

# MULTILABEL SICAV

A SICAV UNDER LUXEMBOURG LAW

## PROSPECTUS FOR SWITZERLAND

**GENERAL PART: 1 DECEMBER 2024**

|                 |                  |  |
|-----------------|------------------|--|
| Special Part B  | 10 April 2023    | ARTEMIDE<br>LYRA   |
| Special Part D  | 15 November 2024 | EMCORE GLOBAL CONVERT BOND FUND  |
| Special Part E: | 1 January 2023   | HYBRID BONDS FUNDS<br>ABS SELECTION FUND   |
| Special Part K: | 20 July 2023     | ETICA ESG CONSERVATIVE ALLOCATION<br>ETICA ESG DYNAMIC ALLOCATION<br>ETICA ESG GLOBAL EQUITY |

Subscriptions are only valid if they are based on this prospectus or the Key Investor Information Document in conjunction with the most recent annual report and the most recent semi-annual report where this is published after the annual report.

No information other than that contained in this prospectus or in the Key Investor Information Document may be given.

**TABLE OF CONTENTS**

**I. GENERAL PART**

|   |    |
|---|----|
| 1. Introductory remarks.....  | 5  |
| 2. Organisation and management.....   | 7  |
| 3. Investment objectives and investment policy.....   | 9  |
| 4. Investor profile.....  | 9  |
| 5. Investment limits.....   | 9  |
| 6. Special investment techniques and financial instruments.....   | 14 |
| 6.1. Options on securities.....   | 14 |
| 6.2. Financial futures, swaps and options on financial instruments.....   | 15 |
| 6.3. Efficient Portfolio management – other investment techniques and instruments.....                                    | 16 |
| 6.4. Securities Lending.....  | 16 |
| 6.5. Securities repurchase agreements.....  | 16 |
| 6.6. Management of collateral for OTC derivatives and efficient portfolio management techniques.....                      | 17 |
| 6.7. Techniques and instruments for hedging currency risks.....   | 18 |
| 6.8. Structured products.....   | 18 |
| 6.9. Swaps and other financial derivatives with comparable properties.....  | 18 |
| 6.10. Investments in financial indices pursuant to Article 9 of the Grand Ducal Ordinance of 8 February 2008.....         | 19 |
| 6.11. Special Purpose Acquisition Companies (SPACS).....  | 20 |
| 6.12. Risks associated with the use of derivatives and other special investment techniques and financial instruments..... | 20 |
| 7. Sustainability risks.....  | 23 |
| 7.1. General information.....   | 23 |
| 7.2. Sustainability risks as part of the investment process.....  | 23 |
| 7.2.1. Instrument specific considerations.....  | 23 |
| 7.2.2. Sustainability related data.....   | 24 |
| 7.3. Principal adverse impacts.....   | 24 |
| 8. The Company.....   | 25 |
| 9. Management company and domiciliary agent.....  | 26 |
| 10. Custodian Bank.....   | 26 |
| 11. Principal administrative and paying agent; Registrar and Transfer Agent.....  | 29 |
| 12. General information on investment advisory and/or investment management.....  | 29 |
| 13. Paying Agents and Representatives.....  | 29 |
| 14. Distributors.....   | 30 |
| 15. Co-Management.....  | 30 |
| 16. Description of Shares.....  | 31 |
| 17. Issue of Shares.....  | 32 |
| 18. Redemption of Shares.....   | 35 |
| 19. Switching of Shares.....  | 37 |
| 20. Distributions.....  | 38 |
| 21. Calculation of net asset value.....   | 38 |
| 22. Suspension of calculation of net asset value, and of the issue, redemption and switching of Shares.....               | 39 |
| 23. Fees and costs.....   | 40 |

|  |    |
|--|----|
| 24. Taxation .....   | 41 |
| 24.1. The Company.....   | 41 |
| 24.2. The Shareholders.....  | 42 |
| 24.3. Foreign Account Tax Compliance Act (“FATCA”) of the United States of America (“US”)..... | 43 |
| 25. General meeting of shareholders and reporting.....   | 44 |
| 26. Applicable law, Jurisdiction.....  | 44 |
| 27. Remuneration Policy .....  | 44 |
| 28. Inspection of Documents .....  | 45 |
| 29. Data Protection Information.....   | 46 |
| 30. Additional information for investors in Switzerland.....                                   | 46 |

## II. SPECIAL PARTS

1. Special Part B:      Multilabel SICAV – ARTEMIDE  
                          Multilabel SICAV – LYRA
2. Special Part D:      Multilabel SICAV – EMCORE GLOBAL CONVERT BOND FUND
3. Special Part E:      Multilabel SICAV – HYBRID BONDS FUND  
                          Multilabel SICAV – ABS SELECTION FUND
4. Special Part K:      Multilabel SICAV – ETICA ESG CONSERVATIVE ALLOCATION  
                          Multilabel SICAV – ETICA ESG DYNAMIC ALLOCATION  
                          Multilabel SICAV – ETICA ESG GLOBAL EQUITY

## 1. INTRODUCTORY REMARKS

MULTILABEL SICAV (the “Company”; “MULTILABEL SICAV”) is organised as a “*société d’investissement à capital variable*” (SICAV) on the basis of the valid version of the law of the Grand Duchy of Luxembourg dated August 10, 1915 (“the 1915 Law”), and authorised there as an undertaking for collective investment in transferable securities (UCITS) under part I of the law dated December 17, 2010 (“the 2010 Law”).

The Company has an “umbrella structure”, which allows subfunds (“Subfunds”) to be established which correspond to different investment portfolios and which can be issued in different categories of Shares. The Company is authorised to appoint various specialised financial services providers, to act as investment adviser or investment manager, as applicable, for one or more Subfunds, in each case under the supervision of the Board of Directors (as described in the section “General information on investment advice or investment management”).

This prospectus is divided into a general part (“General Part”), which contains the provisions applicable to all subfunds, and into special parts (“Special Parts”), which describe the individual Subfunds and contain the provisions applicable to each Subfund. The prospectus contains all Subfunds in the Special Parts and is available for inspection by the shareholders at the registered office of the Company. The prospectus can be supplemented or modified at any time. The shareholders are informed about this.

In addition to the General Part and Special Part of the prospectus, a key investor information document will be produced for each share category and be handed to each purchaser before he/she subscribes to Shares (“Key Investor Information Document”). As of the time at which the Key Investor Information Document exists, each purchaser declares by subscribing to the Shares that he/she has received the Key Investor Information Document prior to effecting the subscription.

Under the 2010 Law, the Company is authorised to produce one or more special prospectuses for the distribution of Shares in one or more Subfunds or for one specific country of distribution. The special prospectuses always contain the General Part and the Special Part or Parts applicable in individual cases. Furthermore they contain, as applicable, additional provisions of the country of distribution in which the Subfund or Subfunds concerned are authorised for distribution or are distributed.

The Board of Directors of the Company is authorised to issue investment shares (“Shares”) without par value relating to the Subfunds described in the Special Parts. Distributing and accumulating shares (“Share Category”) can be issued for each Subfund. The Company may in addition issue Share Categories with differing minimum subscription amounts, distribution modalities and fee structures. The Share Categories issued in each case for the individual Subfunds are described in the respective Special Part of the corresponding Subfund. The Company can restrict distribution of the Shares of certain Subfunds or Share Categories to certain countries. Furthermore the above-mentioned Share Categories can be established in different currencies.

Shares will be issued at prices that are expressed in the currency of the relevant Subfund or in the currency of the relevant Share Category. A sales fee may be charged – as described in the Special Parts. The subscription period and the subscription conditions for initial issue of each Subfund are detailed in the relevant Special Part.

The Company may issue Shares in new, additional Subfunds at any time. The prospectus and, if applicable, the relevant special prospectuses, will be supplemented accordingly.

Shares may be redeemed at a price described in the section “Redemption of Shares”.

**Subscriptions are only accepted on the basis of the valid prospectus or the valid Key Investor Information Document in conjunction with (i) the most recent annual report of the Company or (ii) the most recent semi-annual report where this is published after the annual report.**

Shares are offered on the basis of the information and descriptions of this prospectus and the Key Investor Information Document and the documents mentioned in it. Other information or descriptions by any persons whomsoever must be deemed inadmissible.

This prospectus, the Key Investor Information Document and any special prospectuses do not constitute an offer or advertisement in those jurisdictions in which such an offer or advertisement is prohibited, or in which persons making such an offer or advertisement are not authorised to do so, or in which the law is infringed if persons receive such an offer or advertisement.

Since the Company's Shares are not registered in the USA under the United States Securities Act of 1933, they may neither be offered nor sold in the USA, including the dependent territories, unless such an offer or such a sale is permitted by way of an exemption from registration under the United States Securities Act of 1933.

In general, Shares in the Company may neither be offered, nor sold, nor transferred to persons engaging in transactions within the scope of any US American defined benefit plan. Exceptions hereto are possible, provided the Board of Directors of the Company has issued a corresponding special authorization for it. In this sense, a "defined benefit pension plan" means any (i) "defined benefit pension plan for employees", within the meaning of Section 3(3) of the US Employee Retirement Income Security Act of 1974, as amended ("ERISA") that is subject to the provisions of Part 4 of Title I of ERISA, (ii) individual retirement account, Keogh Plan or other plan described in Section 4975(e)(1) of the US Internal Revenue Code of 1986, as amended, (iii) entity whose underlying assets include "plan assets" by reason of 25% or more of any class of equity interest in the entity being held by plans described in (i) and (ii) above, or (iv) other entity (such as segregated or common accounts of an insurance company, a corporate group or a common trust) whose underlying assets include "plan assets" by reason of an investment in the entity by plans described in (i) and (ii) above. Should investors participating in a defined benefit pension plan hold more than 25% of a share category, the company's assets shall be considered, in accordance with ERISA, "plan assets", which could have an adverse effect on the Company and its shareholders. In this case, the Company may, if appropriate, require the compulsory redemption of the Shares affected.

**Potential purchasers of Shares are responsible for obtaining information on the relevant foreign-exchange regulations and on the legal and tax regulations applicable to them.**

The information in this prospectus and in every special prospectus complies with the current law and practices of the Grand Duchy of Luxembourg, and as such is subject to alterations.

In this prospectus, figures in "Swiss Francs" or "CHF" refer to the currency of Switzerland; "US Dollars" or "USD" to the currency of the United States of America; "Euro" or "EUR" to the currency of the European Economic and Monetary Union; "£ Sterling" or "GBP" to the currency of Great Britain; "Japanese yen" or "JPY" to the currency of Japan; "Singapore dollar" or "SGD" to the currency of Singapore.

The individual Share Categories can be quoted on the Luxembourg Stock Exchange.

## 2. ORGANISATION AND MANAGEMENT

The Company has its registered office at 3, rue Jean Piret, L-2350 Luxembourg.

### BOARD OF DIRECTORS OF THE COMPANY

#### CHAIR

Amélie Nakano                      Carne Group

#### MEMBERS

Hermann Beythan                  Partner, Linklaters LLP, Luxembourg

Jean-Michel Loehr                  Independent Director, Luxembourg

Martin Jürg Peter                  Carne Group

Adrian Rennie                      Carne Group

### MANAGEMENT COMPANY AND DOMICILIARY AGENT

Carne Global Fund Managers (Luxembourg) S.A., 3, rue Jean Piret, L-2350 Luxembourg, Grand Duchy of Luxembourg

### BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

#### CHAIR

John Alldis                          Chair, Carne Group

#### MEMBERS

Veronica Buffoni                  Director, Carne Group

Glenn Thorpe                      Director, Carne Group

Anouk Agnes                      Director – Independent Director

Jaqueline Ann O'Connor        Director – Independent Director

### MANAGING DIRECTORS OF THE MANAGEMENT COMPANY

Christophe Douche                Conducting Officer Risk Management

Cord Rodewald                    Conducting Officer Compliance & AML/CFT

Quentin Gabriel                  Conducting Officer Portfolio Management

Ankit Jain                          Conducting Officer IT & Branch Oversight

Gregory Kayl                      Conducting Officer UCI Administration

Anne-Pascale Feis                Conducting Officer Distribution

N.J. Whelan                      Conducting Officer Finance

Shpresa Miftari                  Conducting Officer Valuation

### CUSTODIAN BANK

### CENTRAL ADMINISTRATION AGENT AND PRINCIPAL PAYING AGENT

### REGISTRAR AND TRANSFER AGENT

State Street Bank International GmbH, Luxembourg Branch, 49, Avenue J.F. Kennedy, L-1855 Luxembourg

### DISTRIBUTORS

The Company or the Management Company has appointed distributors and may appoint further distributors, to sell the Shares in the various national legal systems.

**AUDITOR OF THE ANNUAL FINANCIAL STATEMENTS**

PricewaterhouseCoopers Soc. Coop, 2, rue Gerhard Mercator B.P. 1443, L-1014 Luxemburg, has been appointed as auditor of the annual financial statements of the Company.

**LEGAL ADVISER**

Linklaters LLP, 35, Avenue John F. Kennedy, L-1855 Luxembourg, is the legal adviser to the Company in Luxembourg.

**SUPERVISORY AUTHORITY**

Commission de Surveillance du Secteur Financier ("CSSF"), 283 route d'Arlon, L-1150 Luxembourg

Further information and documents on the Company and the individual Subfunds may also be consulted on the website [www.carnegroup.com](http://www.carnegroup.com), on which investors can also find a form for submitting complaints.

Additional details about the organisation of the individual Subfunds may be provided in the relevant Special Part.



### 3. INVESTMENT OBJECTIVES AND INVESTMENT POLICY

The investment objectives of the Board of Directors in relation to each individual Subfund are described in the Special Part under "Investment objectives and investment policy".

Where mention is made in this prospectus, particularly in the Special Parts thereof, of "recognised countries", the term "recognised country" means a Member State of the Organisation for Economic Cooperation and Development ("OECD"), and all other countries of Europe, North and South America, Africa, Asia and the Pacific Rim (hereinafter "recognised country").

Furthermore in order to pursue the investment objectives, the Subfunds will, in the context of the guidelines and limits established according to Luxembourg law, use the investment techniques and financial instruments described below in the section "**Special investment techniques and financial instruments**".

**Although the Company endeavours to the best of its ability to achieve the investment objectives of the individual Subfunds, no guarantee can be given as to the extent to which the investment objectives will be achieved. As a result, the net asset values of the Shares may become greater or smaller, and different levels of positive or also negative income may be earned.**

The performance of the individual Subfunds is given in the Key Investor Information Document.

### 4. INVESTOR PROFILE

The investor profile of the individual Subfunds is described in the respective Special Part of the prospectus.

### 5. INVESTMENT LIMITS

#### 1. INVESTMENTS IN SECURITIES, MONEY-MARKET INSTRUMENTS, DEPOSITS AND DERIVATIVES

These investments comprise:

- (a) Transferable securities and money market instruments:
  - which are listed or traded on a regulated market (within the meaning of Directive 2004/39/EC);
  - which are traded on another regulated market in a member state of the European Union ("EU") which is recognised, open to the public and operates regularly;
  - which are officially listed on a securities exchange of a third country or are traded on another regulated market of a third country which is recognised, open to the public and operates regularly;
  - resulting from new issues, provided the terms of issue contain an undertaking to apply for official listing on a securities exchange or another regulated market which is recognised, open to the public and operates regularly, and that the listing will be obtained within one year of the issue.
- (b) Sight deposits or deposits repayable on demand maturing in no more than 12 months with qualified banking institutions whose registered office is located in a member state of the EU or in a member state of the OECD or in a country that has ratified the resolutions of the Financial Action Task Force ("FATF" or Groupe d'Action Financière Internationale "GAFI") ("Qualified Banking Institution").
- (c) Derivatives, including equivalent cash-settled instruments, which are traded on a regulated market as specified in (a), first, second and third indent, and/or "over the counter" (OTC) derivatives provided that:
  - the underlying securities are instruments as defined by Article 41 paragraph 1 of the 2010 Law or are financial indices, interest rates, foreign exchange rates or currencies in which the Subfund may invest according to its investment objectives;
  - the counterparties in transactions with OTC derivatives are institutions subject to supervision belonging to the categories approved by the Commission de Surveillance du Secteur Financier (CSSF); and

- the OTC 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 the initiative of the Company at their fair market value.
- (d) Shares in UCITS authorised in accordance with Directive 2009/65/EEC and/or other UCIs within the meaning of Article 1 paragraph (2), first and second indent of Directive 2009/65/EC having their registered office in a member state of the European Union or a non-EU state, provided that
- such other UCIs are authorised in accordance with legal requirements which subject them to official supervision considered by the CSSF to be equivalent to that under the EU Community law and that there is sufficient guarantee of cooperation between the authorities;
  - the level of protection for unitholders of such other UCIs is equivalent to the level of protection for unitholders of a UCITS and in particular that the requirements for segregated custody of the fund's assets, for borrowing, lending and uncovered sales of transferable securities and money-market instruments are equivalent to the requirements of Directive 2009/65/EEC;
  - semi-annual and annual reports are issued on the business activities of the other UCIs so as to enable an assessment to be made of the assets and liabilities, income and operations over the reporting period;
  - the UCITS or this other UCI, whose units are to be acquired may, according to its constitutional documents, invest in total no more than 10% of its net asset value in units of other UCITS or other UCIs.

If the Company purchases units in other UCITS and/or other UCIs which are managed directly or indirectly by the same Management Company or by another company to which the Management Company is linked through common management or control or through a significant direct or indirect shareholding, the Management Company or the other company may not charge the Company any fees for subscription or redemption of Shares in other UCITS and/or UCIs.

A Subfund may invest in other Subfunds of the Company, subject to the prerequisites laid down in Article 181 paragraph 8 of the 2010 Law.

- (e) Money-market instruments which are not traded on a regulated market and come under the definition of Article 1 of the 2010 Law, provided the issuer of these instruments is itself subject to regulations governing the protection of deposits and investors, and provided that:
- they are issued or guaranteed by a central governmental, regional or local authority or the central bank of an EU member state, by the European Central Bank, the EU or the European Investment Bank, a non-EU state or, in the case of a Federal State, one of the states making up the federation, or by a public-law international institution to which at least one EU member state belongs; or
  - they are issued by an undertaking whose securities are traded on the regulated markets referred to in 1. (a); or
  - they are issued or guaranteed by an institution subject to supervision in accordance with the criteria defined by EU Community law, or by an institution which is subject to and complies with supervisory regulations which in the opinion of the CSSF are at least as stringent as those under EU Community law; or
  - they are issued by other issuers belonging to a category approved by the CSSF provided that investments in such instruments are subject to investor protection regulations which are equivalent to those of the first, second or third indent and provided the issuers are either a company with equity capital and reserves of at least ten (10) million Euro which draws up and publishes its annual financial statements in accordance with the provisions of the 4th Directive 78/660/EEC, or an entity within a group comprising one or more companies listed on an official stock exchange which is responsible for the financing of that group, or is an entity which is responsible for the financing of securitisation vehicles which benefit from a banking liquidity line.

- (f) However:

- the Company may invest no more than 10% of the net asset value of each Subfund in transferable securities and money-market instruments other than those referred to in (a) to (e);
- the Company may not acquire precious metals or certificates representing them.

The Company may hold liquid assets in an ancillary capacity.

**2. INVESTMENT RESTRICTIONS**

- (a) The Company may invest not more than 10% of the net asset value of each Subfund in transferable securities or money-market instruments of one and the same issuer. The Company may invest not more than 20% of the net asset value of each Subfund in deposits made with one and the same institution.

The risk of default in OTC-derivatives transactions conducted by the Company must not exceed the following percentages:

- 10% of the net asset value of each Subfund when the counterparty is a qualified banking institution;
- and otherwise 5% of the net asset value of each Subfund.

In the case of non-sophisticated UCITS, the aggregate risk exposure relating to derivative financial instruments is determined by using the commitment approach and in the case of complex UCITS by means of a model-based approach (*Value-at-risk* model) which takes into account all general and specific market risks that can lead to a non-negligible change in the value of the portfolio. If a Subfund uses a value-at-risk (VaR) method to calculate its aggregate risk, the calculation of the VaR is based on a 99% confidence interval. The holding period corresponds to one month (20 days) for the purpose of calculating the aggregate risk.

The calculation of the aggregate risk is done for the respective Subfund, either using the Commitment Approach or according to the VaR model (absolute or relative VaR with the corresponding benchmark) as listed in the table below.

| SUBFUND                           | RELATIVE VAR /<br>ABSOLUTE VAR /<br>COMMITMENT | BENCHMARK USED TO<br>CALCULATE THE RISK<br>EXPOSURE (ONLY IN THE<br>CASE OF RELATIVE VAR) |
|-----------------------------------|--|---|
| ABS SELECTION FUND                | Commitment                                     | n/a   |
| ARTEMIDE                          | Commitment                                     | n/a   |
| EMCORE GLOBAL CONVERT BOND FUND   | Commitment                                     | n/a   |
| ETICA ESG CONSERVATIVE ALLOCATION | Commitment                                     | n/a   |
| ETICA ESG DYNAMIC ALLOCATION      | Commitment                                     | n/a   |
| ETICA ESG GLOBAL EQUITY           | Commitment                                     | n/a   |
| HYBRID BONDS FUND                 | Commitment                                     | n/a   |
| LYRA                              | Commitment                                     | n/a   |

The aggregate risk of the underlying instruments must not exceed the investment limits set out in paragraphs (a) to (f). The underlying instruments of index-based derivatives do not have to be taken into account when calculating these investment limits. If a derivative is embedded in a transferable security or a money-market instrument, it must be taken into account for the purpose of the provisions of this section.

