prescribed below) ~~and cash (up to 20% of the Sub-Fund's net assets, in normal market conditions).~~

2.10 ~~3.9~~ Investments in each of the following categories of securities will not exceed 10% of the Sub-Fund's net assets:

- debt securities with a credit rating below B- (or equivalent, as measured by any recognized credit rating agency or with quality considered as equivalent by the Investment Manager);
- Contingent Convertible Bonds;
- structured products, such as but not limited to notes, certificates or any other transferable securities whose returns are correlated with changes in, among others, an index selected in accordance with the article 9 of the Grand Ducal Regulation 2008 (including indices on volatility, commodities, precious metals, etc.), currencies, exchange rates, transferable securities or a basket of transferable securities or an undertaking for collective investment, at all times in compliance with the Grand Ducal Regulation 2008;
- units or shares in collective investment schemes (UCITS and/or other UCIs).

~~3.10 The Sub-Fund will be normally fully invested. However, if the Investment Manager considers this to be in the best interest of the Shareholders, on a temporary basis and for defensive purposes, the Sub-Fund may also hold up to 100% of its net assets in liquidities such as, among others, cash deposits and money market UCIs (within the 10% above mentioned limit).~~

- 2.11 Debt securities may be subject to the risk of being downgraded, including to non-investment grade status. In the event of downgrading in the ratings of a bond or an issuer, the Sub-Fund may, at the discretion of the Investment Manager, and in the best interests of the Shareholders, continue to hold those bonds which have been downgraded, subject to the restrictions set out in this Special Section.
- 2.12 Investments in Mainland China - ~~with a limit of~~ which are limited to 15% of the Sub-Fund net asset value in accordance with the single-country exposure mentioned above - may be performed on the China Interbank Bond Market (**CIBM**) directly or through Bond Connect Investments in China may also be performed on any acceptable securities trading programs which may be available to the Sub-Fund in the future as approved by the relevant regulators from time to time.

~~3.13 The investments underlying the Sub-Fund do not take into account the EU criteria for environmentally sustainable economic activities.~~

2.13 ~~3.14~~ For hedging and for investment purposes, the Sub-Fund ~~will~~ may use financial derivative instruments traded on a regulated market within the limits set out in Schedule 1. In particular, the Sub-Fund may take exposure through financial derivatives such as futures, options and forwards on any underlying asset in line with the 2010 Act, including but not limited to credit and equity indices, commodities, precious metals or volatility indices, interest rates and currencies, including non-delivery forwards (NDFs). The Sub-Fund will conduct CDS transactions and enter swap agreements such as asset-swaps, TRS (as prescribed below), contracts for difference (CFD), basis swaps and other types of swaps. TRS will be used on temporary basis.

2.14 ~~3.15~~ Nevertheless, in normal market conditions, the Investment Manager intends to use options and futures offering an exposure to debt securities, currency derivatives (such as forward exchange contracts), CDS and volatility derivatives ~~to offset widening of credit spreads during certain periods.~~

~~3.16 The Sub-Fund will not use SFTs.~~

2.15 ~~3.17~~ The ~~Sub-Fund will use~~ Sub-fund may use EPM Techniques or TRS within the limits described below as percentages of the ~~Sub-Fund's~~ Sub-fund's net assets:

	Maximum percentage	Expected percentage
TRS	<del>10</del> <u>15</u> %	5%
<u>Repurchase Transactions</u>	<u>20</u> %	<u>5</u> %
<u>Reverse Repurchase Transactions</u>	<u>20</u> %	<u>5</u> %

2.16 The Sub-Fund will only use SFTs on a temporary basis to generate additional return when they are the best instruments to capture market opportunities for efficient portfolio management purposes.

2.17 ~~3.18~~ TRS and other financial derivative instruments that display the same characteristics may have as underlying assets any financial instrument in which the Sub-Fund may invest in accordance with its investment strategy and policy.

2.18 In the context of the Taxonomy Regulation, in view of its ESG strategy, the Sub-Fund promotes environmental characteristics and does not aim to invest in environmentally sustainable economic activities. Therefore, the investments underlying the Sub-Fund do not take into account the EU criteria for environmentally sustainable economic activities, within the meaning of the Taxonomy Regulation.