- (b) The total value of the issuers' securities and money-market instruments in which a Subfund invests more than 5% of its net asset value must not exceed 40% of its net asset value. This limitation does not apply to deposits or OTC derivative transactions made with financial institutions subject to official supervision.
- (c) Irrespective of the individual maximum limits under (a), a Subfund may invest not more than 20% of its net asset value with one and the same institution in a combination of:
- transferable securities or money-market instruments issued by this institution and/or deposits made with this institution and/or
  - OTC derivatives acquired from this institution.

- (d) The upper limit stated in (a), first sentence, is raised to 35% if the transferable securities or money-market instruments are issued or guaranteed by an EU member state or by its public local or regional authorities, by a non-EU state or by public-law international institutions of which at least one EU member state is a member.
- (e) The upper limit stated in (a), first sentence, is raised to 25% for certain debt securities when they are issued by a banking institution having its registered office in an EU member state and which is subject, by law, to special official supervision designed to protect the holders of these debt securities. In particular, the income deriving from the issue of these debt securities must be invested in conformity with the legal regulations in assets which, during the whole term of the debt securities, sufficiently cover the liabilities resulting therefrom and which are intended to be used on a priority basis for repayment of the principal and interest that would be due in the event of default by the issuer.

If a Subfund invests more than 5% of its net asset value in the debt securities referred to in the above paragraph and which are issued by a single issuer, the total value of such investments may not exceed 80% of the net asset value of the Subfund concerned.

- (f) The transferable securities and money-market instruments mentioned in (d) and (e) are not taken into account when applying the investment limit of 40% laid down in (b).

The limits stated in (a) to (e) may not be combined; therefore investments made in accordance with (a) to (e) in transferable securities or money-market instruments of one and the same issuer or in deposits with said issuer or in derivatives of that issuer may under no circumstances exceed 35% of the net asset value of a Subfund.

Companies which belong to the same group of companies for the purpose of drawing up the consolidated accounts as defined in the Directive 83/349/EEC or in accordance with recognised international accounting rules are to be regarded as a single issuer for the purpose of calculating the above-mentioned investment limits.

The investments made by a Subfund in transferable securities and money-market instruments of one and the same group of companies may cumulatively not exceed 20% of its net asset value, subject to the proviso of paragraph (e) above.

- (g) **Notwithstanding paragraphs (a) to (f), the Company is authorised, in accordance with the principle of risk spreading, to invest up to 100% of the net asset value of a Subfund in securities and money-market instruments of different issues, which are issued or guaranteed by an EU member state or by its local or regional authorities, by an OECD member state or by public-law international organisations of which one or more EU member states is a member, but subject to the proviso that the Subfund must hold securities and money-market instruments of at least six different issues, whereby the securities and money-market instruments of a single issue may not account for more than 30% of the net asset value of the Subfund concerned.**

- (h) Without prejudice to the investment limits laid down in paragraph (j), the upper limit laid down in paragraph (a) for investments in Shares and/or debt securities issued by one and the same issuer may be raised to a maximum of 20% when the investment strategy of a Subfund is to replicate a particular stock or debt securities index recognised by the CSSF; the prerequisite for this is that:

- the composition of the index is sufficiently diversified;
- the index represents an adequate benchmark for the market to which it relates;
- the index is published in an appropriate manner.

The limit laid down in the previous paragraph is raised to 35% where this is justified by exceptional market conditions, in particular in regulated markets in which certain transferable securities or money-market instruments are highly predominant. An investment up to this upper limit is permitted only for a single issuer.

- (i) A Subfund may acquire units of target funds as defined in section 5.1 (d) above, up to a maximum of 10% of its net asset value if no investments in target funds beyond this limit are permitted in the relevant Special

Part of the prospectus. If a Special Part of the prospectus permits investments in target funds for more than 10% of the net asset value of a Subfund, the Subfund may not, however

- invest more than 20% of its net asset value in one and the same target fund; and
- invest more than 30% of its net asset value in units of target funds that are not UCITS.

When applying these investment limits, each Subfund of a target fund is to be regarded as an independent issuer.

(j)

(A) The Company or the Management Company, acting in connection with all of the investment funds which it manages and which qualify as UCITS, may not acquire any Shares carrying voting rights which would enable it to exercise significant influence over the management of an issuer.

(B) Moreover, the Company may acquire no more than:

- 10% of the non-voting Shares of one and the same issuer;
- 10% of the debt securities of one and the same issuer;
- 25% of the units of one and the same target fund;
- 10% of the money-market instruments of one and the same issuer.

The limits laid down in the second, third and fourth indents may be disregarded at the time of acquisition if at that time the gross amount of debt securities or money-market instruments or the net amount of the outstanding Shares cannot be calculated.

Paragraphs (A) and (B) shall not apply:

- to transferable securities and money-market instruments issued or guaranteed by an EU member state or its local or regional authorities;
- to transferable securities and money-market instruments issued or guaranteed by a non-EU state;
- to transferable securities and money-market instruments issued by public-law international organisations of which one or more EU member states are members;
- to Shares held by the Company in the capital of a company incorporated in a non-EU state which invests its assets mainly in securities of issuers having their registered office in that state, if under the legislation of that state, such a shareholding is the only way in which the Company can invest in the securities of issuers of that state. However, this derogation shall only apply if the investment policy of the company from the non-EU state does not exceed the limits laid down in (a) to (f) and (i) and (j) (A) and (B). Where the limits set in (a) to (f) and (i) are exceeded, (k) shall apply mutatis mutandis.
- to Shares held by the Company alone or by the Company and other UCIs in the capital of subsidiaries which carry out certain administrative, advisory or marketing activities in the country in which the subsidiary is located solely and exclusively on behalf of this/these company/companies, with regard to the redemption of Shares at the investors' request.

(k)

(A) The Company need not comply with the investment limits laid down here when exercising subscription rights attaching to transferable securities or money-market instruments which form part of its assets. Without prejudice to its obligation to comply with the principle of risk spreading, each Subfund may derogate from the rules set out in paragraphs (a) to (h) for a period of six months following the date of its admission.

(B) If the Company exceeds the limits referred to in paragraph (A) unintentionally or as a result of exercising subscription rights, its priority objective when conducting asset sales transactions must be to seek to remedy the situation, taking due account of its shareholders' interests.

(l)

- (A) The Company may not borrow. However, the Company may acquire foreign currency by means of a "back-to-back" loan.
- (B) By way of derogation from paragraph (A), the Company may for each Subfund (i) borrow up to 10% of its net asset value provided that the borrowing is on a short-term basis, and (ii) borrow the equivalent of up to 10% of its net asset value provided that the borrowing is to make possible the acquisition of real estate essential for the direct exercise of its business; under no circumstances may such borrowings and those referred to in (i) together exceed 15% of the net asset value concerned.
- (m) The Company and the custodian bank may not grant loans or act as guarantor for third parties for the account of the Subfund, without prejudice to application of points (a) to (e) under point 1. This shall not prevent the Company from acquiring not yet fully paid-up transferable securities, money-market instruments or units of target funds or financial instruments referred to in (c) and (e) under point 1 which are not yet fully paid up.
- (n) The Company and the custodian bank may not conduct any uncovered sales of transferable securities, money-market instruments, units of target funds or financial instruments referred to in (c) and (e) under point 1 for the account of the Subfunds.
- (o) The Company may hold liquid assets up to 20% of the total assets of the relevant Subfund. These additional liquid assets are limited to demand deposits, such as cash, which are held in the current bank accounts of the respective Subfund and are available at all times. The 20% limit may only be exceeded temporarily for an absolutely necessary period if circumstances so require due to exceptionally unfavourable market conditions (e.g. wars, terrorist attacks, health crises or other similar events) and if such an excess is justified taking into account the best interests of the investors.

All Subfunds of the Company may invest for liquidity purposes in liquid assets, i.e. money market instruments as defined in this section as well as money market funds and overnight deposits.

### **3. FURTHER INVESTMENT GUIDELINES**

- (a) The Company will not invest in securities which entail unlimited liability.
- (b) The fund's assets must not be invested in real estate, precious metals or precious metal contracts where physical delivery may be required.
- (c) The Company can implement further investment restrictions in order to comply with the requirements in the countries in which Shares will be offered for sale.

## **6. SPECIAL INVESTMENT TECHNIQUES AND FINANCIAL INSTRUMENTS**

In the interests of efficient management or for hedging purposes, the Company may make use of the following investment techniques and financial instruments for each Subfund. It may also use derivatives for investment purposes if appropriate provision is made for this in the Special Part of the prospectus. It must at all times comply with the investment restrictions laid down in Part I of the 2010 Law and in the section "Investment limits" in this prospectus, and must in particular take account of the fact that the securities which underlie derivatives and structured products used by each Subfund (underlying securities) have to be included in the calculation of the investment limits stated in the previous section. When using special investment techniques and financial instruments, the Company will at all times observe the requirements of regulation 10-04 of the CSSF and the Luxembourg regulations issued periodically. The Company will also take into account the requirement to maintain an appropriate level of liquidity in respect of each Subfund when employing special investment techniques and financial instruments (particularly derivatives and structured products).

### **6.1. OPTIONS ON SECURITIES**

The Company may, for each Subfund and regarding the permitted investments, buy and sell both call and put options provided that they are traded on a regulated market, or buy and sell over-the-counter options (OTC), provided the counterparties in such transactions are first-class financial institutions specialising in transactions of this kind.

**6.2. FINANCIAL FUTURES, SWAPS AND OPTIONS ON FINANCIAL INSTRUMENTS**

Subject to the exceptions mentioned below, futures and options on financial instruments are in principle limited to contracts traded on a regulated market. OTC derivatives may only be concluded if the counterparties in such transactions are first-class financial institutions which specialise in transactions of this kind.

**a) Hedges against market risks and risks connected with stock market performance**

For the purpose of hedging against poor market performance, the Company may, for each Subfund, sell futures contracts and call options on share price indices, bond market indices or other indices or financial instruments, or buy put options on share price indices, bond market indices or other indices or financial instruments or enter into swaps in which the payments between the Company and the counterparty depend on the performance of certain share price indices, bond market indices or other indices or financial instruments.

Since these purchase and sale transactions are conducted for hedging purposes, there must be a sufficient correlation between the composition of the securities portfolio to be hedged and that of the share price index employed.

**b) Hedges against interest-rate risks**

For the purpose of hedging against the risks connected with changes in interest rates, the Company may, for each Subfund, sell interest rate futures and call options on interest rates, or buy put options on interest rates and enter into interest-rate swaps, forward rate agreements and options on interest-rate swaps (swaptions) with first-rate financial institutions specialising in transactions of this kind, as part of OTC transactions.

**c) Hedges against inflation risks**

For the purpose of hedging against risks resulting from an unexpected acceleration of inflation, the Company may, for each Subfund, conclude so-called inflation swaps with first-rate financial institutions specialising in this type of transaction, as part of OTC transactions, or make use of other instruments to hedge against inflation.

**d) Hedges against credit default risk and the risk of a deterioration in a borrower's credit rating**

For the purpose of hedging against credit default risk and/or the risk of losses owing to a deterioration in the borrower's credit rating, the Company may, for each Subfund, engage in credit options, credit spread swaps ("CSS"), credit default swaps ("CDS"), CDS (index) baskets, credit-linked total return swaps and similar credit derivatives with first-class financial institutions specialising in transactions of this kind as part of OTC transactions.

**e) Non-hedging transactions ("active management")**

The Company may buy and sell forward contracts and options on all types of financial instrument for each Subfund.

The Company can also enter into interest-rate and credit swaps (interest rate swaps, credit spread swaps ("CSS"), credit default swaps ("CDS"), CDS (index) baskets, etc.), inflation swaps, options on interest rate and credit swaps (swaptions), but also swaps, options or other transactions in financial derivatives in which the Company and the counterparty agree to swap performance and/or income (total return swaps, etc.) for each Subfund. This also comprises so-called contracts for difference ("Contracts for difference", "CFD"). A Contract for difference is a contract between two parties - the buyer and the seller - which stipulates that the seller will pay the buyer the difference between the current value of an asset (a security, instrument, basket of securities or index) and its value at the end of the term of the contract. If the difference is negative, the buyer owes the seller the (corresponding) payment. Contracts for difference allow Subfunds to take synthetic long or short positions with a variable collateral provision, where - unlike with futures contracts - the maturity date and the size of the contract are not fixed. The counterparties must be first-rate financial institutions which specialise in such transactions.

**f) Securities forward settlement transactions**

In the interests of efficient management or for hedging purposes, the Company may conclude forward transactions with broker/dealers who act as market makers in such transactions, provided they are first-class financial institutions specialising in this type of transaction and participate in the OTC markets. The transactions in question involve the purchase or sale of securities at their current price; delivery and settlement then take place on a later date that is fixed in advance.

Within an appropriate period in advance of the transaction settlement date, the Company can agree with the broker/dealer concerned either that the securities be sold back to the broker/dealer or that they be bought back

by it, or that the time-limit be extended for a further period, with all profits or losses realised on the transaction being paid to the broker/dealer or being paid by the latter to the Company. However, the Company concludes purchase transactions with the intention of acquiring the securities in question.

The Company may pay the normal charges contained in the price of the securities to the broker/dealer concerned in order to finance the costs incurred by the broker/dealer owing to the later settlement.

### **6.3. EFFICIENT PORTFOLIO MANAGEMENT – OTHER INVESTMENT TECHNIQUES AND INSTRUMENTS**

In addition to investments in derivative financial instruments, the Company may also make use of other investment techniques and instruments based on securities and money market instruments pursuant to the terms of the CSSF Circular 08/356 (as last amended and any replacement circular) and the Guidelines of the European Securities and Markets Authority ESMA/2012/832, as implemented in Luxembourg by the CSSF Circular 13/559 (as last amended by the CSSF Circular 14/592), as well as any other guidelines introduced in this regard.

Investment techniques and instruments based on securities and money market instruments that are used for the purposes of efficient portfolio management, including financial derivatives that are not used for direct investment purposes, shall fulfil the following criteria:

- a) they are economically appropriate in that they are used cost-effectively;
- b) they are used with one or more of the following specific aims:
  - i. To reduce risk;
  - ii. To cut costs;
  - iii. Generation of additional capital or revenue for the Company, associated with a risk that is compatible with the risk profile of the Company and the relevant Subfunds of the Company and with the applicable rules on risk diversification;
- c) their risks are appropriately captured by the Company's risk management process; and
- d) they may not result in any change to the Subfund's declared investment objective or be associated with any substantial supplementary risks compared with the general risk strategy as described in the prospectus or the key investor information.

Potential techniques and instruments for efficient portfolio management are detailed below and are subject to the conditions described below.

Moreover, such transactions may be entered into for 100% of the assets held by the Subfund concerned provided that (i) their scope remains appropriate or the Company is entitled to recall the securities that have been lent so that it is always in a position to meet its redemption obligations and (ii) such transactions do not jeopardise the management of the Company's assets in line with the investment policy of the Subfund concerned. Risk monitoring must be carried out in line with the Company's risk management process.

Efficient portfolio management may possibly have a negative impact on the return for shareholders.

Efficient portfolio management may lead to direct and indirect operational costs that are deducted from the revenue. These costs shall not include hidden charges.

Care shall also be taken to ensure that no conflicts of interest are created to the detriment of investors as a result of efficient portfolio management techniques being applied.

### **6.4. SECURITIES LENDING**

At the time of preparation of this Prospectus, none of the Company's Subfunds were invested in securities lending, in accordance with Regulation (EU) 2015/2365 on the transparency of securities financing transactions and with Regulation (EU) No 648/2012 in its original and subsequent amended versions. Should this change in future, the Prospectus will be amended accordingly at the time of the next submission.

### **6.5. SECURITIES REPURCHASE AGREEMENTS**

At the time of preparation of this Prospectus, none of the Company's Subfunds were invested in securities repurchase agreements, in accordance with Regulation (EU) 2015/2365 on the transparency of securities



financing transactions and with Regulation (EU) No 648/2012 in its original and subsequent amended versions. Should this change in future, the Prospectus will be amended accordingly at the time of the next submission.

#### **6.6. MANAGEMENT OF COLLATERAL FOR OTC DERIVATIVES AND EFFICIENT PORTFOLIO MANAGEMENT TECHNIQUES**

The following provisions are in line with the requirements of the Guidelines of the European Securities and Markets Authority ESMA/2012/832, which may be amended in future.

1. Collateral received ("collateral") in connection with OTC derivative transactions and efficient portfolio management techniques must at all times fulfil all of the following criteria:
  - (a) **LIQUIDITY:** Any collateral received other than cash should be highly liquid and traded on a regulated market or multilateral trading facility with transparent pricing in order that it can be sold quickly at a price that is close to pre-sale valuation. Collateral received should also comply with the provisions of Article 48 of the Law of 2010.
  - (b) **VALUATION:** Collateral received should be able to be valued on a daily basis, and assets that exhibit high price volatility should not be accepted as collateral unless suitably conservative haircuts are in place.
  - (c) **ISSUER CREDIT QUALITY:** Collateral received should have a high credit rating.
  - (d) **CORRELATION:** The collateral must be issued by an entity that is independent from the counterparty and is expected not to display a high correlation with the performance of the counterparty.
  - (e) **DIVERSIFICATION:** Collateral should be sufficiently diversified in terms of countries, markets and issuers. The criteria of sufficient diversification in terms of the concentration of the issuers is deemed to be fulfilled when a Subfund receives from the counterparty a collateral basket, in which the maximum exposure towards a particular issuer does not exceed 20%. When a Subfund is exposed to different counterparties, the different baskets of collateral should be aggregated to calculate the 20% limit of exposure to a single issuer.

By way of derogation from this sub-paragraph, the Subfunds may be fully collateralised in different transferable securities and money market instruments issued or guaranteed by a Member State, one or more of its local authorities, a third country, or a public international body to which one or more Member States belong. Such Subfunds should receive securities from at least six different issues, but securities from any single issue should not account for more than 30% of the Subfund's net asset value. Subfunds that intend to be fully collateralised in securities issued or guaranteed by a Member State should disclose this fact in the respective special part of the prospectus. Subfunds should also identify the Member States, local authorities, or public international bodies issuing or guaranteeing securities which they are able to accept as collateral for more than 20% of their net asset value.
  - (f) **IMMEDIATE AVAILABILITY:** The Company must be able to realise the collateral at any time without reference to the counterparty or requiring the counterparty's approval.
2. Subject to the above criteria, collateral admissible for any Subfund must meet the following requirements:
  - (a) Liquid assets such as cash or short-term bank deposits, money market instruments as defined in Directive 2007/16/EC of 19 March 2007, letters of credit or "pay upon first request" suretyships issued by a first-class credit institution that is not linked to the counterparty;
  - (b) Bonds issued or guaranteed by a member state of the OECD.
3. Where there is a title transfer, the collateral received should be held by the depositary or its representative. For other types of collateral arrangement, the collateral can be held by a third party custodian that is subject to prudential supervision and unrelated to the provider of the collateral.
4. The Company has introduced a haircut strategy for each class of assets received as collateral. A haircut is a deduction from the value of collateral to take account of deterioration in the valuation or in the liquidity profile of the collateral over time. The haircut strategy takes into account the characteristics of the respective assets, including the credit standing of the issuer, price volatility and the outcome of stress tests performed as part of collateral management. Subject to existing transactions with the counterparty

concerned, which may include minimum amounts for the transfer of collateral, the Company intends applying a haircut of 2% to collateral received (as defined in No. 2b), at least corresponding to the counterparty risk.

5. Risks and potential conflicts of interest in conjunction with OTC derivatives and efficient portfolio management
  - (a) Specific risks are associated with OTC derivative transactions, efficient portfolio management and the management of collateral. Further information in this regard is provided in this prospectus in the Section "Risks in conjunction with the use of derivatives and other special investment techniques and financial instruments" and also in the comments on the risks associated with derivatives, counterparty risk and depositary counterparty risk. These risks may expose shareholders to an elevated risk of loss.
  - (b) The combined counterparty risk arising from a transaction with OTC derivatives or techniques for efficient portfolio management may not exceed 10% of the assets of a Subfund if the counterparty is a credit institution based in the EU or in a country in which, according to the Luxembourg supervisory authority, the supervisory system is equivalent to that applicable in the EU. In all other cases this limit is 5%.

#### **6.7. TECHNIQUES AND INSTRUMENTS FOR HEDGING CURRENCY RISKS**

For the purpose of hedging against currency risks the Company may conclude, on a stock exchange or on another regulated market, or in the context of OTC transactions, currency futures contracts, sell currency call options or buy currency put options in order to reduce or completely eliminate *Exposure* to the currency that is deemed to present a risk and to shift into the reference currency or into another of the permissible currencies that is deemed to present less risk for each Subfund.

Currency futures and swaps may be executed by the Company in the open market with first-class financial institutions specialising in transactions of this kind.

#### **6.8. STRUCTURED PRODUCTS**

The Company may use structured products in the interests of efficient management or for hedging purposes for each Subfund. The range of structured products includes in particular credit-linked notes, equity-linked notes, performance-linked notes, index-linked notes and other notes whose performance is linked to basic instruments which are permitted in accordance with Part I of the 2010 Law and the associated implementing regulations. In such transactions, the counterparty must be a first-class financial institution specialising in this type of transaction. Structured products are combinations of other products. Derivatives and/or other investment techniques and instruments may be embedded in structured products. In addition to the risk features of securities, those of derivatives and other investment techniques and instruments therefore also have to be taken into consideration. In general, they are exposed to the risks of the markets or basic instruments underlying them. Depending on the structure, they may be more volatile and thus entail greater risks than direct investments, and there may be a risk of a loss of earnings or even the total loss of the invested capital as a result of price movements on the underlying market or in the basic instrument.

#### **6.9. SWAPS AND OTHER FINANCIAL DERIVATIVES WITH COMPARABLE PROPERTIES**

The Subfunds may invest in total return swaps or other derivatives with comparable properties, which can be defined as follows:

- The underlyings of the total return swaps or other derivatives with comparable properties include in particular individual equities or bonds, baskets of equities or bonds, or financial indices that are permitted in accordance with paragraphs 48-61 of ESMA Guidelines 2012/832. The components of the financial indices include, among others, equities, bonds, derivatives on commodities. The investment policy of the various Subfunds includes further details on the deployment of total return swaps or other derivatives with comparable properties, which may have different underlyings and strategies compared with those described above.
- The counterparties of such transactions are regulated financial institutions with a good credit rating and that specialise in such transactions.

- The failure of a counterparty may have a negative impact on the return for shareholders. The asset manager intends to minimise counterparty performance risk by only selecting counterparties with a good credit rating and by monitoring any changes in those counterparties' ratings. Additionally, these transactions are only concluded on the basis of standardised framework agreements (ISDA with Credit Support Annex; Deutscher Rahmenvertrag with Besicherungsanhang, or similar). The Credit Support Annex or Besicherungsanhang defines the conditions under which collateral is transferred to or received from the counterparty in order to reduce the default risk associated with derivative positions and thus the negative impact on the return for shareholders should a counterparty fail.
- The counterparties in the case of total return swaps or other derivatives with comparable properties have no discretionary power with regard to how the portfolio of a Subfund is composed or managed or with regard to the underlyings of these financial derivatives. Similarly, the counterparty's consent is not required for the execution of such transaction. Any deviation from this principle is detailed further in the Subfund's investment policy.
- Total return swaps or derivatives with comparable properties will be included in the calculation of the investment restrictions.

**REGULATION (EU) 2015 / 2365 ON TRANSPARENCY OF SECURITIES FINANCING TRANSACTIONS AND REUSE AND AMENDING REGULATION (EU) No 648 / 2012**

At the time of the preparation of this prospectus the following Subfunds employed total return swaps (included equity swaps and contracts for difference). The following table sets out the maximum and the expected proportion of the Subfunds' assets under management that could be subject to these instruments. Should this change in future, the Prospectus will be amended accordingly at the time of the next submission.

| SUBFUNDS           | TOTAL RETURN SWAPS (INCLUDING EQUITY SWAPS AND CFD) |                |
|--------------------|---|----------------|
|                    | MAXIMUM VALUE                                       | EXPECTED VALUE |
| ABS SELECTION FUND | 100%  | 30%            |
| ARTEMIDE           | 200%  | 30-50%         |
| HYBRID BONDS FUND  | 100%  | 30%            |
| LYRA               | 200%  | 20-40%         |

The types of assets that can be subject to total return swaps are those where such use is consistent with the investment policy of the relevant Subfund.

All revenues from total return swaps entered into by a Subfund, net of direct and indirect operational costs, will be returned to the relevant Subfund. The identities of the entities to which any direct and indirect costs and fees are paid shall be disclosed in the annual financial statements of the Company and such entities may include the Management Company, the Depositary or entities related to the Depositary. In selecting counterparties to these arrangements, the Investment Manager may take into account whether such costs and fees will be at normal commercial rates.

**6.10. INVESTMENTS IN FINANCIAL INDICES PURSUANT TO ARTICLE 9 OF THE GRAND DUCAL ORDINANCE OF 8 FEBRUARY 2008**

The Company may invest in Derivatives with indices as their underlying, and may increase the diversification limits for an index component pursuant to Article 44 of the Law of 2010.

Diversification limits may be increased in exceptional market circumstances if one or more components of an index occupy a dominant position within a given market, sector or segment. A domination position may be created as a result of special economic or market developments or as a result of market, sector or segment-specific restrictions. Further details in this regard are provided where applicable in the relevant Subfund's investment policy.

The Company shall invest in derivative financial instruments with indices as their underlying that generally include a half-yearly or yearly adjustment of the index composition ("rebalancing frequency"). A distinction should be made between the following cases:

- In the case of derivatives that are traded on a stock market, the rebalancing merely changes the calculation but has no direct or indirect impact on the costs of the corresponding Subfund.
- In the case of OTC derivatives, the counterparty will generally not physically hold the index components but will secure its position primarily using derivative instruments. If transactions take place as a consequence of rebalancing, these should be carried out on very liquid derivative markets so that the impact on the costs of the relevant Subfund is kept low.

In the case of investments in commodity indices, the following rules also apply:

Commodity indices contain a representative balance of commodities taken from the entire commodities universe and represented by futures. This representative and balanced selection of commodities reflects the existence of several commodities. The Company should not invest in commodity indices that do not consist of different commodities. Commodity indices are assessed on the basis of the correlation of various different index components.

#### **6.11. SPECIAL PURPOSE ACQUISITION COMPANIES (SPACS)**

The Company may invest in special purpose acquisition companies ("SPACs"). SPACs are shell companies admitted to trading on a trading venue with the intention of acquiring a business and are often referred to as blank cheque companies. The persons responsible for setting up SPACs are the sponsors, who usually have considerable expertise in one or more sectors of the economy and use SPACs to acquire companies in those sectors.

The structure of SPAC transactions is complex and can vary from transaction to transaction.

Typically, the securities offering will be structured to offer investors either ordinary shares (stocks) or units. Units typically consist of one ordinary share and a fractional warrant; a whole warrant entitles the holder to receive ordinary shares at a specified price.

The life cycle of a SPAC is usually divided into three phases:

1. the first phase is the initial public offering (IPO), in which the SPAC's units or shares and warrants are admitted to trading on a trading venue;
2. the second phase is where SPAC searches for a target company to acquire (usually within 12-24 months); and
3. the third and final phase consists of the business combination (de-SPAC transaction) with the target company, usually through a merger.

After the third phase, SPAC is a normal listed company.

The specific risks associated with SPACs that investors should be aware of before investing in a Subfund are described in more detail in the Special Section of the relevant Subfund.

#### **6.12. RISKS ASSOCIATED WITH THE USE OF DERIVATIVES AND OTHER SPECIAL INVESTMENT TECHNIQUES AND FINANCIAL INSTRUMENTS**

Prudent use of these derivative and other special investment techniques and financial instruments may bring advantages, but does also entail risks which differ from those of the more conventional forms of investment and in some cases may be even greater. The following general outline covers important risk factors and other aspects relating to the use of derivative and other special investment techniques and financial instruments and on which the shareholder should be informed before investing in a Subfund.

- MARKET RISKS: These risks are of general nature and are present in all types of investments; the value of a particular financial instrument may change in a way that can be detrimental to the interests of a Subfund.
- MONITORING AND CONTROL: Derivatives and other special investment techniques and financial instruments are specialised products which require different investment techniques and risk analyses than equities or bonds. The use of derivatives requires not just knowledge of the underlying instrument, but also of the derivative itself, although the performance of the derivative cannot be monitored under all the conceivable market conditions. In particular, the complexity of such products and their use require suitable control mechanisms to be maintained to monitor the transactions conducted and the ability to

assess the risks of such products for a Subfund and to estimate the trends in prices, interest rates and exchange rates.

- LIQUIDITY RISKS: Liquidity risks arise when a certain stock is difficult to acquire or sell. In large-scale transactions or when markets are partially illiquid (e.g. where there are numerous individually agreed instruments) it may not be possible to execute a transaction or close out a position at an advantageous price.
- COUNTERPARTY RISKS: There is a risk that a counterparty will not be able to fulfil its obligations (performance risk) and/or that a contract will be cancelled, e.g. due to bankruptcy, subsequent illegality or a change in the tax or accounting regulations since the conclusion of the OTC derivative contract and/or that the counterparty will fail to meet one of its financial obligations or liabilities towards the Subfund (credit risk). This relates to all counterparties with which derivative transactions are entered into. A direct counterparty risk is associated with trading in non-collateralised derivatives. The respective Subfund can reduce a large proportion of the counterparty risk arising from derivative transactions by demanding that collateral at least in the amount of the commitment be provided by the respective counterparty. If, however, derivatives are not fully collateralised, the failure of the counterparty may cause the Subfund's value to fall. New counterparties are subject to a formal review and all of the approved counterparties are subsequently monitored and reviewed on an ongoing basis. The Company ensures that its counterparty risk and collateral management are actively managed.
- COUNTERPARTY RISK IN RELATION TO DEPOSITARY: The Company's assets are entrusted to the depositary for safekeeping. A note should be entered in the depositary's books highlighting that the assets belong to the Company. The securities held by the depositary should be kept separately from other securities/assets of the depositary, thereby reducing although not completely excluding the risk of non-return in the event of the depositary becoming bankrupt. The shareholders are therefore exposed to the risk of the depositary, should it become bankrupt, being unable to meet its obligation to return all of the Company's assets in full. Additionally, a Subfund's cash stocks held with the depositary may possibly not be kept separately from the depositary's own cash or that of other customers, with the result that the Subfund may not be classed as a privileged creditor in the event of the depositary becoming bankrupt.

The depositary may not hold all of the Company's assets itself but may make use of a network of sub-depositaries, which may not belong to the same corporate group as the depositary. In cases in which the depositary is not liable, shareholders may possibly be exposed to the risk of a sub-depositary becoming bankrupt.

A Subfund may invest in markets in which the deposit and/or settlement systems are not yet fully developed. The assets of the Subfunds traded on these markets and entrusted to these sub-depositaries may possibly be exposed to risk in cases in which the depositary is not liable.

- RISKS ASSOCIATED WITH CREDIT DEFAULT SWAP ("CDS") TRANSACTIONS: The purchase of credit default swap protection allows the Company, on payment of a premium, to protect itself against the risk of default by an issuer. In the event of default by an issuer, settlement can be effected in cash or in kind. In the case of a cash settlement, the purchaser of the CDS protection receives from the seller of the CDS protection the difference between the nominal value and the attainable redemption amount. Where settlement is made in kind, the purchaser of the CDS protection receives the full nominal value from the seller of the CDS protection and in exchange delivers to him the security which is the subject of the default, or an exchange shall be made from a basket of securities. The detailed composition of the basket of securities shall be determined at the time the CDS contract is concluded. The events which constitute a default and the terms of delivery of bonds and debt certificates shall also be defined in the CDS contract. The Company can if necessary resell the CDS protection or restore the credit risk by purchasing call options.

Upon the sale of credit default swap protection, the Subfund incurs a credit risk comparable to the purchase of a bond issued by the same issuer at the same nominal value. In either case, the risk in the event of issuer default is in the amount of the difference between the nominal value and the attainable redemption amount.

Aside from the general counterparty risk (see "Counterparty risks", above), when concluding credit default swap transactions there is also in particular a risk of the counterparty being unable to establish one of the payment obligations which it must fulfil. The different Subfunds which use credit default swaps

will ensure that the counterparties involved in these transactions are carefully selected and that the risk associated with the counterparty is limited and closely monitored.

- RISKS ASSOCIATED WITH CREDIT SPREAD SWAP ("CSS") TRANSACTIONS: Concluding a credit spread swap allows the Company, on payment of a premium, to share the risk of default by an issuer with the counterparty of the transaction concerned. A credit spread swap is based on two different securities with differently rated default risks and normally a different interest rate structure. At maturity, the payment obligations of one or other party to the transaction depend on the different interest rate structures of the two underlying securities.

Aside from the general counterparty risk (see "Counterparty risks" above), when concluding credit spread swap transactions there is also in particular a risk of the counterparty being unable to establish one of the payment obligations which it must fulfil.

- RISKS ASSOCIATED WITH INFLATION SWAP TRANSACTIONS: The purchase of inflation swap protection helps the Company to hedge a portfolio either entirely or partially against an unexpectedly sharp rise in inflation or to derive a relative performance advantage therefrom. For this purpose, a nominal, non-inflation-indexed debt is exchanged for a real claim that is linked to an inflation index. When the transaction is concluded, the inflation expected at this point is accounted for in the price of the contract. If actual inflation turns out to be higher than that expected at the time the transaction was entered into and accounted for in the price of the contract, the purchase of the inflation swap protection results in higher performance; in the opposite instance it results in a lower performance than if the protection had not been purchased. The functioning of the inflation swap protection thus corresponds to that of inflation-indexed bonds in relation to normal nominal bonds. It follows that by combining a normal nominal bond with inflation swap protection it is possible to synthetically construct an inflation-indexed bond.

When selling inflation swap protection, the Subfund enters into an inflation risk which is comparable with the purchase of a normal nominal bond in relation to an inflation-indexed bond: If actual inflation turns out to be lower than that expected at the time the transaction was entered into and accounted for in the price of the contract, the sale of the inflation swap protection results in higher performance; in the opposite instance it results in a lower performance than if the inflation swap protection had not been sold.

Aside from the general counterparty risk (see "Counterparty risks" above), when concluding inflation swap transactions there is also in particular a risk of the counterparty being unable to establish one of the payment obligations which it must fulfil.

- RISKS INVOLVED IN CONTRACTS FOR DIFFERENCE ("CFD"): Unlike with direct investments, in the case of CFDs the buyer may be liable for a considerably higher amount than the amount paid as collateral. The Company will therefore use risk management techniques to ensure that the respective Subfund can sell the necessary assets at any time, so that the resulting payments in connection with redemption applications can be made from redemption proceeds and the Subfund can meet its obligations arising from contracts for difference and other techniques and instruments.
- OTHER RISKS/DERIVATIVES: Other risks involved in the use of derivative and other special investment techniques and financial instruments include the risk that the valuations of financial products will differ as a result of different approved valuation methods (model risks) and the fact that there is no absolute correlation between derivative products and the underlying securities, interest rates, exchange rates and indices. Numerous derivatives, particularly the OTC derivatives, are complex and are frequently open to subjective valuation. Inaccurate valuations can result in higher cash payment obligations to the counterparties or in a loss of value for a Subfund. Derivatives do not always fully reproduce the performance of the securities, interest rates, exchange rates or indices which they are designed to reflect, or only to a large extent. The use of derivative and other special investment techniques and financial instruments by a Subfund may therefore in certain circumstances not always be an effective means of achieving the Subfund's investment objective and may even prove counterproductive. Under certain circumstances, the use of derivatives exposes the Subfunds to higher risks. These risks may take the form of credit risk in relation to counterparties with which a Subfund enters into transactions, performance risk, the risk that the derivatives will not be sufficiently liquid, the risk of a mismatch between the change in value of the derivative and that of the underlying that the corresponding Subfund

is looking to replicate, or the risk of higher transaction costs than would have been incurred from a direct investment in the underlying.

## 7. SUSTAINABILITY RISKS

### 7.1. GENERAL INFORMATION

In accordance with the regulation (EU) 2019/2088 on sustainability-related disclosures in the financial services sector (Sustainable Finance Disclosure Regulation or SFDR), the Management Company and each of the Investment Managers of the Subfunds have implemented sustainability risks of the Subfunds into their investment decisions as set out in this section. NB: For the purposes of this section a sustainability risk 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 prospective investors of any Subfund shall read this section together with the relevant Special Part and note that any Subfund may deviate from these guidelines and such deviations are further clarified in the respective Special Part.

### 7.2. SUSTAINABILITY RISKS AS PART OF THE INVESTMENT PROCESS

Investment Managers of each of the Subfunds have integrated sustainability risk factors as part of their investment process. Integration of sustainability risk assessment to actual investment decisions aims to ensure that the risks are considered similarly than all other risks that are integrated in the investment decision making. Investors shall note that the assessment of sustainability risk does not mean that the investment manager aims to invest in assets that are more sustainable than peers or even avoid investing in assets that may have public concerns about their sustainability. Such integrated assessment shall consider all other parameters used by the investment manager and it can e.g. be deemed that even a recent event or condition may have been overreacted in its market value. Similarly, a holding in an asset subject to such material negative impact does not mean that the asset would need to be liquidated. Furthermore, it is deemed that sustainability risks will similarly be assessed for investments that are deemed to be sustainable, e.g. a 'green bond' will be subject to similar sustainability risks as a non-green bond even where the other one is deemed to be more sustainable.

Investors should note that, if a Subfund (a) promotes environmental or social characteristics or a combination thereof investing in companies that follow good governance practices; or (b) if a Subfund has a sustainable investment as its objective such promotion or objective shall be further detailed in the Special Part of the Subfund.

#### 7.2.1. INSTRUMENT SPECIFIC CONSIDERATIONS

- (i) equity and equity-like instruments such as corporate bonds that are bound to the performance of the company are deemed to be investments that inherently carry highest level of sustainability risks. The market value of an equity instrument will often be affected by environmental, social or governance events or conditions such as natural disasters, global warming, income inequality, anti-consumerism or malicious governance. The Subfunds that invest or may invest heavily in equities will be deemed to have inherently high level of sustainability risks.
- (ii) The market value of fixed-rate corporate bonds or other bonds that are not bound to the performance of the company, will inherently carry same or similar sustainability risks. As such instruments are effectively affected by the foreseen solvency of the company, the risks may be somewhat lower than in direct equity instruments and in some cases the more long-term conditions do not affect the solvency as likely as more sudden events do. The Subfunds that invest heavily in corporate bonds will be deemed to have inherently moderate level of sustainability risks.
- (iii) Government and other sovereign bonds are subject to similar sustainability risks as equities and corporate bonds. While nations and other sovereign issuers are subject to seemingly sudden events, the underlying conditions are often well-known and understood and already priced-in to the market value of such assets. The Subfunds that invest mostly in government and other sovereign bonds will be deemed to have an inherently low level of sustainability risks.
- (iv) currencies, investments in currencies and the currency effect against the base currency of any Subfund, regardless if such risk is hedged or not, shall not be subject to assessment of sustainability risk. The

market value fluctuations of currencies are deemed not to be affected by actions of any specific entity where a materiality threshold could be exceeded by a single event or condition.

- (v) investments where the market value is solely bound to commodities are left outside of sustainability risk assessment. While some commodities may inherently be subject to various sustainability risks, it looks likely that the sustainability risks are either effectively priced-in in the market value of a commodity or there is a lack of generally approved sustainability risk metrics.
- (vi) Investment decisions in bank deposits and ancillary liquid assets will be subject to an assessment of governance events which is an inherent part of the analysis for such instruments where the market value of the asset is bound only or mostly to a counterparty risk were the counterparty fails to fulfill its usually contractually or otherwise predetermined obligations.
- (vii) investments in diversified indices, other UCIs and diversified structured products are generally understood to be instruments where any event or condition in one underlying asset should unlikely have a material impact on the investment due to the diversification. The sustainability risks of such instruments are generally only assessed on a high level e.g. where such instrument has only or mostly underlying assets that would be subject to same conditions or events.
- (viii) sustainability risks derived from financial derivative instruments such as futures, forwards, options, swaps etc. will be assessed based on the underlying of such derivative. Investors shall note that for the purposes of this section, the sustainability risks are only assessed from the point of view of material negative impact. This means that material positive impact will not be assessed. Consequently, it means that any derivative instruments (even where not used purely for hedging purposes) that has a negative correlation to the ultimate underlying asset e.g. short selling will not be subject to a risk assessment where due to negative correlation a negative impact on the value of the underlying asset would not create a negative impact on the market value of the asset.

Notwithstanding anything set out above, investments intended for hedging purposes will not be subject to additional assessment of sustainability risks. The purpose of hedging is to fully or partially hedge against existing risks in the portfolio of the Subfund and should generally not add to sustainability-related risks.

#### **7.2.2. SUSTAINABILITY RELATED DATA**

The Company has chosen not to enforce the investment managers of the Subfunds to use any specific metrics, data or data providers in order to integrate sustainability risk as part of their investment decisions. The prospective investors shall note that while sustainable finance is among the most important recent themes in the field of investment management globally, and companies around the world have largely adopted different feasible, defensible and verifiable practices in order to create public data and control mechanisms in order to verify such data, the quality and availability of the data may still not be comparable with the general quality of more standardised and traditional financial data that is presented in annual financial statements or other financial reports that comply with any accounting standards the reliability of which has been tried and tested for a longer period of time.

More information about the policies on integration of sustainability risks in the investment decision process and information on adverse sustainability impacts is available on the website [funds.gam.com](https://www.funds.gam.com).

#### **7.3. PRINCIPAL ADVERSE IMPACTS**

The investment managers of each of the subfunds do not consider the “principal adverse impacts”, if any, in their investment decisions if not otherwise specifically set out in the Special Part of the subfund. Such impact is subject to the perceived lack of reliable, high-quality data on these factors, which may often prevent the investment managers from being able to decisively conclude the investment decision’s actual or potential adverse impact.



## 8. THE COMPANY

### GENERAL INFORMATION

The Company is organised in the Grand Duchy of Luxembourg as an open-ended investment company (SICAV) under the current version of the 2010 Law. In accordance with Part I of the 2010 Law, the Company is authorised to perform collective investments in securities.

The Company was established on 10<sup>th</sup> November 2009 for an indefinite period

The Company is registered under number B-149.126 in the Luxembourg Companies' register. The articles of association may be consulted and sent out on request. The articles of association were last amended on 25<sup>th</sup> July 2018, as published in the "Mémorial" (nowadays: *Recueil Electronique des Sociétés et Associations* "RESA") in Luxembourg on 24<sup>th</sup> August 2018.

The registered office of the Company is 3, rue Jean Piret, L-2530 Luxembourg.

### MINIMUM CAPITAL

The Company's minimum capital corresponds in Swiss Francs to the equivalent of EUR 1,250,000. If one or more Subfunds are invested in Shares of other Subfunds of the Company, the value of the relevant Shares is not to be taken into account for the purpose of verifying the statutory minimum capital. In the event that the capital of the Company should fall below two-thirds of the minimum capital laid down by law, the Board of Directors of the Company is required to submit the question of liquidation of the Company to a general meeting of shareholders within forty (40) days. The general meeting may resolve the question of liquidation by a simple majority of the shareholders who are present or represented, with no quorum being required.