As a consequence thereof, the “do no significant harm” principle does not apply to the investments underlying the Sub-Fund.

2.19 The Investment Manager integrates Sustainability Risks and opportunities into its research analysis and investment decision-making processes. If one or more Sustainability Risks crystallise, there may be a negative impact on the value of the Sub-Fund, and therefore returns to investors and performance of the Sub-Fund. However, the Sub-Fund has a robust approach in place to seek to mitigate the impact of Sustainability Risks on its returns, including (among other things) by integrating the consideration of such risks into its investment decision-making process, and through monitoring and management where relevant, in each case, as described herein.

### 3. GLOBAL RISK EXPOSURE

3.1 The Sub-Fund’s global risk exposure is monitored by using the VaR approach which aims to estimate the maximum potential loss that the Sub-Fund could suffer within a certain time horizon (one month) and with a certain confidence level (99% confidence interval), in normal market conditions. More specifically, the Sub-Fund uses the absolute VaR option, whereby the Sub-Fund’s VaR is limited to 20%.

3.2 In addition, stress tests will be carried out in order to manage additional risks related to possible abnormal market movements at a specific point of time.

3.3 The expected level of leverage of the Sub-Fund is 400% (gross commitment) and 150% (net commitment). This figure is computed as the sum of the absolute notionals of the FDI. Depending on market conditions, higher leverage levels may be used to increase the hedging component of the Sub-Fund and/or generate a higher market exposure.

### 4. PERFORMANCE

The performance scenarios of the Sub-Fund will be disclosed in the ~~KHDs~~KIDs of the Sub-Fund. In this connection, investors should note that past performance is not necessarily a guide to future performance. Investors may not get back the full amount invested, as prices of Shares and the income from them may fall as well as rise.

### 5. INCOME DISTRIBUTION POLICY

5.1 For the share classes Class R Acc, Class P Acc, Class N Acc ~~and~~ Class F Acc and Class E Acc, the Sub-Fund pursues a policy of achieving capital growth and reinvests income earned; as a result, no dividend shall be paid out. However, the Directors reserve their right to revise this policy at their discretion.

5.2 Dividends will be paid to Shareholders of Class R Dis, Class P Dis, Class N Dis ~~and~~ Class F Dis and Class E Dis.

### 6. CATEGORIES OF SHARES

	R		P		N		F		E	
Name of the Category of Shares	Class R Dis	Class R Acc	Class P Dis	Class P Acc	Class N Dis	Class N Acc	Class F Dis	Class F Acc	<u>Class E Dis</u>	<u>Class E Acc</u>

Distribution on policy	Distribution	Accumulation	Distribution	Accumulation	Distribution	Accumulation	Distribution	Accumulation	<a href="#">Distribution</a>	<a href="#">Accumulation</a>
Sub-Classes	EUR/CHF /USD/GBP/SGD/ILS		EUR/CHF /USD/GBP/SGD/ILS		EUR/CHF /USD/GBP/SGD/ILS		EUR/CHF /USD/GBP/SGD/ILS		<a href="#">USD/CHF/EUR</a>	
Initial Subscription Price	100 in the Sub-Class currency		100 in the Sub-Class currency		100 in the Sub-Class currency		100 in the Sub-Class currency		<a href="#">N/A</a>	
Minimum initial subscription amount	N/A		1,000,000 in Sub-Class currency		5,000,000 in Sub-Class currency		20,000,000 in Sub-Class currency		<a href="#">N/A</a>	
Eligible investors	Retail investors		Institutional investors		Institutional investors		Institutional investors		<a href="#">Reserved for subscription and holding by the Investment Manager, any of its directors, managers, employees, officers, partners or any of its Affiliates</a>	
Subscription and redemption fees	N/A		N/A		N/A		N/A		<a href="#">N/A</a>	
<a href="#">Performance fee</a>	<a href="#">10% as further described below</a>								<a href="#">N/A</a>	

**7. ~~7.~~ REFERENCE CURRENCY**

**7.1 ~~7.1~~** The Reference Currency is the EUR.

**7.2 ~~7.2~~** The SGD Sub-Class Shares, ILS Sub-Class Shares, GBP Sub-Class Shares, USD Sub-Class Shares and the CHF Sub-Class Shares (the **Hedged Shares**) aim to systematically hedge to a large extent the exchange risk SGD/EUR, ILS/EUR, GBP/EUR, USD/EUR and CHF/EUR.