In the event that the capital of the Company should fall below one quarter of the minimum capital laid down by law, the Board of Directors of the Company is required to submit the question of liquidation of the Company to a general meeting of shareholders which is to be convened within the same time limit. In this case liquidation may be resolved by one quarter of the votes of the shareholders who are present or represented at the general meeting, with no quorum being required.

### LIQUIDATION/MERGER

Under the terms of Articles 450-3 and 1100-2 of the 1915 Law, the Company may be liquidated with the approval of the shareholders. The liquidator is authorised to transfer all assets and liabilities of the Company to a Luxembourg UCITS against the issue of Shares in the receiving UCITS (in proportion to the Shares in the Company in liquidation). Otherwise any liquidation of the Company shall be carried out in accordance with Luxembourg law. Any liquidation proceeds remaining to be distributed to shareholders but that could not be paid to them upon completion of liquidation are deposited with the *Caisse de Consignation* in Luxembourg in favour of the entitled beneficiary or beneficiaries, in accordance with Article 146 of the 2010 Law.

In addition, the Company may decide or propose to liquidate one or more Subfunds or merge one or more Subfunds with another Subfund of the Company or with another UCITS in accordance with Directive 2009/65/EC or with a Subfund within such other UCITS, as stated in greater detail in the section "Redemption of Shares".

### INDEPENDENCE OF THE SUBFUNDS

The Company accepts liability in respect of third parties for the obligations of each Subfund only with the respective assets of the Subfund in question. In dealings among the shareholders each Subfund is also treated as an independent unit and the obligations of each Subfund are assigned to that Subfund in the inventory of assets and liabilities.

### THE BOARD OF DIRECTORS

The Board of Directors of the Company is detailed in the section "Organisation and Management". The Company is managed under the supervision of the Board of Directors.

The articles of association contain no provisions with regard to remuneration (including pensions and other benefits) of the Board of Directors. The expenses of the Board of Directors shall be reimbursed. Remuneration must be approved by the shareholders at the general meeting.

## 9. MANAGEMENT COMPANY AND DOMICILIARY AGENT

The Company is managed by Carne Global Fund Managers (Luxembourg) S.A. (the "Management Company"), a joint stock company ("*société anonyme*") established under the law of the Grand Duchy of Luxembourg with its registered office at 3, rue Jean Piret, L-2350 Luxembourg, Grand Duchy of Luxembourg, registered under number B 148258 in the Luxembourg commercial and companies' register. The Management Company was established on 17 September 2009 as a *société anonyme* under Luxembourg law, supervised by the CSSF and approved as a management company in accordance with Section 15 of the 2010 Law. The capital stock of the Management Company amounts to six hundred and twenty-five thousand euro (EUR 625,000), divided into six thousand two hundred and fifty (6250) fully paid shares, each with a par value of one hundred euro (EUR 100.00). The capital stock is held by Carne Global Fund Managers (Ireland) Ltd.

The Management Company is responsible for carrying out portfolio management, risk management, management, marketing and distribution services relating to all Subfunds on a daily basis under the supervision of the Board of Directors and can delegate these tasks entirely or in part to third parties.

The Management Company also acts as the management company for other investment funds. The names of these other funds are available upon request. The Management Company has been authorised by the Company to delegate certain management, distribution and portfolio management functions to specialised service providers.

The Management Company shall continuously monitor the activities of the third parties to which it has delegated tasks. The agreements made between the Management Company and the relevant third parties specify that the Management Company can issue further instructions to these third parties and that it may withdraw their mandate at any time with immediate effect if this is in the interests of the shareholders of the Company. The liability of the Management Company to the Company remains unaffected by the fact that it has delegated certain tasks to a third party.

The Management Company receives regular reports from investment managers and other Company service providers in order for it to fulfil its supervisory obligations pursuant to the 2010 Law.

Furthermore, the Company has its registered office with the Management Company.

## 10. CUSTODIAN BANK

The Company has appointed State Street Bank International GmbH, Luxembourg Branch ("**SSB-LUX**"), as the custodian bank (the "**Custodian Bank**") of the Company with responsibility for:

- a) Custody of the assets,
- b) Monitoring duties,
- c) Cash flow monitoring

in accordance with applicable Luxembourg law, the relevant CSSF circular and other applicable mandatory provisions of the Regulation (hereinafter referred to as the "Luxembourg Regulation" in the respective current version) and the Custodian Agreement, which was entered into between the Company and SSB-LUX ("Custodian Agreement").

### ON A) CUSTODY OF THE ASSETS

In accordance with the Luxembourg Regulation and the Custodian Agreement, the Custodian Bank is responsible for the safekeeping of the financial instruments that can be held in safekeeping and for the accounting and verification of ownership of the other assets.

### DELEGATION

Furthermore, the Custodian Bank is authorized to delegate its custodian obligations under the Luxembourg Regulation to sub-custodians and to open accounts with sub-custodians, provided that (i) such delegation complies with the conditions laid down by the Luxembourg Regulation - and provided such conditions are observed; and (ii) the Custodian Bank will exercise all customary and appropriate care and expertise with regard to the selection, appointment, regular monitoring and control of its sub-custodians.

The Custodian Bank has delegated the obligations of safekeeping set out in Article 22(5)(a) of Directive 2009/65/EC to State Street Bank and Trust Company, with registered office at One Lincoln Street, Boston, Massachusetts 02111, USA, which it has appointed as its global sub-custodian. In its capacity as global sub-custodian, State Street Bank and Trust Company has appointed local sub-custodians within the State Street Global Custody Network.

Information on the delegated custody functions and the identification of the relevant delegates and sub-delegates is available from the Fund's registered office or on the following website: <https://www.statestreet.com/disclosures-and-disclaimers/lu/subcustodians>.

#### **LIABILITY**

In the event of a loss of a financial instrument held in safekeeping established in accordance with Directive 2009/65/EC, and in particular Article 18 of the Delegated Regulation (EU) 2016/438, the Custodian Bank shall immediately return financial instruments of the same nature or the equivalent amount to the Fund acting on behalf of the Fund.

The Custodian Bank will not be liable if it can demonstrate that the loss of a financial instrument held in safekeeping is due to an external event that is beyond its reasonable control, the consequences of which would have been unavoidable despite all reasonable efforts to the contrary under Directive 2009/65/EC.

#### **To B) MONITORING DUTIES**

In accordance with the Luxembourg Regulation and the articles of association of the Company, as well as with the Custodian Agreement, the Custodian Bank will:

- (i) ensure that the sale, issue, redemption, switching and cancellation of the Company's shares are conducted in accordance with the Luxembourg Regulation and the articles of association of the Company;
- (ii) ensure that the value of the Company's shares is calculated in accordance with the Luxembourg Regulation;
- (iii) execute the Management Company's instructions, provided they do not conflict with the Luxembourg Regulation and the articles of association of the Company;
- (iv) ensure that in transactions concerning the Company's assets, any remuneration is remitted/forwarded to the Company within the customary time limits;
- (v) ensure that the Company's income is recorded in the accounts in accordance with the Luxembourg Regulation and the articles of association of the Company.

#### **To c) CASH FLOW MONITORING**

The Custodian Bank is obligated to perform certain monitoring duties with regard to cash flows as follows:

- (i) reconciling all cash flows and conducting such reconciliation on a daily basis;
- (ii) identifying cash flows which in its professional judgment are significant and in particular those which may possibly not be in keeping with the Company's transactions. The Custodian Bank will conduct its verification on the basis of the previous day's transaction statements;
- (iii) ensuring that all bank accounts within the Company's structure have been opened in the name of the Company;
- (iv) ensuring that the relevant banks are EU or comparable banking institutions;
- (v) ensuring that the monies that have been paid by the shareholders have been received and recorded on bank accounts of the Company,

Current information on the Custodian, its duties, potential conflicts, a description of all depositary functions delegated by the Custodian, a list of delegates and sub-delegates and the disclosure of all conflicts of interest that may arise in connection with the delegation of duties are made available to the shareholders, upon request, by the Custodian. Furthermore, a list of delegates and sub-delegates is available at [www.statestreet.com/about/office-locations/luxembourg/subcustodians.html](http://www.statestreet.com/about/office-locations/luxembourg/subcustodians.html).

**CONFLICTS OF INTEREST**

The Custodian Bank is part of an international group of companies and businesses that, in the ordinary course of their business, act simultaneously for a large number of clients, as well as for their own account, which may result in actual or potential conflicts. Conflicts of interest arise where the Custodian Bank or its affiliates engage in activities under the Custodian agreement or under separate contractual or other arrangements. Such activities may include:

- (i) providing nominee, administration, registrar and transfer agency, research, securities lending agent, investment management, financial advice and/or other advisory services to the Company;
- (ii) engaging in banking, sales and trading transactions including foreign exchange, derivative, principal lending, broking, market making or other financial transactions with the Company, either as principal and in the interests of itself, or for other clients.

In connection with the above activities, the Custodian Bank or its affiliates:

- (i) will seek to profit from such activities and are entitled to receive and retain any profits or compensation in any form and are not bound to disclose to, the Company, the nature or amount of any such profits or compensation including any fee, charge, commission, revenue share, spread, mark-up, mark-down, interest, rebate, discount, or other benefit received in connection with any such activities;
- (ii) may buy, sell, issue, deal with or hold, securities or other financial products or instruments as principal acting in its own interests, the interests of its affiliates or for its other clients;
- (iii) may trade in the same or opposite direction to the transactions undertaken, including based upon information in its possession that is not available to the Company;
- (iv) may provide the same or similar services to other clients including competitors of the Fund;
- (v) may be granted creditors' rights by the Company which it may exercise.

The Company may use an affiliate of the Custodian Bank to execute foreign exchange, spot or swap transactions for the account of the Company. In such instances the affiliate shall be acting in a principal capacity and not as a broker, agent or fiduciary of the Company. The affiliate will seek to profit from these transactions and is entitled to retain and not disclose any profit to the Company. The affiliate shall enter into such transactions on the terms and conditions agreed with the Company.

Where cash belonging to the Company is deposited with an affiliate being a bank, a potential conflict arises in relation to the interest (if any) which the affiliate may pay or charge to such account and the fees or other benefits which it may derive from holding such cash as banker and not as trustee.

The Investment Manager or the Management Company may also be a client or counterparty of the Custodian Bank or its affiliates.

The Company is paying a remuneration to SSB-LUX for its services, which is calculated on the net asset value of the respective Subfund as per end of each month and which will be paid out subsequently every month. In addition, SSB-LUX is entitled to be reimbursed by the Company for its expenses as well as the fees charged by other correspondent banks.

SSB-LUX is part of a company operating globally. In connection with the settlement of subscriptions and redemptions and the fostering of business relations, data and information about customers, their business relationship with SSB-LUX (including information about the beneficial owner) as well as, to the extent legally permissible, information about business transactions may be transmitted to affiliated entities or groups of companies of SSB-LUX abroad, to its representatives abroad or to the management company or the company. These service providers and the management company or society are required to keep the information confidential and use it only for the purposes for which they have been made available to them. The data protection laws in foreign countries may differ from the Privacy Policy in Luxembourg and provide a lower standard of protection.

## **11. PRINCIPAL ADMINISTRATIVE AND PAYING AGENT; REGISTRAR AND TRANSFER AGENT**

SSB-LUX has been appointed to provide services as the principal administrative and paying agent and as registrar and transfer agent. Such services include but are not limited to the registrar function, the net asset value calculation function and the accounting function, as well as the client communication function in accordance with the terms of CSSF Circular 22/811 (as amended and any substitute circular). The above-mentioned functions have not been delegated and will be assumed by SSB-LUX.

The Company pays SSB-LUX a remuneration for its services which is based on the net asset value of the respective Subfund at the end of each month, payable monthly in arrears.

## **12. GENERAL INFORMATION ON INVESTMENT ADVISORY AND/OR INVESTMENT MANAGEMENT**

The Company and the Management Company have authorised various competent financial services providers to act in this capacity as investment advisers ("Investment Advisers") and/or investment managers ("Investment Managers") for one or more Subfunds. The Investment Advisers and/or Investment Managers of the individual Subfunds are listed in the respective Special Part under "Investment Advisers" and/or "Investment Managers".

The Investment Advisers can make recommendations for investing the assets of the corresponding subfunds, taking into account their investment objectives, policy and limits.

The investment managers are automatically authorised to effect investments directly for the corresponding Subfunds.

The Investment Advisers and Investment Managers may, as a matter of principle, make use of the assistance of affiliated companies in the performance of their duties, under their own responsibility and supervision, and are authorised to appoint sub-investment advisers and/or sub-investment managers.

The Investment Managers and/or Investment Advisers shall receive a fee for their work calculated on the net asset value of the Subfund concerned; said fee is detailed in the respective Special Part in the section "Fees and Costs".

The Management Company is not obliged to do business with any broker. Transactions may be carried out through the Investment Adviser or Investment Manager or affiliated companies, provided their terms and conditions are comparable with those of other brokers or traders and regardless of the fact that they make a profit from such transactions. All such transactions are subject to the provisions for transactions between related companies, as described in the section "Investment limits". Although in general the Company seeks to pay favourable and competitive commissions, the cheapest brokerage or the most favourable margin is not paid in every case.

## **13. PAYING AGENTS AND REPRESENTATIVES**

The Company or the Management Company has concluded agreements with various paying agents and/or representatives concerning the provision of certain administrative services, the distribution of Shares or the representation of the Company in various countries of distribution. The fees charged by paying agents and representatives may be borne by the Company, as agreed in each case. Furthermore, the paying agents and representatives may be entitled to the reimbursement of all reasonable costs that have been duly incurred in connection with the performance of their respective duties.

The paying agents or (processing) establishments necessitated by the local regulations on distribution specified in the Company's various countries of distribution, for example correspondent banks, may charge the shareholder additional costs and expenses, in particular the transaction costs entailed by customer orders, in accordance with the particular institution's scale of charges.

## 14. DISTRIBUTORS

The Company or the Management Company may, in accordance with the applicable laws, appoint distributors (“Distributors”) responsible for offering and selling the Shares of various Subfund in all countries in which the offering and selling of such Shares is permitted. The Distributors are authorised to retain the sales fee for the Shares they have sold, or to waive all or part of the sales fee.

The distributors are entitled, taking into account the applicable national laws and practices in the country of distribution, to also offer Shares in connection with savings plans. In this respect, the Distributor is authorised in particular:

- a) to offer savings plans of several years' duration, giving details of the terms and modalities and the initial subscription amount and recurrent subscriptions; it being specified that amounts below the minimum subscription amount applicable to subscriptions according to this prospectus may be accepted;
- b) to offer more favourable terms and conditions for savings plans in respect of selling, switching and redemption fees than the maximum rates otherwise quoted in this prospectus for the issue, switching and redemption of Shares.

The terms and conditions of such savings plans, particularly with regard to fees, are based on the law of the country of distribution, and may be obtained from the local Distributors who offer such savings plans.

A Distributor is also authorised, taking into account the applicable national laws and practices in the country of distribution, to include Shares as the investment component in a funds-linked life assurance policy, and to offer Shares to the public in this indirect form. The legal relationship between the Company or the Management Company, the Distributor or insurance company and the shareholders or policyholders is governed by the life assurance policy and the applicable laws.

The Distributors and SSB-LUX must at all times comply with the provisions of the Luxembourg law on the prevention of money laundering, and in particular the law of 7 July 1989, which amends the law of 19 February 1973 on the sale of pharmaceuticals and the combating of drug dependency, the law of 12 November 2004 on the combating of money laundering and terrorist financing and the law of 5 April 1993 on the financial sector, as amended, as well as other relevant regulations of the government of Luxembourg or of supervisory authorities.

Subscribers of Shares must, inter alia, prove their identity to the Distributor and/or SSB-LUX or the Company, whichever accepts their subscription request. The Distributor and/or SSB-LUX or the Company must request from subscribers the following identity papers: in the case of natural persons a certified copy of the passport/identity card (certified by the Distributor or sales agent or the local government administration); in the case of companies or other legal entities a certified copy of the certificate of incorporation, a certified copy of the extract from the commercial register, a copy of the latest published annual accounts and the full names of the beneficial owners.

The Distributor must ensure that the aforementioned identification procedure is strictly applied. The Company and the Management Company may at any time require confirmation of compliance from the Distributor or SSB-LUX. SSB-LUX checks compliance with the aforementioned rules in all subscription/redemption requests which it receives from Distributors in countries with non-equivalent money laundering regulations. In case of doubt as to the identity of the party applying for subscription or redemption because of inadequate, inaccurate or non-existent identification, SSB-LUX is authorised, without incurring costs, to suspend or reject subscription/redemption applications for the reasons cited above. Distributors must additionally comply with all provisions for the prevention of money laundering which are in force in their own countries.

## 15. CO-MANAGEMENT

In order to reduce current administration costs and achieve broader diversification of investments, the Company may decide to manage all or part of a Subfund's assets together with assets belonging to other Luxembourg UCIs managed by the same Management Company or the same investment manager and established by the same promoter, or to have some or all of the Subfunds co-managed. In the following paragraphs, the words “co-managed units” generally refer to all Subfunds and units with or between which a given co-management

arrangement exists, and the words “co-managed assets” refer to the total assets of those co-managed units managed under the same arrangement.

Under the co-management arrangement, investment and realisation decisions can be made on a consolidated basis for the co-managed units concerned. Each co-managed unit holds a part of the co-managed assets corresponding to the proportion of the total value of the co-managed assets accounted for by its net asset value. This proportional holding is applicable to each category of investments held or acquired under co-management and its existence as such is not affected by investment and/or realisation decisions. Additional investments will be allocated to the co-managed units in the same proportion, and sold assets deducted pro rata from the co-managed assets held by each co-managed unit.

When new Shares are subscribed in a co-managed unit, the subscription proceeds will be allocated to the co-managed units in the new proportion resulting from the increase in the net asset value of the co-managed units to which the subscriptions have been credited, and all categories of investments will be changed by transferring assets from one co-managed unit to the other and thus adapted to the changed situation. Similarly, when Shares in a co-managed unit are redeemed, the required cash may be deducted from the cash held by the co-managed units accordingly, to reflect the changed proportions resulting from the reduction of the net asset value of the co-managed unit to which the redemptions were charged, and in such cases all categories of investments will be adapted to the changed situation. Shareholders should therefore be aware that a co-management arrangement may cause the composition of the portfolio of the Subfund concerned to be influenced by events attributable to other co-managed units, such as subscriptions and redemptions. Provided there are no other changes, subscriptions of Shares in a unit with which a Subfund is co-managed will lead to an increase in that Subfund's cash. Conversely, redemptions of Shares in a unit with which a Subfund is co-managed will lead to a reduction in that Subfund's cash. However, subscriptions and redemptions may be held in the specific account opened for each co-managed unit outside the co-management arrangement and through which subscriptions and redemptions must pass. The possibility of large payments and redemptions being allocated to such specific accounts and of a Subfund being able to cease to participate in the co-management arrangement at any time, prevent changes in a Subfund's portfolio caused by other co-managed units if these changes would be likely to adversely affect the interests of the Subfund and the shareholders.

If a change in the composition of a Subfund's assets as a result of redemptions or payments of charges and costs relating to another co-managed unit (i.e. not attributable to the Subfund) would lead to a breach of the investment restrictions applying to that Subfund, the assets concerned will be excluded from the co-management arrangement before the changes are carried out, so that they are not affected by the changes.

Co-managed assets of a Subfund may be co-managed only with assets which are to be invested in accordance with investment objectives and an investment policy compatible with those of the co-managed assets of the Subfund concerned, to ensure that investment decisions are fully compatible with the Subfund's investment policy. Co-managed assets of a Subfund may be managed jointly only with assets for which the custodian bank also acts as custodian, to ensure that the custodian bank can fully comply with its functions and responsibilities under the 2010 Law. The custodian bank must at all times keep the Company's assets separate from those of other co-managed units, and must therefore at all times be able to identify the Company's assets. As co-managed units may be following an investment policy which is not completely the same as that of a Subfund, the joint policy applied may be more restrictive than that of the Subfund.

The Company may end the co-management arrangement at any time and without prior notice.

Shareholders may contact the Company at any time to obtain information on the percentage of assets which is co-managed, and on the units with which such co-management exists at the time of their inquiry. Annual and semi-annual reports are also required to specify the composition and percentage proportions of co-managed assets.

## **16. DESCRIPTION OF SHARES**

### **GENERAL**

Shares in the Company have no par value. The Company issues Shares only in registered form for each Subfund. No bearer Shares are issued. Ownership of registered Shares can be proved by the entry in the

shareholders' register. In principle, no physical Share certificates will be issued. A share confirmation is issued and sent to the shareholder.

Shares are also issued in fractions, which are rounded up or down to three decimal places.

Each Share grants an entitlement to share in the profits and result of the respective Subfund. Unless provided otherwise in the articles of association or by law, each Share entitles its shareholder to one vote, which he/she may use at the general meetings of shareholders or at other meetings of the Subfund in question either in person or through a proxy. The Shares do not grant any preference or subscription rights. They will neither currently nor in the future be associated with any outstanding options or special rights. The Shares are transferable without restriction unless the Company, in accordance with its articles of association, has restricted ownership of the Shares to specific persons or organisations ("restricted category of purchasers").

#### **SHARE CATEGORIES**

In the respective Special Part of the prospectus, the Company may provide for the issuance of distributing and accumulating Shares for each Subfund. Distributing Shares entitle the shareholder to a dividend, as determined at the general meeting of shareholders. Accumulating Shares do not entitle the shareholder to a dividend. When dividend payments are made, the dividend amounts are deducted from the net asset value of the distributing Shares. The net asset value of the accumulating Shares, on the other hand, remains unchanged.