**8. ~~8.~~ TERM OF THE SUB-FUND**

The Sub-Fund has been created for an unlimited period of time.

**9. ~~9.~~ PAYMENT OF THE SUBSCRIPTION PRICE OR REDEMPTION PRICE**

**9.1 ~~9.1~~** The amount for the subscription shall be paid or transferred as further set out in the main body of the Sub-Fund within two (2) Business Days counting from the relevant Valuation Day.

**9.2 ~~9.2~~** The price for the shares of the Sub-Fund presented for redemption shall be paid by transfer in the reference currency of the Sub-Fund concerned within two (2) Business Days counting from the relevant Valuation Day.

**10. ~~10.~~ SUBSCRIPTION, REDEMPTION AND CONVERSION**

*General*

**10.1 ~~10.1~~** All relevant dates and deadlines relating to subscription, redemption and conversion orders are summarized in the table below:

Subscription Cut-Off Time, Redemption Cut-Off Time, Conversion Cut-Off Time	Subscription: 16.00 Lux time, 1 Business Day(s) before the Valuation Day  Redemption: 16.00 Lux time, 1 Business Day(s) before the Valuation Day  Conversion(*): 16.00 Lux time, 1 Business Day(s) before the Valuation Day
Valuation Day	The Business Day preceding the NAV Calculation Day
NAV Calculation Day	Each Business Day on the basis of the pricing of the preceding Business Day
Settlement Day	Subscription: within 2 Business Days after the relevant Valuation Day  Redemption: within 2 Business Days after the relevant Valuation Day  Conversion: within 2 Business Days after the relevant Valuation Day

(\*) Conversion: conversion orders between Sub-Funds with different Valuation Day and NAV Calculation Day are not allowed.

*Subscriptions*

**10.2 ~~10.2~~** Subscriptions to the Shares of the Sub-Fund must be made using the documents available from the registered office of the Fund.

**10.3 ~~10.3~~** Subscriptions for Shares are accepted at such dates as set out under Section 5 of the General Section. Applications for subscriptions must be received by the Administrative Agent at the Subscription Cut-Off Time. Applications received after that time will be processed on the immediately following Valuation Day.

**10.4 ~~10.4~~** Payments for subscriptions must be received on the Settlement Day.

*Redemption*



10.5 ~~10.5~~ Redemptions for Shares are accepted at such dates as set out under Section 7 of the General Section. Applications for redemptions must be received by the Administrative Agent not later than the Redemption Cut-Off Time. Applications received after that time will be processed on the immediately following Valuation Day.

10.6 ~~10.6~~ Redemptions will be paid by the Depository on the Settlement Day.

*Conversion*

10.7 ~~10.7~~ Subject to the eligibility criteria for each Class, Shareholders may request the conversion of all or part of their Shares into another Class within the Sub-Fund without additional costs. Conversions into Shares of another Sub-Fund are subject to Section 6 of the General Section.

11. ~~11.~~ **MANAGEMENT FEE SPECIFIC TO THIS SUB-FUND**

11.1 ~~11.1~~ The Sub-Fund will pay to the Investment Manager an investment management fee payable quarterly in arrears as follows ~~as well as a performance fees payable annually~~:

Class R Dis / Class R Acc	max. 1.4% p.a
Class P Dis / Class P Acc	max. 1.0% p.a.
Class N Dis / Class N Acc	max. 0.8% p.a.
Class F Dis / Class F Acc	max. 0.6% p.a.
<u>Class E Dis / Class E Acc</u>	<u>0% p.a.</u>

12. ~~12.~~ **PERFORMANCE FEE**

12.1 ~~12.1~~ The Investment Manager will receive, with respect to such Share Class(es) referred to under Section 7 above, a performance fee, accrued on each Valuation Day, paid yearly, based on the Net Asset Value, equivalent to 10% of the performance of the NAV per Share exceeding the High Water Mark (as defined hereafter).

12.2 ~~12.2~~ The performance fee is equal to the out performance of the NAV per Share multiplied by the number of Shares in circulation during the calculation period. No performance fee will be due if the

NAV per Share before performance fee turns out to be below the High Water Mark for the calculation period in question.

12.3 ~~12.3~~ The performance fee is calculated on the basis of the NAV after deduction of all expenses, liabilities, and management fees (but not performance fee), and is adjusted to take account of all subscriptions and redemptions.

12.4 ~~12.4~~ The high water mark is defined as the greater of the following two figures: (a) the last highest Net Asset Value per Share on which a performance fee has been paid; and (b) the initial NAV per Share, hereafter referred to as the **High Water Mark**.

12.5 ~~12.5~~ The High Water Mark will be decreased by the dividends paid to Shareholders.

12.6 ~~12.6~~ Provision will be made for this performance fee on each Valuation Day. If the NAV per Share decreases during the calculation period, the provisions made in respect of the performance fee will be reduced accordingly. If these provisions fall to zero, no performance fee will be payable.

12.7 ~~12.7~~ If Shares are redeemed on a date other than that on which a performance fee is paid while provision has been made for performance fees, the performance fees for which provision has been made and which are attributable to the Shares redeemed will be paid at the end of the period even if provision for performance fees is no longer made at that date. Gains which have not been realised may be taken into account in the calculation and payment of performance fees.

12.8 ~~12.8~~ In case of subscription, the performance fee calculation is adjusted to avoid that this subscription impacts the amount of performance fee accruals. To perform this adjustment, the performance of the NAV per Share against the High Water Mark until the subscription date is not taken into account in the performance fee calculation. This adjustment amount is equal to the product of the number of subscribed Shares by the positive difference between the subscription price and the High Water Mark at the date of the subscription. This cumulated adjustment amount is used in the performance fee calculation until the end of the relevant period and is adjusted in case of subsequent redemptions during the period.

12.9 ~~12.9~~ Calculation period shall correspond to each ~~calendar~~ fiscal year.

12.10 ~~12.10~~ Performance fees are payable within 20 Business Days following the closing of the yearly accounts.

12.11 ~~12.11~~ For the first year, the calculation period will run as from the launching date of the Sub-Fund to 31 December 2022.

12.12 ~~12.12~~ The formula for the calculation of the performance fee is as follows:

$F = 0$

If  $(B / E - 1) \leq 0$

$F = (B / E - 1) * E * C * A$

If  $(B / E - 1) > 0$

The new high water mark = if  $F > 0$ ; D

If  $F = 0$ ; E

Number of shares outstanding = A

NAV per share before performance = B

Performance fee rate (10%) = C

NAV per share after performance = D

High water mark = E

Performance fees = F

### 12.13 ~~12.13~~ Performance Fee example

	NAV before Performance fee	HWM per Share	Yearly NAV per Share performance	NAV per Shares Performance / HWM	Performance Fee	NAV after Perf Fee
Year 1:	110	100	10.00%	10.00%	1	109
Year 2:	115	109	5.50%	5.50%	0.60	114.40
Year 3:	108	114.40	-5.59%	-5.59%	0.00	108
Year 4:	112	114.40	3.70%	-2.10%	0.00	112
Year 5:	118	114.40	5.36%	3.15%	0.36	117.64

With a performance fee rate equal to 10%.

- (a) ~~(e)~~ Year 1: The NAV per Share performance is 10%. The excess of performance over the HWM is 10% and generates a performance fee equal to 1.
- (b) ~~(f)~~ Year 2: The NAV per Share performance is 5.50%. The excess of performance over the HWM is 5.50% and generates a performance fee equal to 0.6.
- (c) ~~(g)~~ Year 3: The NAV per Share performance is -5.59%. The underperformance over the HWM is -5.59%. No performance fee will be payable.
- (d) ~~(h)~~ Year 4: The NAV per Share performance is 3.70%. The underperformance over the HWM is -2.10%. No performance fee will be payable.
- (e) ~~(i)~~ Year 5: The NAV per Share performance is 5.36%. The excess of performance over the HWM is 3.15% and generates a performance fee equal to 0.36.