Furthermore in the respective Special Part of the prospectus, the Company may provide for the issue of Share Categories in each Subfund having different minimum subscription amounts, distribution modalities, fee structures and currencies.

Where a Share Category is offered in a currency other than the accounting currency of the Subfund concerned, it must be identified as such. For these additional Share Categories the Company may, in relation to the Subfund concerned, hedge the Shares in these Share Categories against the accounting currency of the Subfund. Where such currency hedging is applied, the Company may, in relation to the Subfund concerned and exclusively for this Share Category, enter into foreign-exchange forward transactions, currency futures, currency options transactions and currency swaps, in order to preserve the value of the reference currency against the accounting currency of the Subfund. Where such transactions are performed, the effects of this hedging shall be reflected in the net asset value and hence in the performance of the Share Category. Similarly, any costs arising as a result of such hedging transactions shall be borne by the Share Category in which they were incurred. Such hedging transactions may be performed regardless of whether the value of the reference currency rises or falls in relation to the accounting currency of the Subfund. Therefore where such hedging is carried out, it may protect the shareholder in the corresponding Share Category against a fall in the value of the accounting currency in relation to the reference currency, though it may also prevent the shareholder from profiting from an increase in the value of the accounting currency. Shareholders' attention is drawn to the fact that complete protection cannot be guaranteed. Furthermore no guarantee can be given that shareholders of the hedged categories will not be exposed to influences of currencies other than the currency of the Share Category concerned.

Notwithstanding the provision of the previous paragraph relating to the exclusive allocation of the transactions to a specific Share Category, it cannot be ruled out that hedging transactions for one Share Category of a Subfund may impair the net asset value of the other Share Categories in the same Subfund. This is due to the fact that there is no legal exclusion of liability for financial liabilities between the individual Share Categories.

The Board of Directors of the Company may decide at any time for all subfunds to issue new or further Share Categories in a currency other than the accounting currency. The date at which such additional Share Categories are initially issued and the initial issue price will be available in each case on [www.carnegroup.com](http://www.carnegroup.com).

## **17. ISSUE OF SHARES**

#### **GENERAL INFORMATION ON ISSUE**

The Shares are offered for sale on each valuation day following the initial issue.

Subscription requests can either be sent to one of the Distributors, which will forward them to SSB-LUX, or directly to the Company, or to SSB-LUX (cf. below, sub-heading "Nominee Service").



The application procedure (application and confirmation, and registration) is set out in the Special Part under "Application procedure".

All subscriptions received by SSB-LUX by no later than 15:00 hours Luxembourg local time (the cut-off time) on a valuation day (as defined in the section "Calculation of net asset value") will be processed at the Issue Price determined on the following valuation day unless otherwise specified in the Special Part. Subscriptions received after this time by SSB-LUX will be made at the Issue Price of the next valuation day but one. To ensure punctual forwarding to SSB-LUX, applications filed with Distributors in Luxembourg or abroad may be subject to earlier cut-off times for submission of subscription applications. These times can be obtained from the Distributor concerned.

The Company or the Management Company may set different cut-off times for certain groups of shareholders, for example, for shareholders in distribution countries in which this is justified by a different time zone. If such times are set, the valid cut-off time must as a matter of principle be earlier than the time at which the net asset value in question is calculated. Different cut-off times may be agreed separately either with the distribution countries concerned or be published in an appendix to the prospectus or in another marketing document used in the distribution countries concerned.

Hence Shares are subscribed for an unknown net asset value (forward pricing).

Irrespective of this, the Company or the Management Company may instruct the Transfer Agent to deem subscription applications to have been received only when the total amount of the subscription has been received by the Custodian Bank ("**Cleared funds settlement**"). Subscription applications received on the same valuation day are to be treated equally. The Issue Price applicable to subscriptions processed in accordance with this procedure shall be that of the valuation day after receipt of the subscription amount by the Custodian Bank.

#### **ISSUE PRICE/SELLING FEES**

The Issue Price is based on the net asset value per Share on the relevant valuation day; the Issue Price is determined or rounded according to the principles set out in the Special Part of the respective Subfund, plus any applicable sales fee charged by the Distributor or the Company. Special price-setting procedures (e.g. "Swing Pricing") may be set in the Special Part). Further details of the Issue Price may be obtained from the registered office of the Company.

The sales fees which are payable to a Distributor or the Company are expressed as a percentage of the amount invested and may not exceed a maximum of 5% of the respective net asset value.

In addition, a Distributor is entitled, according to the respective Special Part, to offer the Shares without a selling fee ("no-load") and in return to charge a redemption fee on redemption of the Shares of up to 3% of the relevant net asset value. The maximum amount of the selling or redemption fee may be set lower for each Subfund in the respective Special Part.

In the case of large orders the Distributor and the Company may waive in full or in part the selling fee to which they are entitled. If the selling fee is payable to the Company, the latter may charge the selling fee on a particular day only at the same rate on comparable orders within a Subfund.

#### **MINIMUM INVESTMENT**

For individual Subfunds and/or Share Categories, the Company may determine minimum investment amounts or a minimum number of Shares to be subscribed or held in the respective Special Part of the prospectus.

#### **PAYMENTS**

In principle, the shareholders are entered in the register on the day on which the incoming subscription is recorded in the accounts. The value of the total amount of the subscription must be credited to the respectively named account in the currency of the relevant Subfund or the relevant share category within a time limit of a number of Luxembourg banking days as determined in the respective Special Part during the initial issue period, and upon expiry of the initial issue period or thereafter within a time limit of a number of Luxembourg banking days as determined in the respective Special Part or, as the case may be, according to any national regulations that may be applicable after the relevant valuation day. The Company or the Management Company are automatically authorised to subsequently reject and reverse-process applications for which the subscription amount is not received within the specified time-limit.

## PROSPECTUS: GENERAL PART

If, however, the Company or the Management Company has instructed the Transfer Agent to deem subscription applications to have been received only when the total amount of the subscription has been received by the Custodian Bank ("Cleared funds settlement"), the shareholders' names will be entered in the register on the day on which the subscription amount is recorded in the accounts.

A purchaser should instruct his/her bank to transfer the amount due to the corresponding currency account of SSB-LUX, as listed below, for the beneficiary, MULTILABEL SICAV; the exact identity of the subscriber(s), the Subfund(s) to be subscribed and if applicable the Share Category and if applicable the currency within the Subfund to be subscribed must be indicated.

Payments in the different currencies must be credited to the following accounts on the day indicated for this purpose in the applicable Special Part. If the credit entry is later, the subscriber may be charged any interest due:

| CURRENCY | CORRESPONDENT BANK                        | ACCOUNT NUMBER              | IN THE NAME OF                                   |
|----------|---|-----------------------------|--|
| CHF      | BOFACH2X<br>(Bank of America Zurich)      | CH25 0872 6000 0510 25017   | Carne Global Fund Managers<br>(Luxembourg) S.A.  |
| EUR      | BOFALULLX<br>(Bank of America Luxembourg) | LU70 7780 0000 1105 8011    | Carne Global Fund Managers<br>(Luxembourg) S.A.. |
| GBP      | BOFAGB22<br>(Bank of America London)      | GB95 BOFA 1650 5088 8940 11 | Carne Global Fund Managers<br>(Luxembourg) S.A.  |
| SGD      | BOFASG2X<br>(Bank of America Singapore)   | 73348-017                   | Carne Global Fund Managers<br>(Luxembourg) S.A.  |
| USD      | BOFAUS3N<br>(Bank of America New York)    | 6550868152                  | Carne Global Fund Managers<br>(Luxembourg) S.A.  |

Once the subscription application has been processed, an order confirmation will be issued, which will be sent to the shareholder no later than one day after the order has been executed.

### **IN-KIND CONTRIBUTION**

In exceptional cases, a subscription can take the form of an in-kind contribution, in whole or in part, whereby the composition of the in-kind contribution must be consistent with the investment limits contained in the General Part and with the investment objectives and policy described in the respective Special Part. Furthermore, the valuation of the in-kind contribution must be confirmed independently by the Company's auditor.

### **NOMINEE SERVICE**

Investors can subscribe to Shares directly from the Company. Investors may also purchase Shares in a Subfund by using the nominee service offered by the relevant Distributor or its correspondent bank. A Distributor or its correspondent bank with registered office in a country with equivalent money-laundering regulations subscribes to and then holds the Shares as a nominee in its own name but for the account of the investor. The Distributor or correspondent bank then confirms the subscription of the Shares to the investor by means of a letter of confirmation. Distributors that offer nominee services either have their registered office in a country with equivalent money-laundering regulations or they execute their transactions through a correspondent bank with registered office in a country with equivalent money-laundering regulations.

Investors who use the nominee service may issue instructions to the nominee regarding the exercise of the votes conferred by their Shares and may at any time request direct ownership by submitting a request in writing to the relevant Distributor or to the Custodian Bank.

The Company draws investors' attention to the fact that each investor can only assert his/her investor's rights (in particular the right to take part in shareholders' meetings) in their entirety directly against the Company if the investor him-/herself is enrolled in his/her own name in the Company's register of shareholders. In cases where an investor makes his/her investment in the Company via an intermediary, which makes the investment in its own name but for the investor's account, not all investor's rights can necessarily be asserted by the investor directly against the Company. Investors are advised to obtain information on their rights.

Where investors subscribe or redeem Shares in the Company through financial intermediaries, such investors are not normally entered directly in the shareholders' register. Rather, the use of one or more intermediaries to

subscribe or redeem shares in the Company often means that such subscription or redemption orders are aggregated on behalf of multiple investors at the level of the intermediary, the name of which then appears in the shareholders' register. Investors should therefore be aware that their rights may be affected if compensation is paid out in the event of errors or non-compliance at the level of the Company or one of its Subfunds.

#### **RESTRICTIONS**

The Company reserves the right to reject subscription applications in full or in part. In this case any payments already made or credit balances would be transferred back to the applicant.

In addition, the Company or the Management Company may refuse to accept new applications from new investors for a specific period if this is in the interests of the Company and/or shareholders, including in situations where the Company or a Subfund have reached a size such that they can no longer make suitable investments.

Subscriptions and redemptions are to be made for investment purposes only. Neither the Company nor the Management Company nor SSB-LUX will permit market timing, late trading or any other excessive trading practices. Such practices may be detrimental to the performance of the Company and its Subfunds and may impair management of the portfolio. To minimise these negative consequences, the Company, the Management Company and SSB-LUX reserve the right to reject subscription and switching applications from investors whom they believe to be engaging in, or to have engaged in, such trading practices or whose trading practices would adversely affect the other shareholders.

The Company or the Management Company may also compulsorily redeem the Shares of a shareholder engaging in or having engaged in such trading practices. They shall not be liable for any gain or loss resulting from such rejected applications or compulsory redemptions.

## **18. REDEMPTION OF SHARES**

#### **GENERAL INFORMATION ABOUT REDEMPTION**

Applications for redemption of Shares must be sent by shareholders in writing, either directly or via one of the Distributors, to reach SSB-LUX by no later than 15:00 hours Luxembourg local time (the "cut-off time") on the day before the valuation day (unless otherwise specified in the Special Part) on which the Shares are to be redeemed. To ensure punctual forwarding to SSB-LUX, applications filed with Distributors in Luxembourg or abroad may be subject to earlier cut-off times for submission of redemption applications. These times can be obtained from the Distributor concerned.

The Company or the Management Company may set different cut-off times for certain groups of shareholders, for example, for shareholders in distribution countries in which this is justified by a different time zone. If such times are set, the valid cut-off time must as a matter of principle be earlier than the time at which the net asset value in question is calculated. Different cut-off times may be agreed separately either with the distribution countries concerned or be published in an appendix to the prospectus or in another marketing document used in the distribution countries concerned.

Hence Shares are redeemed at an unknown net asset value (forward pricing).

A correctly submitted application for redemption is irrevocable, except in the case of and during the period of a suspension or postponement of redemptions.

Applications for redemption received by SSB-LUX after the cut-off time will be executed one valuation day later, with the proviso that the Company is not obliged to redeem more than 10% of the Shares currently issued in a Subfund on one valuation day or within a period of seven (7) successive valuation days.

Once the redemption application has been processed, an order confirmation will be issued, which will be sent to the shareholder no later than one day after the order has been executed.

If the fulfilment of a redemption application for part of the Shares of a Subfund leads to a situation in which the share ownership in one of these Subfunds afterwards amounts to a total of less than a minimum amount mentioned in the Special Part for the respective Subfund or to less than a minimum number otherwise fixed by the Board of Directors, the Company is entitled to redeem all the remaining Shares which the shareholder concerned owns in this Subfund.

Payments are usually made in the currency of the relevant Subfund or, as applicable, the relevant Share Category, within five (5) banking days in Luxembourg after the respective valuation day. If in the case of redemptions owing to exceptional circumstances the liquidity of the investment assets of a subfund should not be sufficient for payment within this period, payment will be made as soon as possible but, as far as is legally permissible, without interest.

The value of Shares at the time of redemption may be higher or lower than their purchase price, depending on the market value of the Company's assets at the time of purchase/redemption.

#### **REDEMPTION PRICE/REDEMPTION FEE**

The price of each Share submitted for redemption ("redemption price") is based on the net asset value per Share of the Subfund concerned that is valid on the valuation day, with the redemption price being determined or rounded according to the principles set out in the relevant Special Part. Special price-setting procedures (e.g. "Swing Pricing") may be set in the Special Part). The prerequisite for the calculation of the redemption price on the valuation day is receipt of the redemption application by the Company.

If no selling fee has been charged ("no-load"), the Distributor is entitled to charge a redemption fee of up to 3% of the relevant net asset value per Share, provided that this is stipulated in the corresponding Special Part of the prospectus. The maximum amount of the redemption fee may be set lower for each Subfund in the Special Part of the prospectus.

The Redemption Price may be obtained from the registered office of the Company or from one of the Distributors and from the different publications.

If, under exceptional circumstances, redemption applications lead to a situation in which one or more assets of the Subfund concerned have to be sold at below their value, the Board of Directors of the Company may decide that the spread between the actual value and the sale value attained be debited proportionally to the redemption applicant concerned, in favour of the Subfund. The amount of the debit is a maximum of 2% and may be determined by the Board of Directors at its discretion and taking into account the interests of all shareholders. The shareholders are to be informed appropriately of any measure that may be taken.

#### **REDEMPTION IN KIND**

In special cases, the Company's Board of Directors may decide, at the request or with the agreement of a shareholder, to pay the redemption proceeds to the shareholder in the form of a full or partial redemption in kind. It must be ensured that all shareholders are treated equally and the auditor of the Company's annual financial statements must confirm the valuation of the redemption in kind independently.

#### **REDEMPTION POSTPONEMENT**

The Board of Directors may decide to postpone the redemption or switching of Shares until further notice if, on a valuation day or during a period of seven (7) successive valuation days, the Company receives applications for redemption or switching corresponding to more than 10% of the Shares of a Subfund that have been issued at that time. In the shareholders' interests, such a postponement must be lifted again as quickly as possible. The Special Parts may also provide for different modalities for individual subfunds. Such applications for redemption or switching that have been affected by a postponement will take precedence over applications received subsequently.

If the calculation of the net asset value is suspended or redemption is postponed, Shares submitted for redemption will be redeemed on the next valuation day after the suspension of valuation of the net asset value or the postponement of redemption has ended, at the net asset value applying on that day, unless the redemption request has previously been revoked in writing.

#### **LIQUIDATION OF SUBFUNDS**

If, over a period of sixty (60) successive valuation days, the total value of the net asset values of all outstanding Shares should fall below twenty-five (25) million Swiss francs or the equivalent, the Company may, within three (3) months of the occurrence of such a situation, notify all shareholders in writing that, following appropriate notification, all Shares are being redeemed at the net asset value applicable on the appointed valuation day (less the trading and other fees decided on and/or estimated by the Board of Directors, as described in the prospectus, and less the liquidation costs). This is without prejudice to the legal provisions governing liquidation of the Company.

If, for whatever reason, the net asset value of a Subfund remains below ten (10) million Swiss francs (or the equivalent value if the Subfund has a different currency) for a period of sixty (60) successive days or if the Board of Directors deems it appropriate on account of changes in the economic or political circumstances which affect the Subfund concerned, or if it is in the shareholders' interests, the Board of Directors may redeem all (but not only some) Shares of the Subfund concerned, at the net asset value applicable on the valuation day appointed for this purpose (less the trading and other fees decided on and/or estimated by the Board of Directors, as described in the prospectus, and less the liquidation costs), but without any other redemption fee.

The liquidation of a Subfund in conjunction with the compulsory redemption of all Shares concerned for reasons other than that given in the previous paragraph, may only be carried out with the prior consent given by the Shareholders of the Subfund to be liquidated at a properly convened meeting of the Shareholders of the Subfund concerned. Such a resolution may be passed with no quorum requirement and with a majority of 50% of the Shares present or represented.

The Company shall inform the shareholders of the liquidation. Such notice shall be made in principle by letter and, where applicable, in the form prescribed by the applicable law of the countries in which the shares are marketed.

Any liquidation proceeds which could not be paid out to the Shareholders after completion of the liquidation of a Subfund will be deposited with the *Caisse de Consignation* in Luxembourg in favour of the rightful beneficiary or beneficiaries, in accordance with Article 146 of the 2010 Law and will be forfeited after thirty (30) years.

#### **MERGING OF SUBFUNDS**

In addition, the Board of Directors may, once it has informed in advance the shareholders concerned in the manner required by law, merge a Subfund with another Subfund of the Company or with another UCITS in accordance with Directive 2009/65/EC, or with a subfund thereof.

A merger decided on by the Board of Directors, which is to be conducted in accordance with the provisions of section 8 of the 2010 Law, is binding on the shareholders of the Subfund concerned after expiry of a 30-day period from the corresponding notification of the shareholders concerned. During this notification period, the shareholders may return their Shares to the Company without paying a redemption fee, with the exception of the sums retained by the Company to cover costs connected with disinvestments. The above-mentioned time-limit ends five (5) bank working days before the valuation day that is determining for the merger.

A merger of one or more Subfunds, as a result of which the SICAV ceases to exist must be resolved by the General Meeting and be recorded by the notary. No quorum is required for such decisions and a simple majority of the shareholders present or represented is sufficient.

#### **MERGER OR LIQUIDATION OF SHARE CATEGORIES**

In addition, the Board of Directors may, once it has informed in advance the shareholders concerned, merge a Share Category with another Share Category of the Company, or liquidate said Share Category. A merger of Share Categories is conducted on the basis of the net asset value on the valuation day that is determining for the merger and is confirmed by the Company's auditor.

## **19. SWITCHING OF SHARES**

Each shareholder is in principle entitled to request that some or all of his/her Shares be switched to Shares in another Subfund on a valuation day which can be used for both Subfunds and, within a Subfund, that Shares of one Share category be switched to Shares of another Share category, according to the switching formula below and in keeping with the principles laid down by the Board of Directors for each Subfund.

The Board of Directors is entitled to define these switching possibilities more precisely for each Subfund and for each share category by imposing restrictions and limitations on the frequency of switching applications, the Subfunds for which switching is possible and the levying of any switching fee; these restrictions are described in more detail in the relevant Special Part in the section "Switching of Shares".

Shares can be switched on every valuation day at the issue price valid on this day, provided that the switching application is received by SSB-LUX by no later than 15:00 hours Luxembourg time (cut-off time) on the day before the valuation day (unless otherwise specified in the Special Part). Switching of Shares is also governed by

the provisions concerning cut-off time and forward pricing (cf. the sections "Issue of Shares" and "Redemption of Shares").

An application should be submitted either directly to the Company, or to SSB-LUX, or to one of the distributors. The application must contain the following information: The number of Shares in the Subfund to be switched or in the share category to be switched and the desired new Subfund(s) or Share category and the value ratio according to which the Shares are to be distributed in each Subfund or each Share category if more than one new Subfund or Share category is desired.

The Company applies the following formula to calculate the number of Shares into which the shareholder would like to switch his/her holding:

$$A = \frac{[(B \times C) - E] \times F}{D}$$

where:

- A = Number of Shares to be issued in the new Subfund(s) or share category;
- B = Number of Shares in the Subfund or share category originally held;
- C = Redemption Price per Share of the Subfund or share category originally held, less any selling costs;
- D = Issue Price per Share of the new Subfund or share category, less reinvestment costs;
- E = switching fee charged, if any (max. 2% of the net asset value), with comparable switching applications on the same day being charged the same switching fee.
- F = exchange rate; if the old and new Subfunds or share categories have the same currency the exchange rate is 1.

Any switching fee that is charged is paid to the distributor concerned.

## 20. DISTRIBUTIONS

An appropriate annual distribution (dividend) for the distributing Shares of the Subfunds is proposed by the Board of Directors to the general meeting of shareholders, ensuring that the net asset value does not fall below the minimum capital of the Company. Subject to the same limitation, the Board of Directors may also fix interim dividends. No dividend payments are made in the case of accumulating Shares. Instead, the values allocated to the accumulating Shares are reinvested for the benefit of the shareholders holding them.

The dividends that are set are published on [www.carnegroup.com](http://www.carnegroup.com) and as the case may be in other media designated by the Company from time to time.

Distributions take place, in principle, within one (1) month of the fixing of the dividend in the currency of the Subfund or Share Category concerned. A shareholder may request that his/her dividends also be paid in another currency established by the Management Company using the exchange rates applicable at the time and at the shareholder's expense. Dividends on distributing Shares are paid to the shareholders entered in the Company's book of registered shareholders.

Claims for dividends which have not been asserted within five (5) years shall be forfeited and revert to the Subfunds in question.

## 21. CALCULATION OF NET ASSET VALUE

The net asset value of a Subfund and the net asset value of the share categories issued in the Subfund are determined in the applicable currency on every valuation day – as defined below – except in the cases of suspension described in the section "Suspension of calculation of net asset value, and of the issue, redemption and switching of Shares". Unless other provisions are made in the Special Part relating to a particular Subfund, the valuation day for each Subfund is every Luxembourg banking day which is not a usual public holiday for the

stock exchanges or other markets which represent the basis for valuation of a major part of the net asset value of the corresponding Subfund. The total net asset value of a Subfund represents the market value of the assets held by the Subfund (the "Assets of the Subfund") less its liabilities. The net asset value of a Share of a Share category of a Subfund is determined by dividing the total of all assets allocated to this category, minus the liabilities allocated to this category, by all outstanding Shares of the same category of the Subfund concerned. The net asset values of the Subfunds are calculated in accordance with the valuation regulations and guidelines ("valuation regulations") laid down in the articles of association and issued by the Board of Directors.

The valuation of securities held by a Subfund and listed on a stock exchange or on another regulated market is based on the latest available price on the principal market on which these securities are traded, using a procedure for determining prices accepted by the Board of Directors.

The valuation of securities whose prices are not representative and all other eligible assets (including securities not listed on a stock exchange or traded on a regulated market) is based on their probable realisation value determined with care and in good faith by or, if applicable, under the supervision of the Board of Directors.

All assets and liabilities denominated in a currency other than that of the Subfund in question are converted using the exchange rate to be determined at the time of valuation.

The net asset value determined per Share in a Subfund is considered final once it is confirmed by the Board of Directors or an authorised member of the Board of Directors or an authorised representative of the Board of Directors, except in the case of a manifest error.

In its annual financial statements, the Company must include an audited consolidated financial statement for all Subfunds in Swiss francs.

If, in the opinion of the Board of Directors, and as a result of particular circumstances, the calculation of the net asset value of a Subfund in the applicable currency is either not reasonably possible or is disadvantageous for the shareholders in the Company, the calculation of the net asset value, the Issue Price and the Redemption Price may temporarily be carried out in another currency.

The derivative financial instruments and structured products used in the individual Subfunds are valued on a regular basis in accordance with the *mark-to-market* principle, in other words at the latest available market price.

## **22. SUSPENSION OF CALCULATION OF NET ASSET VALUE, AND OF THE ISSUE, REDEMPTION AND SWITCHING OF SHARES**

The Company may temporarily suspend the calculation of the net asset value of each Subfund and the issue, redemption and switching of Shares of a Subfund in the following circumstances:

- a) where one or more stock exchanges or other markets which form the basis for valuing a significant part of the net asset value are closed (apart from on normal public holidays), or where trading is suspended;
- b) Where, in the opinion of the Board of Directors, it is impossible to sell or to value assets as a result of special circumstances;
- c) where the communication technology normally used in determining the price of a security of the Subfund fails or provides only partial functionality;
- d) where the transfer of monies for the purchase or sale of the Company's investments is impossible;
- e) if owing to unforeseeable circumstances a large volume of redemption applications has been received and, as a result, the interests of the shareholders remaining in the Subfund are endangered in the opinion of the Board of Directors;
- f) in the event of a merger of a Subfund with another Subfund or with another UCI (or a subfund thereof), if this appears justified for the purpose of protecting the shareholders; or
- g) in the event of a resolution to liquidate the Company: on or after the date of publication of the first notice of a general meeting of shareholders held for the purpose of such a resolution.

The Company's articles of association provide that the Company must immediately cease the issuing and switching of Shares as soon as an event resulting in liquidation occurs or when liquidation is ordered by the

CSSF. Shareholders who have submitted their Shares for redemption or switching will be notified of any suspension in writing within seven (7) days, and of the ending of suspension immediately.

## 23. FEES AND COSTS

### LUMP-SUM FEE OR MANAGEMENT FEE

A general maximum annual fee ("lump-sum fee") is charged on the basis of the net asset value of the respective Subfund and debited to the latter for the activity of the management company, custodian bank, principal administrative agent, principal paying agent, domiciliation agent, transfer agent and registrar, the investment managers or investments advisers, paying agents, representatives and distributors (if applicable) and for further advisory and support activities.

As an alternative to the lump-sum fee described in the above paragraph, each Special Part of this prospectus may provide that on the basis of the net asset value of the respective Subfund an annual maximum fee be debited to the latter for the management of and advisory services to the securities portfolio and for related administrative and, if applicable, marketing services ("Management Fee"). In the case of the Management Fee, the remuneration of the Management Company, custodian bank, principal administrative agent, principal paying agent, domiciliation agent, transfer agent and registrar is paid separately and amounts to a maximum of 0.30% p.a ("Servicing Fee"). Where this is expressly foreseen in the Special Part, the Servicing Fee may amount to a maximum of 0.50%. The Special Part may foresee a minimum amount for the Servicing Fee for the case that the percentage mentioned does not cover the effective administration costs.

The amount of the lump-sum fee or the management fee is indicated for each Subfund in the Special Part in the section "Fees and Costs". The fee is calculated on each valuation day and is payable monthly in arrears.

### ADDITIONAL CHARGES

In addition, the Company pays costs arising from the business operations of the Company. These include, inter alia, the following costs:

Costs of operational management and supervision of the Company's business activity, of taxes, tax services, legal and auditing services, annual and semi-annual reports and prospectuses, publication costs for convening the general meeting of shareholders and for the payment of dividends, registration fees and other expenses on account of or in connection with reporting to supervisory authorities in the different countries of distribution, sales support, paying agents and representatives, SSB-LUX (if it is not already included in the above-mentioned fee as per the provisions contained in the respective Special Part), fees and expenses of the Board of Directors of the Company, insurance premiums, interest, stock exchange listing fees and brokerage fees, *[as well as, as of 1 January 2019, for research services, including the separate transfer of an analysis fee paid for by the Company to the Investment Manager to the Research Payment Account ("RPA"), as described below under "Incentives"]*, purchase and sale of securities, government levies, licence fees, reimbursement of expenses to the custodian bank and all other contracting parties of the Company, the cost of publishing the net asset value per Share and the Share prices. If such expenses and costs concern all Subfunds equally, each Subfund is debited for a proportion of the costs corresponding to the percentage of the total assets of the Company for which it accounts. Where expenses and costs concern only one or individual funds, they are debited to the Subfund or Subfunds in full. Marketing and advertising expenditures are only allowed to be debited in isolated cases by a decision of the Board of Directors.

### INVESTMENTS IN TARGET FUNDS

Subfunds that may invest in other existing UCIs and UCITS (target funds) as part of their investment policy can incur charges both at the level of the target funds and at that of the investing Subfund. If a Subfund acquires Shares of target funds that are managed directly or indirectly by the management company itself, or by a company to which the latter is linked by common management or control or by a significant direct or indirect shareholding ("related target funds"), no selling fee or redemption fees may be charged for the scope of such investments when these Shares are subscribed or redeemed.



#### **PERFORMANCE FEE**

An additional performance-related fee ("Performance Fee") payable to the investment adviser or investment manager may be charged for Subfunds with qualified management activity, as defined for the relevant Subfunds in the Special Part, if applicable. The Performance Fee is calculated on the basis of the performance per Share and is measured according to a percentage of that portion of realised profit that is above a predetermined benchmark (Hurdle Rate) and/or above a so-called High Water Mark for these Shares, as defined, if applicable, for each relevant Subfund in the Special Part.

#### **LAUNCH COSTS**

All fees, costs and expenses payable by the Company are first set off against income and only subsequently against the capital. The costs and expenses of organising and registering the Company as a UCITS in Luxembourg, which did not exceed EUR 100,000, were paid for by the Company and are written off in equal amounts over a period of five (5) years from the date on which they were incurred. The cost of establishing, activating and registering an additional Subfund will be charged by the Company to that Subfund and be written off in equal amounts over a period of five (5) years from the date on which that Subfund was activated.

#### **INCENTIVES**

The Management Company, individual employees of the latter or outside service providers may under certain circumstances receive or grant monetary or non-monetary advantages. In general, granted monetary (fees, commissions) or non-monetary advantages shall be credited to the assets of the fund, subject to the following exceptions.

Transactions for the subfunds' portfolios are executed by brokers, who are compensated for their services at the expense of the Company. In this context, brokers can also provide research services (e. g. investment analyses). To the extent that such additional research services by brokers are to be reimbursed, they must either be paid for by the Management Company or the Investment Manager from their own financial resources or be compensated via a separate account, a so-called Research Payment Account ("RPA"). Such an RPA is based on a research budget that is determined independently of the volume of the transactions. Compensation for research services via an RPA requires a Research Charge Collection Agreement ("RCCA") or a fee-sharing agreement between the Management Company or the Investment Manager and the relevant broker.

Minor non-monetary advantages are exempt from the foregoing rule, including but not limited to written material from an issuer or potential issuer, non-essential material or non-essential services in the form of short-term market commentary, etc.

The main provisions of the relevant agreements on fees, commissions, and/or gratifications offered or granted in non-pecuniary form are available for inspection in summary form at the registered office of the Company. Details are available on request from the Management Company.

## **24. TAXATION**

The following summary is based on the law and the practices currently applied in the Grand Duchy of Luxembourg, which are subject to alteration.

### **24.1. THE COMPANY**

#### **LUXEMBOURG**

The Company is subject to Luxembourg tax jurisdiction. Under Luxembourg law and according to current practice, the Company is not subject to income tax or to any tax on capital gains in respect of realised or unrealised valuation profits. No taxes are payable in Luxembourg on the issue of Shares, neither are distributions carried out by the Company currently subject to Luxembourg withholding tax.

The Company is subject to an annual tax of 0.05% of the net asset value reported at the end of each quarter, and which is payable quarterly. However, to the extent that parts of the Company's assets are invested in other Luxembourg UCITS and/or UCI which are subject to the tax, those parts are not taxed in the Company.

The net asset value which corresponds to a Share Category for "institutional investors", within the meaning of Luxembourg tax legislation, as described in the corresponding Special Part, if applicable,, attracts a reduced tax

rate of 0.01% p.a., on the basis of the classification by the Company of the shareholders in this Share Category as institutional investors within the meaning of the tax legislation. This classification is based on the Company's understanding of the present legal situation, which may be subject to changes having retroactive effect, which can also lead to a tax rate of 0.05% being charged retroactively.

IN GENERAL

Capital gains and income from dividends, interest and interest payments which the Company generates from its investments in other countries may be subject to different levels of non-recoverable withholding tax or capital gains tax at different rate levels in those countries. It is often not possible for the Company to take advantage of tax breaks due to existing double taxation agreements between Luxembourg and these countries or because of local regulations. Should this situation change in future and a lower tax rate result in tax refunds to the Company, the net asset value of the respective Subfunds as at the original time the tax was withheld will not be recalculated; instead the repayments will be made indirectly pro rata to the existing Shareholders at the time the refund is made.

**24.2. THE SHAREHOLDERS**

LUXEMBOURG

Under Luxembourg law and according to current practice, shareholders in Luxembourg are not subject to capital gains tax, income tax, gift tax, inheritance tax or other taxes (with the exception of shareholders resident or having their tax domicile or permanent place of business in Luxembourg as well as former residents of Luxembourg, if they hold more than 10% of Company's shares).

**AUTOMATIC EXCHANGE OF FINANCIAL INFORMATION IN THE FIELD OF TAXATION**

Many countries, including Luxembourg and Switzerland, have already concluded agreements on the automatic exchange of information (AEOI) with regard to taxation or are considering concluding such agreements. To this end, a reporting standard has been coordinated within the OECD. This so-called common reporting standard ("**CRS**") forms the framework for the exchange of financial information in the field of taxation between countries.

CRS obliges financial institutions to gather and, as the case may be, report information on financial assets which are kept under custody or administered across the border for taxpayers from countries and territories which participate in the AEOI. This information will be exchanged between the participating countries' tax authorities.

The member countries of the European Union have decided to implement the AEOI and CRS within the EU by means of Directive 2014/107/EU of the Council of 9 December 2014 amending Directive 2011/16/EU as regards mandatory automatic exchange of information in the field of taxation.

Luxembourg has implemented Directive 2014/107/EU by enacting the Law of 18<sup>th</sup> December 2015 on the automatic exchange of information regarding financial accounts (the "**Financial Accounts Information Exchange Law**") and substantiated by further regulations. Accordingly, from 2016 on, in-scope Luxembourg financial institutions will collect certain investor information relating to the holders of financial accounts (as well as, as the case may be, relating to persons controlling account holders) and, from 2017, will begin reporting this information relating to the reportable accounts to Luxembourg tax authorities. These reports will be transferred by the Luxembourg tax authorities to certain foreign tax authorities, in particular within the EU.

According to the assessment of the Board of Directors, the Company is subject to the Financial Accounts Information Exchange Law in Luxembourg. The Company has been classified as "reporting financial institute" (investment entity) according to the Financial Accounts Information Exchange Law. Therefore, the Company gathers and, as the case may be, reports information relating to account holders pursuant to the principles laid down above.

The Company reserves the right to refuse applications for the subscription of Shares or compulsorily redeem Shares if the information provided by the applicant respectively investors does not meet the requirements of Directive 2014/107/EU and, respectively, of the Financial Accounts Information Exchange Law. Moreover, to fulfil their obligations in Luxembourg under the Financial Accounts Information Exchange Law, respectively, under Directive 2014/107/EU, the Company, the Management Company or the nominees may require, depending on the circumstances, additional information of the investors in order to comply or dispense with their fiscal identification and, as the case may be, reporting duties.

Applicants and investors are made aware of the Company's duty to transmit information on reportable accounts and their holders as well as, as the case may be, of controlling individuals to the Luxembourg tax authorities, which, depending on the circumstances, may forward this information to certain tax authorities in other countries with which a treaty on the automatic exchange of information has been concluded.

The scope and application of the AEOI or CRS may vary from country to country and the applicable rules may change. It is the responsibility of investors to seek advice on taxes and other consequences (including on the exchange of tax information) which may result from the subscription, ownership, return (redemption), switching and transfer of Shares, as well as distributions, including any regulations regarding the control on the movement of capital.

#### **24.3. FOREIGN ACCOUNT TAX COMPLIANCE ACT ("FATCA") OF THE UNITED STATES OF AMERICA ("US")**

The US have introduced FATCA to obtain information with respect to foreign financial accounts and investments beneficially owned by certain US taxpayers.

In regards to the implementation of FATCA in Luxembourg, the Grand Duchy of Luxembourg has signed a Model 1 intergovernmental agreement with the US on 28 March 2014 (the "Lux IGA"), which has been transposed into Luxembourg legislation according to the terms of the Law of 24<sup>th</sup> July 2015 ("Lux IGA Legislation"). Under the terms of the Lux IGA, a Luxembourg resident financial institution ("Lux FI") will be obliged to comply with the provisions of the Lux IGA Legislation, rather than directly complying with the US Treasury Regulations implementing FATCA. A Lux FI that complies with the requirements of the Lux IGA Legislation will be treated as compliant with FATCA and, as a result, will not be subject to withholding tax under FATCA ("FATCA Withholding"), provided the Lux FI properly certifies its FATCA status towards withholding agents.

The Board of Directors considered the Company to be a Lux FI that will need to comply with the requirements of the Lux IGA Legislation and classified the Company and its Subfunds as Sponsored Investment Entities under the Lux IGA. Sponsored Investment Entities qualify for a deemed-compliant status and constitute a Non-Reporting Lux FI under the Lux IGA.

For Sponsorship purposes under the Lux IGA, the Company appointed the Management Company as Sponsoring Entity, which registered in this capacity on the FATCA online registration portal of the US Internal Revenue Service ("IRS") and agreed to perform the due diligence, withholding, and FATCA reporting obligations on behalf of the Company ("Sponsoring Entity Service").

As determined in the Lux IGA, the Company retains the ultimately responsibility for ensuring that it complies with its obligations under the Lux IGA Legislation, notwithstanding the appointment of the Management Company to act as Sponsoring Entity to the Company.

In the performance of the Sponsoring Entity Service, the Management Company may use the assistance and contribution of sub-contractors, including the Company's Registrar and Transfer Agent.

Under the Lux IGA Legislation, the Management Company will be required to report to the Luxembourg Tax Authority certain direct or possibly indirect holdings by certain US investors in the Company, and the payments related hereto, as well as investors that do not comply with the terms of FATCA or with a relevant applicable Intergovernmental Agreement, as of 1 July 2014 and under the terms of the Lux IGA, such information will be onward reported by the Luxembourg Tax Authority to the IRS.

Investors not holding investments in the Company directly as shareholders (i.e. legal holder of records) but via one or several nominees, including but not limited to distributors, platforms, depositaries and other financial intermediaries ("Nominees"), should inquire with such Nominees in regard to their FATCA compliance status in order to avoid FATCA information reporting and/ or potentially withholding.

Additional information may be required by the Company, the Management Company or Nominees from investors in order to comply with their obligations under FATCA or under an applicable Intergovernmental Agreement with the US, e.g., depending on the circumstances, to perform or refrain from information reporting and/ or potentially withholding, as applicable.

The Company reserves the right to refuse applications for the subscription of Shares or to impose a compulsory redemption of Shares if the information provided by the applicant or shareholder does not meet the requirements of the Company for the fulfilment of its obligations under the Lux IGA or the Lux IGA regulations.

The scope and application of FATCA Withholding and information reporting pursuant to the terms of FATCA and the relevant applicable Intergovernmental Agreements may vary from country to country and is subject to review by the US, Luxembourg and other countries, and the applicable rules may change. Investors should contact their own tax or legal advisers regarding the application of FATCA to their particular circumstances.

## **25. GENERAL MEETING OF SHAREHOLDERS AND REPORTING**

The Annual General Meeting of the Company's shareholders will be held on a banking day in Luxembourg within six (6) months of the end of the financial year.

Other extraordinary general meetings of shareholders of the Company or meetings of individual Subfunds or their Share Categories may be held in addition. Notices of general meetings of shareholders and other meetings are issued in accordance with Luxembourg law and the latest Articles of Association. The notices contain information about the place and time of the general meeting, the requirements for attending, the agenda and - if necessary - the quorum requirements and majority requirements for resolutions. Furthermore, the invitation to attend the meeting may provide that the quorum and majority requirements be established on the basis of the Shares which have been issued and are outstanding on the fifth day preceding the general meeting at 12.00 midnight (Luxembourg time). A shareholder's rights to take part in and vote at a general meeting will also be determined according to the number of Shares he/she owns at that point in time.

The Company's financial year shall commence on 1<sup>st</sup> July of each year and end on 30<sup>th</sup> June of the following year.

The annual report containing the audited consolidated annual financial statement of the Company or the Subfunds, as applicable, must be available at the registered office of the Company no later than fifteen (15) days before the annual general meeting. Unaudited semi-annual reports will be available there within two (2) months of the end of the half-year concerned. Copies of these reports may be obtained from the respective national representatives and from SSB-LUX.

In addition to the annual reports and semi-annual reports, which relate to all the Subfunds, separate annual reports and semi-annual reports can also be drawn up for individual Subfunds.

## **26. APPLICABLE LAW, JURISDICTION**

Any legal disputes between the Company, the shareholders, the custodian bank, the Management Company, the domiciliary, principal paying and administrative agent, the registrar and transfer agent, the Investment Advisers or Investment Managers, the national representatives and the distributors will be subject to the jurisdiction of the Grand Duchy of Luxembourg. The applicable law will be Luxembourg law in each case. However, the above entities may, in relation to claims from shareholders from other countries, accept the jurisdiction of those countries in which Shares are offered and sold.

## **27. REMUNERATION POLICY**

The Management Company has implemented a remuneration policy in line with the UCITS V Directive 2014/91/EU of the European Parliament and of the Council of 23 July 2014 amending 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.

The remuneration policy contains remuneration principles for the senior management, all employees who have a material impact on the risk profile of undertakings for collective investment, and all employees who exercise independent control functions.

In particular, the remuneration policy complies with the following principles appropriately in terms of the size and internal organisation of the Management Company and the nature, scope and complexity of the activities it carries out:

- i. It is consistent with and promotes sound and effective risk management. It does not encourage taking risks that are incompatible with the risk profiles, rules or articles of association of the Company;

- ii. Where applicable, performance assessment will be defined in a multi-year framework corresponding to the holding period recommended to the Company investors, in order to ensure that the assessment process is based on the longer-term performance of the Company and its investment risks and that actual payment of performance-related remuneration components is distributed over the same period;
- iii. It is in line with the Company's strategy, the objectives, values and interests of the Management Company, the Company and the shareholders of the Company and it comprises measures to prevent conflicts of interest;
- iv. Fixed and variable components of total remuneration are appropriately balanced and the fixed 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 of paying no variable remuneration component.

The remuneration policy is defined and reviewed at least once a year by a remuneration committee.

Details of the current remuneration policy of the Management Company, including in particular a description of how remuneration and benefits are calculated and the identities of persons responsible for awarding remuneration and benefits, including the composition of the Remuneration Committee, are available at <https://www.carnegroup.com/policies/> and a paper version will be made available free of charge on request.

Variable remuneration will not be paid using vehicles or methods that allow the circumvention of the requirements of applicable laws and supervisory regulations. The Management Company is entitled to charge fees to the Company in return for its services, as defined in this prospectus.

Additional information that the Management Company must make available to investors pursuant to Luxembourg laws and regulations, including but not limited to the procedure for processing investor complaints, the handling of activities that could lead to actual or potential conflicts of interest and the voting rights policy of the Management Company, is available at the registered office of the Management Company.