### ~~13. INITIAL SUBSCRIPTION DATE~~

~~The Sub-Fund will be launched upon decision of the Board.~~

### ~~14. GLOBAL RISK EXPOSURE~~

~~The Sub-Fund's global risk exposure is monitored by using the commitment approach. This approach measures the global exposure related to positions on FDI's which may not exceed the Sub-Fund's net asset value.~~

### 13. ~~15.~~ RISK CONSIDERATIONS SPECIFIC TO THE SUB-FUND

13.1 Before making an investment decision with respect to his Sub-Fund, prospective investors should carefully consider the risks of investing set out in Schedule 2 and in particular, the risks linked to investments in debt securities denominated in various currencies, to investments in derivative instruments and to a lesser extent to investments in China and exposure to Contingent Convertible Bonds and Defaulted/Distressed Securities.

*Risks related to using ESG criteria for investments*

13.2 Applying ESG and sustainability criteria to the investment process may exclude securities of certain issuers for non-investment reasons and therefore some market opportunities available to funds that do not use ESG or sustainability criteria may be unavailable for the Sub-Fund, and the Sub-Fund's performance may at times be better or worse than the performance of relatable funds that do not use ESG or sustainability criteria. The selection of assets may in part rely on a proprietary ESG scoring

process or exclusion lists that rely partially on third party data. The lack of common or harmonised definitions and labels integrating ESG and sustainability criteria at EU level may result in different approaches by the Investment Manager when setting ESG objectives and determining that these objectives have been met by the funds they manage. This also means that it may be difficult to compare strategies integrating ESG and sustainability criteria to the extent that the selection and weightings applied to select investments may, to a certain extent, be subjective or based on metrics that may share the same name but have different underlying meanings. Investors should note that the subjective value that they may or may not assign to certain types of ESG criteria may differ substantially from the Investment Manager's methodology. The lack of harmonised definitions may also potentially result in certain investments not benefitting from preferential tax treatments or credits because ESG criteria are assessed differently than initially thought.

## Annex 1

### 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: GAMA Funds – Global MacroLegal entity identifier: 222100CS4ZGEYTEI5Z88

#### Opportunities

## 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**

**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 include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.



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

The Sub-Fund aims to promote characteristics that include, but are not limited to,

##### 1. Environmental characteristics such as:

- Water consumption;
- Carbon Gas Emission and Footprint;
- Toxic Waste;
- Exposure to Coal.

2. Social characteristics such as: health and safety, human capital development; while ensuring good governance at the level of the ultimate investments.

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

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

The Investment Manager uses a variety of indicators to attain the promotion of the environmental and social characteristics and will apply them to the entire portfolio at all times, including the following exclusions:

- Revenues from Controversial Weapons;
- Revenues from Tobacco;
- Revenues from Unconventional fossil fuels including shale gas and tar sand;
- Revenues from Adult entertainment;
- Revenues from Gambling activities.

On the active side, the Investment Manager relies on the overall ESG score provided by leading ESG providers. The Investment Manager targets a minimum average ESF rating within or above the third ESG quintile. The Investment Manager aims to limit investment in securities in the last quintile of such available ESG scores used and analysed by the Investment Manager to a maximum of 10% of the NAV.

In addition to the overall ESG score, the Investment Manager uses Sustainability focused data points provided by leading ESG providers for each of characteristics mentioned above in the first question, to assess relevant environmental, social and governance characteristics:

- Climate: Water consumption, Carbon Gas Emission and Footprint, Toxic Waste, Exposure to Coal;
- Social and Employee: UN Global Compact-related factors (Human Rights, employee conditions, anti-corruption), Health and Safety, Human Capital Development, Human Right Compliance;
- Governance: Corporate Governance Practice, Governance exposure.

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

● **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?**

Not applicable

● **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?**

Not applicable

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

Not applicable

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

Not applicable

*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 not 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, \_\_\_\_\_

No



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

### What investment strategy does this financial product follow?

The Investment Manager uses a combination of responsible investment methodologies and tools across the investment process to promote the environmental and social characteristics. Negative screenings (Worst-in-class filters, Norms based screenings) are applied to rule companies out of the investable universe. In addition, the Investment Manager uses “ESG Integration” into investment analysis and decisions, by explicitly including material ESG issues and opportunities. When relevant, the Investment Manager may as well engage with companies to discuss ESG issues and promote the improvement of their environmental and social characteristics.

The Sub-Fund will be invested in a diversified portfolio reflecting global opportunities across the entire fixed income universe.

The Investment Manager’s ESG strategy is based on three pillars that are monitored and applied on an ongoing basis:

- exclusion - the Sub-Fund will not invest in securities issued by corporate entities that are directly or indirectly involved in the production or distribution of biological and chemical weapons, cluster bombs as well as depleted uranium munitions and in companies that violate, in a very severe manner (based on criteria defined by MSCI or a similar third-party provider), one or more of the ten principles of the Global Compact. The Sub-Fund also applies an exclusion of securities issued by corporate entities that derive more than 5% of their revenues from controversial sectors such as tobacco, nonconventional fossil fuels, gambling and adult entertainment.
- integration - based on a bottom-up issuer analysis process which systematically integrates the ESG considerations.
- engagement – by proactively engaging with entities when the Investment Manager’s ESG analysis has detected a specific issue. The Investment Manager may perform engagement in coordination with other investors. The Investment Manager will also attempt to encourage appropriate disclosure of material information in public reports.

These 3 pillars are further described at the following link: <https://backend.gama-am.ch/wp-content/uploads/fund-documents/GAMA%20-%20ESG%20Process.pdf>.

### ● **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 investment strategy has the following binding elements that are applied on an ongoing basis to the investments to attain environmental or social characteristics:

#### **Exclusions:**

Sector exclusions: Exclusion of companies involved in:

- Research & development, production, trading, storage or testing of controversial weapons or any dedicated and key components, specifically designed for these weapons. In addition, while there is no standard convention on biological and chemical weapons, these ammunitions are also excluded of the scope of investments, given the legitimate concerns on them.
- The Sub-Fund also excludes companies that violate, in a very severe manner (based on criteria defined by MSCI or a similar third-party provider), one or more of the ten principles of the Global Compact.

The Investment Manager will also exclude any companies listed on its own exclusion list available [upon](mailto:info@gama-am.ch) request sent to [info@gama-am.ch](mailto:info@gama-am.ch), to the extent it includes additional exclusions than the ones listed above.

Sector restrictions:

The Investment Manager will seek to restrict the following companies:

- Tobacco: Companies deriving more than 5% of their revenues from either production or the distribution of Tobacco products, including key and dedicated components, or retailing of tobacco products/services.
- Unconventional Oil & Gas: Companies deriving more than 5% of their revenues from any shale gas/oil or tar sands exploration.
- Adult entertainment: Companies deriving more than 5% of their revenues from the adult entertainment business.
- Gambling: Companies deriving more than 5% of their revenues from the gambling business.
- Nuclear Weapons: Companies deriving more than 2% of their revenues from nuclear weapons business.

ESG Rating assessment:

The Investment Manager systematically screen companies with the ESG rating to analyse the direct exposure to each single position. The Investment Manager use external data provider to assess and measure the long-term industry material environmental, social and governance risks of each underlying companies the Sub-Fund is directly exposed to.

Based upon the ESG rating, the Investment Manager adopts a selectivity approach and aim to limit and reduce the companies belonging to the “Laggard” category or with a score deemed equivalent, provided by the leading ESG data providers. The Sub-Fund targets a minimum average ESG rating within or above the third ESG quintile as defined by the Investment Manager. In normal circumstances, the Sub-Fund will not invest more than 10% of its net assets in securities with an ESG rating in the last quintile of the rating scale.

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

Not applicable

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

The restriction to not invest in companies involved in the most severe breaches (based on criteria defined by MSCI or a similar third-party provider) to the UN Global Compact is providing a first assessment of governance practices of the investee companies.

The Investment Manager is further assessing the governance practices, using the Social and Governance underlying indicators related to the UN Global Compact Principles (Human Rights, employee conditions, anti-corruption) and related to the specificities of Family Enterprises (e.g. Nomination Committee structure, Related Party-Transactions).

When feasible and relevant, the Investment Manager may engage with investee companies to promote good governance practices.

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





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

#### Asset allocation

describes the share of investments in specific assets.