## 28. INSPECTION OF DOCUMENTS

Copies of the following documents may be inspected at the registered office of the Company in Luxembourg during normal business hours on every banking day in Luxembourg and at the offices of the respective national representatives on their business days:

- 1a) the investment advisory or investment management contracts, the fund management contract, the contracts with the custodian bank, the domiciliary agent, the principal administrative and principal paying agent as well as the registrar and transfer agent. These agreements may be amended with the approval of both contracting parties;
- 1b) the articles of association of the Company.

The following documents may be obtained free of charge on request:

- 2a) the currently valid Key Investor Information Document and the prospectus;
- 2b) the most recent annual and semi-annual reports.

The articles of association, the Key Investor Information Document, the prospectus, the remuneration policy of the Management Company ("Remuneration Policy of Carne Global Fund Managers (Luxembourg) S.A.") and the annual and semi-annual reports may also be obtained on the web site [www.carnegroup.com](http://www.carnegroup.com).

In the event of contradictions between the above-mentioned German-language documents and any translations thereof, the German-language version shall be the authentic text. This is without prejudice to mandatory conflicting regulations governing sale and marketing in legal systems in which the Company's Shares have been legally marketed and sold.

## 29. DATA PROTECTION INFORMATION

Prospective investors should note that by completing the application form they are providing information to the Company, which may constitute personal data within the meaning of the Luxembourg Data Protection Act<sup>1</sup>. This data will be used for the purposes of client identification and the subscription process, administration, transfer agency, statistical analysis, market research and to comply with any applicable legal or regulatory requirements, disclosure to the Company (its delegates and agents) and, if an applicant's consent is given, for direct marketing purposes.

Data may be disclosed to third parties including:

- (a) regulatory bodies, tax authorities; and
- (b) delegates, advisers and service providers of the Company and their or the Company's duly authorised agents and any of their respective related, associated or affiliated companies wherever located (including outside the EEA which may not have the same data protection laws as in Luxembourg) for the purposes specified. For the avoidance of doubt, each service provider to the Company (including the Management Company, its delegates and its or their duly authorised agents and any of their respective related, associated or affiliated companies) may exchange the personal data, or information about the investors in the Company, which is held by it with another service provider to the Company.

Personal data will be obtained, held, used, disclosed and processed for any one of more of the purposes set out in the application form.

Investors have a right to obtain a copy of their personal data kept by the Company and the right to rectify any inaccuracies in personal data held by the Company. As of 25 May 2018 being the date the General Data Protection Regulation (EU 2016/679) comes into effect, investors will also have a right to be forgotten and a right to restrict or object to processing in a number of circumstances. In certain limited circumstances, a right to data portability may apply. Where investors give consent to the processing of personal data, this consent may be withdrawn at any time.

### **BENEFICIAL OWNERSHIP REGULATIONS**

The Company may also request such information (including by means of statutory notices) as may be required for the maintenance of the Company's beneficial ownership register in accordance with the Beneficial Ownership Regulations. It should be noted that a beneficial owner (as defined in the Beneficial Ownership Regulations) ("Beneficial Owner") has, in certain circumstances, obligations to notify the Company in writing of relevant information as to his/her status as a Beneficial Owner and any changes thereto (including where a Beneficial Owner has ceased to be a Beneficial Owner).

Applicants should note that it is an offence under the Beneficial Ownership Regulations for a Beneficial Owner to (i) fail to comply with the terms of a beneficial ownership notice received from or on behalf of the Company or (ii) provide materially false information in response to such a notice or (iii) fail to comply with his/her obligations to provide relevant information to the Company as to his/her status as a Beneficial Owner or changes thereto in certain circumstances or in purporting to comply, provide materially false information.

## 30. ADDITIONAL INFORMATION FOR INVESTORS IN SWITZERLAND

### **Representative**

The representative in Switzerland is Carne Global Fund Managers (Switzerland) AG, Beethovenstrasse 48, CH-8002 Zurich (from 1 January 2025: Gartenstrasse 25, CH-8002 Zurich).

<sup>1</sup> "Data Protection Act" - the Data Protection Act of 2 August 2002 in its amended or revised version, including the statutory provisions and regulations, which are issued and amended from time to time, as well as the General Data Protection Regulation (EU) 2016/679.

### **Paying Agent**

The paying agent in Switzerland is State Street Bank International GmbH, Munich, Zurich Branch, Beethovenstrasse 19, CH-8002 Zurich (from 20 January 2025: Kalandersplatz 5, P.O. Box, CH-8027 Zurich).

### **Place of reference of the relevant documents**

The Prospectus, the Key Information Document or the Key Investor Information Documents, the articles of association as well as the annual and semi-annual reports may be obtained free of charge from the representative in Switzerland.

### **Publications**

Publications relating to MULTILABEL SICAV are made in Switzerland on the electronic platform *www.fundinfo.com*.

On each day on which shares of the Subfunds are issued or redeemed, the issue and redemption prices or the net asset value of all classes of the shares of the Subfunds must be published on *www.fundinfo.com* with the notice "exclusive commissions". The prices must be published at least twice a month (1<sup>st</sup> and 3<sup>rd</sup> week on Monday).

### **Payment of retrocessions and rebates**

Subject to compliance with the applicable rules on the applicable rules of conduct, MULTILABEL SICAV and its agents may pay retrocessions to compensate for the distribution activity in respect of the shares of the Subfunds in Switzerland. This remuneration may be used in particular to cover the following services:

Distribution and Sales activities: Distribution and Sales activities are activities whose objective is to promote the distribution and sales of shares, such as organisation of road shows, the participation in events and fairs, the production of marketing material, the training of sales employees, etc.

Retrocessions are not deemed to be rebates even if they are ultimately passed on, in full or in part, to the shareholders.

The disclosure of the receipt of retrocessions is governed by the relevant provisions of the FinSA.

In the case of distribution activity in Switzerland, GAM (Luxembourg) S.A. („the Management Company") and its agents may, upon request, pay rebates directly to investors. The purpose of rebates is to reduce the fees or costs incurred by the investor in question. Rebates are permitted provided that

- they are paid from fees received by the Management Company and therefore do not represent an additional charge on the Subfund's assets;
- they are granted on the basis of objective criteria;
- all investors who meet these objective criteria and demand rebates are also granted these within the same timeframe and to the same extent.

The objective criteria for the granting of rebates by the Management Company are as follows:

- the volume subscribed by the investor or the total volume they hold in the Subfund or, where applicable, in the product range of the promoter;
- the amount of the fees generated by the investor;
- the investment behavior shown by the investor (e.g. expected investment period).

At the request of the investor, the Management Company must disclose the amounts of such rebates free of charge.

Retrocessions and rebates may be paid for the Subfunds mentioned in this Prospectus as follows:

### **ARTEMIDE**

Retrocessions may be paid on all share classes.

No rebates are paid.

**LYRA**

Retrocessions may be paid on all share classes.  
No rebates are paid.

**EMCORE GLOBAL CONVERT BOND FUND**

Retrocessions and rebates may be paid on share class B.

**HYBRID BONDS FUND**

Retrocessions and rebates may be paid on share class B.  
Neither retrocessions nor rebates can be paid on the other share classes.

**ABS SELECTION FUND**

Retrocessions and rebates may be paid on share class B.  
Neither retrocessions nor rebates can be paid on the other share classes.

**ETICA ESG CONSERVATIVE ALLOCATION**

**ETICA ESG DYNAMIC ALLOCATION**

**ETICA ESG GLOBAL EQUITY**

Retrocessions and rebates may be paid on all share classes.

**Place of Performance and Court of Jurisdiction**

For shares offered in Switzerland, the place of performance is at the registered office of the Representative. The place of jurisdiction shall be at the registered office of the Representative or at the registered office or domicile of the investor.



## MULTILABEL SICAV

### ARTEMIDE

### LYRA

Zwei durch die GAM (LUXEMBOURG) S.A., Luxemburg, für die MOMentum Alternative Investments S.A., Paradiso, Schweiz, aufgelegte Subfonds der SICAV luxemburgischen Rechts MULTILABEL SICAV

Two Subfunds of the SICAV under Luxembourg law MULTILABEL SICAV, established by GAM (LUXEMBOURG) S.A., Luxembourg, on behalf of MOMentum Alternative Investments S.A., Paradiso, Switzerland

#### **BESONDERER TEIL B:**

**10. APRIL 2023**

#### **SPECIAL PART B:**

**10 APRIL 2023**

Dieser Besondere Prospektteil ergänzt den Allgemeinen Teil mit Bezug auf die Subfonds ARTEMIDE und LYRA (die „**Subfonds**“ bzw. die „**MOMentum FUNDS**“).

This Special Part of the Prospectus supplements the General Part with regard to the Subfunds ARTEMIDE and LYRA (the „**Subfonds**“ or the „**MOMentum FUNDS**“).

Die nachfolgenden Bestimmungen müssen in Verbindung mit dem Allgemeinen Prospektteil gelesen werden.

The provisions below must be read in conjunction with the General Part of the Prospectus.

Die hier enthaltenen Angaben auf Englisch (rechte Spalte) sind nach bestem Wissen und Gewissen der Gesellschaft eine treue Übersetzung der deutschen Originalfassung (linke Spalte). Im Falle von Widersprüchen gilt die Fassung in deutscher Sprache.

The information contained herein in English (right column) is, to the Company's best knowledge and belief, a true translation of the German original version (left column). In the event of contradictions, the German-language version shall prevail.

## 1. ERSTAUSGABE DER ANTEILE

Die Anteile des Subfonds wurden erstmals wie folgt zur Zeichnung aufgelegt. Der angegebene Erstausgabepreis versteht sich pro Anteil, zuzüglich einer Verkaufsgebühr von bis zu maximal 5% des Ausgabepreises.

| Subfonds / Subfund | Zeichnungsfrist /<br>Subscription period | Erstausgabepreis /<br>Initial issue price |
|--------------------|--|---|
| ARTEMIDE           | 15.-30.09.2010                           | EUR 100                                   |
| LYRA               | 14.-28.02.2014                           | EUR 100                                   |

## 2. ANLAGEZIELE UND -POLITIK

### 2.1 ANLAGEZIELE UND –POLITIK DES ARTEMIDE

Das Anlageziel der Gesellschaft in Bezug auf den ARTEMIDE ist die Erzielung eines langfristig überdurchschnittlichen Kapitalzuwachses unter gleichzeitiger Risikobeschränkung mittels adäquater Diversifizierung. Zu diesem Zweck investiert die Gesellschaft das Vermögen des Subfonds in folgende Anlagen:

- (i) Aktien und andere Beteiligungspapiere und –wertrechte von Unternehmen, welche an einer europäischen Börse kotiert sind, mit einem besonderen Schwerpunkt auf Unternehmen mit Sitz oder dem überwiegenden Anteil ihrer wirtschaftlichen Tätigkeit in Italien;
- (ii) fest- und variabelverzinsliche Wertpapiere, Forderungspapiere oder –wertrechte sowie andere verzinsliche Anlagen (inkl. Geldmarktinstrumente und insbesondere Wandel- und Optionsanleihen, sowie Zwangswandelanleihen (sog. „CoCo-Bonds“), letztere begrenzt auf 10% des Vermögens) in allen europäischen Währungen, die ausgegeben oder garantiert werden durch Emittenten aus Europa;
- (iii) Anteile von anderen OGAW oder OGA (Zielfonds) im Sinne und unter den Beschränkungen von Kap. 5 des Allgemeinen Teils (max. 10% des Vermögens); Sichteinlagen und kündbare Einlagen.

Im Subfonds können in grösserem Umfang derivative Finanzinstrumente (Derivate) eingesetzt werden, und zwar sowohl zum Zweck der Absicherung und der effizienten Portfolioverwaltung als auch zum Zweck der aktiven Anlage in Wertpapiere und Geldmarkt-instrumente sowie zur Währungsabsicherung.

Die Palette der möglichen Derivate umfasst sowohl börsengehandelte als auch OTC-Instrumente und insbesondere Call- und Put-Optionen, Futures, Forwards, Warrants, Contracts for Difference und Swaps (wie Total Return Swaps, Credit Default Swaps, Credit Spread Swaps, Zinsswaps, etc.) auf Wertpapiere, Zinsen und Währungen sowie auf andere derivative Finanzinstrumente und auf Finanzindizes. Insoweit der ARTEMIDE von Total Return

## 1. INITIAL ISSUE OF SHARES

The Shares of the Subfonds have been issued for subscription for the first time as follows. The indicated initial issue price is per Share plus, as the case may be, a selling fee of up to a maximum of 5% of the Issue Price.

## 2. INVESTMENT OBJECTIVES AND POLICY

### 2.1 INVESTMENT OBJECTIVES AND POLICY OF THE ARTEMIDE

The investment objective of the Company with respect to the ARTEMIDE is to achieve long term above-average capital growth while limiting risk through adequate diversification. For this purpose, the Company will invest the assets of the Subfund in the following investments:

- (i) shares and other equity securities rights of companies listed on a European stock exchange, with a particular focus on companies domiciled or exercising the predominant part of their economic activity in Italy;
- (ii) fixed-interest or floating rate securities, debt securities or rights and other interest-bearing investments (including money market instruments and, in particular, convertible bonds and bonds with warrants, as well as contingent convertible bonds (“CoCo-Bonds”, the latter limited to a maximum of 10% of the assets) in all European currencies issued or guaranteed by issuers in Europe;
- (iii) units of other UCITS or UCIs (target funds) as defined in and subject to the restrictions of section 5 of the General Part (max. 10% of the assets); sight deposits and deposits repayable on demand.

Derivative financial instruments (derivatives) may be used to a greater extent in the Subfund, both for the purpose of hedging and efficient portfolio management and for the purpose of active investment in securities and money market instruments as well as for currency hedging.

The range of possible derivatives includes exchange traded as well as OTC-instruments and in particular call and put-options, futures, forwards, warrants, contracts for difference and swaps (including total return swaps, credit default swaps, credit spread swaps, interest rate swaps, etc) on transferable securities, interest and currencies, as well as on other derivative financial instruments and on financial indices. Where the Subfund ARTEMIDE makes use of total return swaps or other derivatives with the same

Swaps oder anderen Derivaten mit denselben Eigenschaften Gebrauch machen, sind deren Basiswerte immer einzelne Aktien. Im Übrigen gelten für den Einsatz von diesen Instrumenten die im Allgemeinen Prospektteil gemachten Angaben.

Die Gesamtrisikoaussatzung des Subfonds durch den Einsatz von Derivaten beträgt maximal 200%.

Die Auswahl bzw. Gewichtung der einzelnen Titel und Arten von Anlagen und Währungen sowie die Ausrichtung der aktuellen Anlagestrategie erfolgt auch in opportunistischer Weise, d.h. je nach momentaner Markteinschätzung kann der Anlageschwerpunkt stark variieren. Kurzzeitige Preisschwankungen sind daher nicht auszuschließen.

Zusätzliche flüssige Mittel können bis zu 20% des Gesamtvermögens des Subfonds betragen. Diese zusätzlichen flüssigen Mittel beschränken sich auf Sichteinlagen, wie z.B. Barmittel, die auf den laufenden Bankkonten des Subfonds gehalten werden und jederzeit verfügbar sind. Die 20%-Grenze darf nur dann vorübergehend für einen unbedingt notwendigen Zeitraum überschritten werden, wenn die Umstände dies aufgrund außergewöhnlich ungünstiger Marktbedingungen erfordern (z.B. Kriege, Terroranschläge, Gesundheitskrisen oder andere ähnliche Ereignisse) und wenn eine solche Überschreitung unter Berücksichtigung der besten Interessen der Anleger gerechtfertigt ist.

Der Subfonds kann zu Liquiditätszwecken in flüssige Mittel investieren, d.h. in Geldmarktinstrumente gemäß der Definition in Abschnitt 5 des Allgemeinen Teils sowie in Geldmarktfonds sowie und in täglich rückzahlbare Einlagen gemäß der Definition in Abschnitt 5 des Allgemeinen Teils.

Der ARTEMIDE lautet auf Euro. Die Anlagen können auf Euro oder auf andere Währungen lauten. Fremdwährungsrisiken können ganz oder teilweise gegenüber dem Euro abgesichert werden. Ein Wertverlust aufgrund von Währungskursschwankungen kann nicht ausgeschlossen werden.

## 2.2 ANLAGEZIELE UND –POLITIK DES LYRA

Das Anlageziel der Gesellschaft in Bezug auf den LYRA ist die Erzielung eines langfristig überdurchschnittlichen Kapitalwachses unter gleichzeitiger Risikobeschränkung mittels adäquater Diversifizierung. Die Gesellschaft strebt in Bezug auf Lyra an, den Vergleichsindex (wie unten definiert) im Laufe der Zeit zu übertreffen, und beabsichtigt nicht, den Vergleichsindex zu verfolgen (track). Zu diesem Zweck ist die Gesellschaft nicht an den Vergleichsindex gebunden und investiert das Vermögen des Subfonds in folgende Anlagen:

- (i) Aktien und andere Beteiligungspapiere und – wertrechte von Unternehmen, welche an einer europäischen Börse kotiert sind. Bis zu maximal 10% des Vermögens des Subfonds können auch investiert

characteristics, their underlying assets are always individual shares. Furthermore, the information provided in the General Part of the Prospectus applies to the use of these instruments.

The total risk exposure of the Subfund through the use of derivatives is a maximum of 200%.

The selection or weighting of the individual securities and types of investments and currencies as well as the orientation of the current investment strategy is also carried out in an opportunistic manner, i.e. the investment focus can vary greatly depending on the current market assessment. Short-term price fluctuations can therefore not be ruled out.

Ancillary liquid assets may amount to up to 20% of the total assets of the Subfund. Such ancillary liquid assets shall be limited to bank deposits at sight, such as cash held in the Subfund's current bank accounts and accessible at any time. The 20% limit may only be breached temporarily for a period of time strictly necessary when, because of exceptionally unfavorable market conditions, circumstances so require (circumstances such as wars, terrorist attacks, health crises or other similar events) and where such breach is justified having regard to the best interests of the investors.

The Subfund can invest for treasury purposes in liquid assets, meaning money market instruments as defined in section 5 of the General Part as well as in money market funds and deposits repayable on demand.

ARTEMIDE is denominated in Euro. The investments may be denominated in Euro or in other currencies. Foreign currency risks may be fully or partially hedged against the euro. A loss in value due to exchange rate fluctuations cannot be ruled out.

## 2.2 INVESTMENT OBJECTIVES AND POLICY OF THE LYRA

The investment objective of the Company with respect to the LYRA is to achieve long term above-average capital growth while limiting risk through adequate diversification. The Company, with respect to Lyra, aims to outperform the Benchmark (as defined below) over time and does not intend to track the Benchmark. For this purpose, the Company is not constrained by the Benchmark and will invest the assets of the Subfund in the following investments:

- (i) shares and other equity securities and rights of companies listed on a European stock exchange. Up to a maximum of 10% of the Subfund's assets may also be invested in shares and other equity securities and

- |  |  |
|--|--|
| <p>werden in Aktien und andere Beteiligungspapiere und –wertrechte von Unternehmen, welche an einer aussereuropäischen Börse kotiert sind;</p> <p>(ii) fest- und variabelverzinsliche Wertpapiere, Forderungspapiere oder –wertrechte sowie andere verzinsliche Anlagen (inkl. Geldmarktinstrumente und insbesondere Wandel- und Optionsanleihen) in allen europäischen Währungen, die ausgegeben und garantiert werden durch Emittenten aus Europa;</p> <p>(iii) Anteile von anderen OGAW oder OGA (Zielfonds) im Sinne und unter den Beschränkungen von Kap. 5 des Allgemeinen Teils (max. 10% des Vermögens);</p> <p>(iv) Sichteinlagen und kündbare Einlagen;</p> <p>(v) special purpose acquisition companies - SPACs (max. 10% des Vermögens).</p> | <p>rights of companies listed on a non-European stock exchange;</p> <p>(ii) fixed interest and floating-rate securities, debt securities or rights and other interest-bearing investments (including money market instruments and in particular convertible bonds and bonds with warrants) in all European currencies issued or guaranteed by issuers from Europe;</p> <p>(iii) units of other UCITS or UCIs (target funds) as defined in and subject to the restrictions of section 5 of the General Part (max. 10% of the assets);</p> <p>(iv) sight deposits and deposits repayable on demand;</p> <p>(v) special purpose acquisition companies - SPACs (max. 10% of the assets).</p> |
|--|--|

Im Subfonds können in grösserem Umfang derivative Finanzinstrumente (Derivate) eingesetzt werden, und zwar sowohl zum Zweck der Absicherung und der effizienten Portfolioverwaltung als auch zum Zweck der aktiven Anlage in Wertpapiere und Geldmarktinstrumente sowie zur Währungsabsicherung.

Derivative financial instruments (derivatives) may be used to a greater extent in the Subfund, both for the purpose of hedging and efficient portfolio management and for the purpose of active investment in securities and money market instruments as well as for currency hedging.

Die Palette der möglichen Derivate umfasst sowohl börsengehandelte als auch OTC-Instrumente und insbesondere Call- und Put-Optionen, Futures, Forwards, Warrants, *Contracts for Difference* und Swaps (wie Total Return Swaps, Credit Default Swaps, Credit Spread Swaps, Zinsswaps, etc.) auf Wertpapiere, Zinsen und Währungen sowie auf andere derivative Finanzinstrumente und auf Finanzindizes. Insoweit der LYRA von Total Return Swaps oder anderen Derivaten mit denselben Eigenschaften Gebrauch machen, sind deren Basiswerte immer einzelne Aktien. Im Übrigen gelten für den Einsatz von diesen Instrumenten die im Allgemeinen Prospektteil gemachten Angaben.