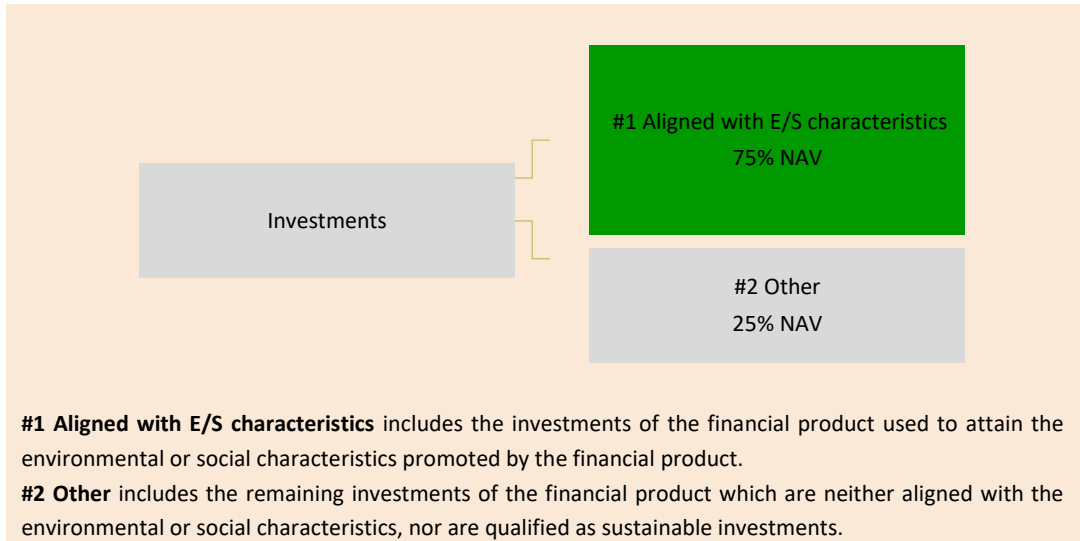
Taxonomy-aligned activities are expressed as a share of:

- **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

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 2035. 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 high greenhouse gas emission levels corresponding to the best performance.



**#1 Aligned with E/S characteristics** includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

**#2 Other** includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The Investment Manager is planning to invest at least 75% of the Sub-Fund’s net assets in investments aligned with E/S characteristics without being qualified as sustainable investments.

The Investment Manager is planning to invest a maximum of 25% of the Sub-Fund’s net assets in investments which will neither be aligned with the environmental or social characteristics, nor qualified as sustainable investments.

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

Derivatives used by the Sub-Fund will not be used to attain the environmental or social characteristics promoted by the Sub-Fund.

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

#### ● Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy<sup>1</sup>?

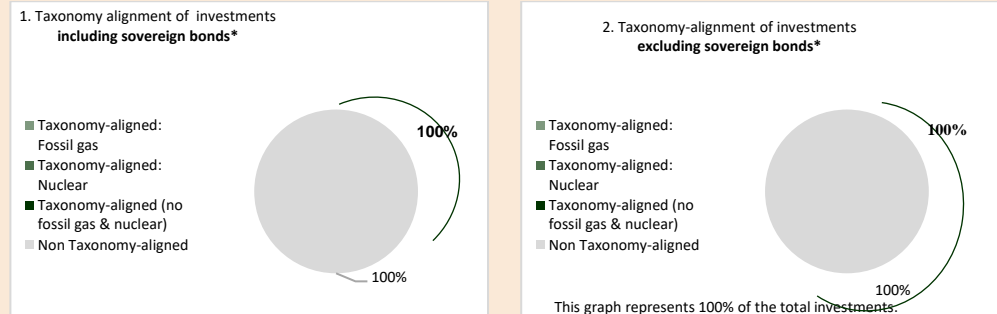
Yes:

In fossil gas       In nuclear energy

No

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

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.

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

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

Not applicable



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

Not applicable



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

Not applicable



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

“#2 Other” can include cash, cash equivalents, financial derivative instruments, and securities for which relevant ESG data is not available.

On securities for which relevant ESG data is not available, minimum safeguards will still apply.



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

No

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

Not applicable

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

Not applicable

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

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

Not applicable

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

Not applicable



**Where can I find more product specific information online?**

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

<https://www.group.pictet/asset-services/>