The range of possible derivatives includes exchange traded as well as OTC-instruments and in particular call and put-options, futures, forwards, warrants, contracts for difference and swaps (including total return swaps, credit default swaps, credit spread swaps, interest rate swaps, etc) on transferable securities, interest and currencies, as well as on other derivative financial instruments and on financial indices. Where the Subfund LYRA makes use of total return swaps or other derivatives with the same characteristics, their underlying assets are always individual shares. Furthermore, the information provided in the General Part of the Prospectus applies to the use of these instruments.

Die Gesamtrisikoausssetzung des Subfonds durch den Einsatz von Derivaten beträgt maximal 200%.

The total risk exposure of the Subfund through the use of derivatives is a maximum of 200%.

Die Auswahl bzw. Gewichtung der einzelnen Titel und Arten von Anlagen und Währungen sowie die Ausrichtung der aktuellen Anlagestrategie erfolgt auch in opportunistischer Weise, d.h. je nach momentaner Markteinschätzung kann der Anlageschwerpunkt stark variieren. Kurzzeitige Preisschwankungen sind daher nicht auszuschliessen.

The selection or weighting of the individual securities and types of investments and currencies as well as the orientation of the current investment strategy is also carried out in an opportunistic manner, i.e. the investment focus can vary greatly depending on the current market assessment. Short-term price fluctuations can therefore not be ruled out.

Zusätzliche flüssige Mittel können bis zu 20% des Gesamtvermögens des Subfonds betragen. Diese zusätzlichen flüssigen Mittel beschränken sich auf Sichteinlagen, wie z.B. Barmittel, die auf den laufenden Bankkonten des Subfonds gehalten werden und jederzeit verfügbar sind. Die 20%-Grenze darf nur dann vorübergehend für einen unbedingt notwendigen Zeitraum überschritten werden, wenn die Umstände dies aufgrund außergewöhnlich ungünstiger Marktbedingungen erfordern (z.B. Kriege, Terroranschläge, Gesundheitskrisen oder andere ähnliche Ereignisse) und wenn eine solche

Ancillary liquid assets may amount to up to 20% of the total assets of the Subfund. Such ancillary liquid assets shall be limited to bank deposits at sight, such as cash held in the Subfund's current bank accounts and accessible at any time. The 20% limit may only be breached temporarily for a period of time strictly necessary when, because of exceptionally unfavorable market conditions, circumstances so require (circumstances such as wars, terrorist attacks, health crises or other similar events) and where such breach is justified having regard to the best interests of the investors.

The Subfund can invest for treasury purposes in liquid assets, meaning money market instruments as defined in

Überschreitung unter Berücksichtigung der besten Interessen der Anleger gerechtfertigt ist.

Der Subfonds kann zu Liquiditätszwecken in flüssige Mittel investieren, d.h. in Geldmarktinstrumente gemäß der Definition in Abschnitt 5 des Allgemeinen Teils sowie in Geldmarktfonds sowie und in täglich rückzahlbare Einlagen gemäß der Definition in Abschnitt 5 des Allgemeinen Teils.

Der LYRA lautet auf Euro. Die Anlagen können auf Euro oder auf andere Währungen lauten. Fremdwährungsrisiken können ganz oder teilweise gegenüber dem Euro abgesichert werden. Ein Wertverlust aufgrund von Währungskursschwankungen kann nicht ausgeschlossen werden.

### 2.3 OFFENLEGUNGEN ZU NACHHALTIGKEIT FÜR LYRA

In Übereinstimmung mit den Bestimmungen von Artikel 8 der Verordnung (EU) 2019/2088 des Europäischen Parlaments und des Rates vom 27. November 2019 über nachhaltigkeitsbezogene Offenlegungspflichten im Finanzdienstleistungssektor ("**SFDR**") werden mit diesem Finanzprodukt ökologische oder soziale Aspekte unterstützt.

Der Anlageverwalter wendet in seinem Anlageprozess den „double-materiality“ Ansatz an, der zusätzlich zu den Finanzinformationen auch ESG-Aspekte berücksichtigt („ESG“ bezieht sich auf Umwelt, Soziales und Unternehmensführung). Der Anlageverwalter beabsichtigt damit die Ausrichtung des Subfonds an die Ziele 2 (Kein Hunger), 3 (Gesundheit und Wohlergehen), 6 (Sauberes Wasser und Sanitäreinrichtungen), 7 (Bezahlbare und saubere Energie), 9 (Industrie, Innovation und Infrastruktur), 11 (Nachhaltige Städte und Gemeinden), 12 (Nachhaltiger Konsum und Produktion), 13 (Maßnahmen zum Klimaschutz), 14 (Leben unter Wasser) und 15 (Leben an Land) der siebzehn Ziele für nachhaltige Entwicklung der Vereinten Nationen („**UN SDGs**“), mit einer zukunftsorientierter Denkweise, die Investitionen in ESG-ermöglichende und -verbessernde Tätigkeiten fördert. Zusätzlich wird der Anlageverwalter anstreben, die Ausrichtung des Subfonds an einem oder mehreren der bestehenden Umweltziele der Verordnung (EU) 2019/2088 des Europäischen Parlaments und des Rates vom 18. Juni 2020 über die Einrichtung eines Rahmens zur Erleichterung nachhaltiger Investitionen („**EU-Taxonomie**“) zu erreichen.

Der Anlageverwalter analysiert die ESG-Parameter der Zielunternehmen, und überwacht sowohl die erwarteten kurzfristigen ESG-Fortschritte und die Fortschrittsrate (in Bezug auf ESG-konforme Tätigkeiten), als auch die Fähigkeit, zur Erreichung der oben genannten Ziele beizutragen (in Bezug auf ESG-ermöglichende Tätigkeiten), mit einem zukunftsorientierten Ansatz, der die historischen Daten ergänzt.

Bei der Identifizierung von Anlagen, die es dem Subfonds ermöglichen, ökologische oder soziale Merkmale zu fördern, wird der Anlageverwalter die Nachhaltigkeit der

section 5 of the General Part as well as in money market funds and deposits repayable on demand.

LYRA is denominated in Euro. The investments may be denominated in Euro or in other currencies. Foreign currency risks may be fully or partially hedged against the euro. A loss in value due to exchange rate fluctuations cannot be ruled out.

### 2.3 SUSTAINABILITY DISCLOSURES FOR LYRA

In accordance with the provisions of Article 8 of Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosure requirements in the financial services sector ("**SFDR**"), this financial product supports environmental or social aspects.

The Investment Manager shall apply the "double materiality" approach in its investment process, which takes into account ESG aspects in addition to financial information ("ESG" refers to environmental, social and corporate governance). In doing so, the Investment Manager intends to align the Subfund with objectives 2 (Zero Hunger), 3 (Good Health and Well-being), 6 (Clean Water and Sanitation), 7 (Affordable and Clean Energy), 9 (Industry, Innovation and Infrastructure), 11 (Sustainable Cities and Communities), 12 (Sustainable Consumption and Production), 13 (Climate Action), 14 (Life below water) and 15 (Life on Land) of the seventeen United Nations Sustainable Development Goals ("**UN SDGs**"), with a forward-looking mindset that encourages investment in ESG-enabling and enhancing activities. In addition, the Investment Manager will seek to achieve the Subfund's alignment with one or more of the existing environmental objectives of Regulation (EU) 2019/2088 of the European Parliament and of the Council of 18 June 2020 establishing a framework to facilitate sustainable investment ("**EU Taxonomy**").

The Investment Manager shall analyse the ESG parameters of the target companies, and monitor both the expected short-term ESG progress and rate of progress (in relation to ESG compliant activities), and the ability to contribute to the achievement of the above objectives (in relation to ESG enabling activities), using a forward-looking approach that complements historical data.

In identifying investments that will enable the Subfund to promote environmental or social characteristics, the Investment Manager will analyse the sustainability of the

Geschäftsmodelle der Unternehmen, in die der Subfonds investiert, im Kontext der säkularen, transformativen Trends analysieren, um positive Ergebnisse für die Gesellschaft und die Umwelt sowie überdurchschnittliche und beständige Renditen für seine Anleger zu erzielen. Der Subfonds ist bestrebt, in widerstandsfähige Markt- oder Nischenführer zu investieren, die mit mindestens einem der SDG-Megatrends der Vereinten Nationen in Verbindung stehen, über solide Fundamentaldaten und Bilanzen verfügen und über einen nachhaltigen freien Cashflow zum Eigenkapital über einen Zyklus hinweg verfügen.

Die ESG-Kriterien sind im oben beschriebenen „double-materiality“ Anlageprozess des Anlageverwalters integriert. In regelmäßigen Abständen wird eine Nachhaltigkeitsbewertung aller Risiken und Chancen durchgeführt, die sich wesentlich auf die grundlegenden Merkmale eines investierten Unternehmens auswirken können. Der Anlageverwalter wendet ein umsatzbezogenes (oder Capex- oder Opex-bezogenes) Screening der investierten Unternehmen an, um festzustellen ob diese:

- a) einen wesentlichen Beitrag zu mehreren der oben aufgeführten UN-SDGs und/oder zu einem der sechs Umweltziele der EU-Taxonomie (nämlich Klimaschutz, Anpassung an den Klimawandel, nachhaltige Nutzung und Schutz der Wasser- und Meeresressourcen, Übergang zu einer Kreislaufwirtschaft, Vermeidung und Verminderung der Umweltverschmutzung sowie Schutz und Wiederherstellung der Biodiversität und der Ökosysteme) leisten;
- b) für den Fall, dass sie einen Beitrag zu einem der sechs Umweltziele der EU-Taxonomie leisten, keines der anderen fünf Ziele der EU-Taxonomie erheblich beeinträchtigen (gemäß dem sogenannten "Do no significant harm"-Prinzip oder DNSH-Prinzip);
- c) das Mindestschutzniveau einhalten (z. B. OECD-Leitsätze für multinationale Unternehmen und die Leitprinzipien der Vereinten Nationen für Wirtschaft und Menschenrechte).

Der Anlageverwalter - beschränkt auf die Long-Positionen des Subfonds – schließt alle Anlagen in kontroversen Sektoren aus: 1) Erwachsenenunterhaltung, 2) Alkohol, 3) Glücksspiel, und 4) kontroverse Waffen. Die Ausschlussregeln werden sowohl in der Pre-Trade als auch in der Post-Trade Phase durchgesetzt; diese Ausschlusskriterien werden regelmäßig überprüft. Zusätzlich zu den ausgeschlossenen kontroversen Sektoren kann der Anlageverwalter nach eigenem Ermessen andere Sektoren ausschließen, die seiner Ansicht nach die gleichen oder ähnliche negative Auswirkungen haben wie diese vier aufgelisteten Sektoren.

Der Anlageverwalter nimmt seine Verantwortung in Bezug auf die Nachhaltigkeit und die Beteiligung der Anleger in Übereinstimmung mit internationalen Best Practices und auf der Grundlage der Bestimmungen der geänderten Richtlinie 2007/36/EG über die Ausübung bestimmter Rechte von Aktionären in börsennotierten Gesellschaften, in der jeweils

business models of the companies in which the Subfund invests in the context of secular transformative trends in order to achieve positive social and environmental outcomes and superior and consistent returns for its investors. The Subfund seeks to invest in resilient market or niche leaders that are linked to at least one of the United Nations SDG megatrends, have strong fundamentals and balance sheets, and have sustainable free cash flow to equity over a cycle.

The ESG criteria are integrated into the Investment Manager's "double-materiality" investment process described above. A sustainability assessment of all risks and opportunities that may have a material impact on the underlying characteristics of an invested company is conducted periodically. The Investment Manager will apply a revenue-based (or capex or opex-based) screening of the investee companies to determine whether they:

- a) contribute significantly to several of the UN SDGs listed above and/or to any of the six environmental objectives of the EU taxonomy (namely climate change mitigation, adaptation to climate change, sustainable use and protection of water and marine resources, transition to a circular economy, pollution prevention and control, and protection and restoration of biodiversity and ecosystems);
- b) in case they contribute to one of the six environmental objectives of the EU taxonomy, do not significantly harm any of the other five objectives of the EU taxonomy (according to the so-called "Do no significant harm" principle or DNSH principle);
- c) comply with the minimum level of protection (e.g. OECD Guidelines for Multinational Enterprises), e.g. OECD Guidelines for Multinational Enterprises and the United Nations Guiding Principles on Business and Human Rights).

Within the Sub-Fund's long positions, the Investment Manager will exclude all investments in controversial sectors: 1) adult entertainment, 2) alcohol, 3) gambling, and 4) controversial weapons. The exclusion rules are enforced in both the pre-trade and post-trade phases; these exclusion criteria are reviewed regularly. In addition to the excluded controversial sectors, the Investment Manager may, at its discretion, exclude other sectors which it believes have the same or similar negative impact as these four listed sectors.

The Investment Manager shall fulfil its responsibilities in relation to sustainability and investor engagement in accordance with international best practice and on the basis of the provisions of Directive 2007/36/EC on the exercise of certain rights of shareholders in listed companies, as

geltenden Fassung, wahr. Der Anlageverwalter hat sich verpflichtet, ESG-Kriterien in seinem Dialog mit ausgewählten Unternehmen, in die er investiert, zu integrieren. Das Wahlverhalten des Anlageverwalters auf Aktionärsversammlungen richtet sich nach dem Grundsatz der Verhältnismäßigkeit und nach den für die Verwaltungsgesellschaft geltenden Grundsätzen der Unternehmensführung und der Stimmrechtsausübung, sofern vorhanden. Der Anlageverwalter kann jedoch beantragen, sich über die Richtlinien zur Stimmrechtsausübung hinwegzusetzen.

Der Anlageverwalter bewertet auch die Verfahrensweisen einer guten Unternehmensführung der Zielunternehmen um sich zu vergewissern, dass die Unternehmen die entsprechenden Verfahrensweisen anwenden, insbesondere im Hinblick auf solide Managementstrukturen, die Beziehungen zu den Mitarbeitern, die Vergütung des Personals und die Einhaltung der Steuervorschriften.

Der Anlageverwalter ergreift geeignete Maßnahmen und Verfahren zur Überwachung relevanter Angelegenheiten (einschließlich, aber nicht beschränkt auf Strategie, finanzielle und nachhaltige Leistung und Risiken, Kapitaltransaktionen und Kapitalmaßnahmen, ESG usw.) und zur Bewältigung tatsächlicher und potenzieller Interessenkonflikte.

Der Anlageverwalter pflegt den Dialog mit ausgewählten Unternehmen in seinem Portfolio, um den Wert seiner Anlagen zu schützen und zu steigern. Die Dialogthemen können eine Vielzahl von Fragen umfassen, konzentrieren sich jedoch in erster Linie auf Chancen und Risiken in Bezug auf das Geschäftsmodell sowie auf Umwelt, Soziales und Unternehmensführung.

Der Anlageverwalter legt jährlich öffentlich offen, wie seine Engagement-Politik (Engagement Policy) umgesetzt wurde. Diese Offenlegung kann Abstimmungen ausschließen, die aufgrund des Gegenstands der Abstimmung oder der Höhe der Beteiligung an dem Unternehmen unbedeutend sind.

Der Anlageverwalter überwacht die Einhaltung der oben beschriebenen sozialen und/oder ökologischen Merkmale regelmäßig durch eine Kombination aus internen Bewertungen des Anlageteams und der Drittanbieter von Nachhaltigkeitsratings. Sollte es als notwendig erachtet werden, kann der Anlageverwalter auch externe Berater damit beauftragen, ein Nachhaltigkeitsgutachten für eine Gruppe kleinerer, nicht bewerteter Aktien zu erstellen. Der Subfonds kann ein Nachhaltigkeitsrating von einem führenden Datenanbieter einholen. Bitte besuchen Sie [mominvest.com](http://mominvest.com), um weitere Informationen über seine ESG-Anlagepolitik und Informationen zur Nachhaltigkeit zu erhalten.

**Darüber hinaus sind weitere Angaben in Bezug auf die vom Subfonds geförderten ökologischen und sozialen Kriterien im Anhang zu diesem Besonderen Teil B aufgeführt.**

amended. The Investment Manager is committed to integrating ESG criteria in its dialogue with selected companies in which it invests. The Investment Manager's voting behaviour at shareholder meetings is governed by the principle of proportionality and by the corporate governance and voting principles applicable to the Management Company, if any. However, the Investment Manager may request to override the voting guidelines.

The Investment Manager will also assess the good governance practices of the target companies to guarantee that the companies are following the appropriate practices, in particular with regard to sound management structures, employee relations, staff remuneration and tax compliance.

The Investment Manager shall take appropriate measures and procedures to monitor relevant matters (including but not limited to strategy, financial and sustainable performance and risks, capital transactions and corporate actions, ESG, etc.) and to manage actual and potential conflicts of interest.

The Investment Manager shall maintain a dialogue with selected companies in its portfolio to protect and enhance the value of its investments. Dialogue topics may include a wide range of issues, but primarily focus on business model, environmental, social and governance opportunities and risks.

The Investment Manager shall publicly disclose annually how its Engagement Policy has been implemented. This disclosure may exclude votes that are insignificant due to the subject matter of the vote or the level of ownership interest in the company.

The Investment Manager shall monitor compliance with the social and/or environmental features described above on a regular basis through a combination of internal assessments by the Investment Team and third party sustainability rating providers. Should it be deemed necessary, the Investment Manager may also engage external consultants to provide a sustainability rating for a group of smaller unrated stocks. The Subfund may obtain a sustainability rating from a leading data provider. Please visit [mominvest.com](http://mominvest.com) for more information on its ESG investment policy and sustainability information.

**In addition, further details in relation to the environmental and social characteristics promoted by the Subfund are set out in the Annex to this Special Part B.**

### 3. RISIKOHINWEISE

Die Gesellschaft ist bemüht die Anlageziele der Gesellschaft bezüglich jedes einzelnen Subfonds zu erreichen. Es kann jedoch keine Garantie abgegeben werden, dass die Anlageziele tatsächlich erreicht werden. Folglich kann der Nettoinventarwert der Anteile grösser oder kleiner werden, und es können unterschiedlich hohe positive bzw. auch negative Erträge anfallen.

Anlagen in Derivate bergen oft höhere Risiken in sich als Direktanlagen in Wertpapiere. Potentielle Risiken können sich z.B. aus der Komplexität, Nichtlinearität, Hebelwirkung, hohen Volatilität, geringen Liquidität, eingeschränkten Bewertbarkeit oder dem Gegenparteienrisiko ergeben. Sofern ein Derivat in ein Wertpapier eingebettet ist, muss dieses bei der Anwendung der Anlagebeschränkungen sowie bei der Risikoüberwachung mit berücksichtigt werden.

#### 3.1 HINWEISE BETREFFEND NACHHALTIGKEITSRISIKEN

Der Marktwert der zugrunde liegenden Anlagen des Subfonds unterliegt den im Allgemeinen Teil beschriebenen Nachhaltigkeitsrisiken.

Zur Erreichung seines Anlageziels setzt der Subfonds eine umfangreiche Palette an unterschiedlichen Instrumenten und Techniken ein.

Die Nachhaltigkeitsrisiken werden in Abhängigkeit von der Portfoliozusammensetzung im Zeitablauf variieren.

Die Bewertung der Nachhaltigkeitsrisiken ist fester Bestandteil der Investmententscheidungen des Anlageverwalters und wird regelmässig während der gesamten Laufzeit der Anlagen durchgeführt.

Zusätzlich zu den Überlegungen auf der Ebene der individuellen Vermögenswerte kann der Anlageverwalter bei Allokationsentscheidungen auf Assetklassen-Ebene Bewertungen des Nachhaltigkeitsrisikos auch auf der Assetklassen-Ebene vornehmen.

Für die Zwecke der Bewertung des Nachhaltigkeitsrisikos kann der Anlageverwalter alle verfügbaren Nachhaltigkeitsinformationen verwenden, wie z. B. öffentlich zugängliche Berichte investierter Unternehmen, sonstige öffentlich zugängliche Daten (z. B. Kredit-Ratings) und Daten, die von externen Datenanbietern erstellt und veröffentlicht werden.

Die dem Subfonds ARTEMIDE zugrunde liegenden Investitionen berücksichtigen nicht die EU-Kriterien für ökologisch nachhaltige Wirtschaftsaktivitäten.

Der Subfonds LYRA investiert in Wirtschaftstätigkeiten, die zu einem Umweltziel im Sinne der Offenlegungsverordnung beitragen. Aus diesem Grund ist der Subfonds verpflichtet, gemäß Artikel 6 der EU-Taxonomie, Folgendes offenzulegen:

### 3. RISK DISCLOSURE

The Company endeavours to achieve the investment objectives of the Company in respect of the Subfunds. However, no guarantee can be given that the investment objectives will actually be achieved. Hence the net asset value of the Shares may increase or decrease, and different levels of positive as well as negative income may be earned.

Investments in derivatives often involve higher risks than direct investments in securities. Potential risks may, for example, result from complexity, non-linearity, leverage effect, high volatility, low liquidity, limited evaluability or from the counterparty risk. If a derivative is embedded in a transferable security, it must be taken into account when applying the investment restrictions and for risk monitoring purposes.

#### 3.1 SUSTAINABILITY RISKS

The market value of underlying investments of the Subfund are subject to sustainability risks described in the General Part.

In order to achieve its investment objective, the Subfund uses an extensive range of different instruments and techniques.

Sustainability risks will vary over time depending on the portfolio composition.

The sustainability risk assessment is integrated to the investment decisions of the Investment Manager and shall be carried out at least periodically throughout the life-time of such investment.

In addition to the considerations at the individual asset level, the Investment Manager may also make sustainability risk assessments at the asset class level when making allocation decisions.

For the purposes of sustainability risk assessment, the Investment Manager may use any sustainability information available such as publicly available reports of invested companies, other publicly available data (such as credit ratings) and data made and distributed by external data vendors.

The investments underlying the Subfund ARTEMIDE do not take into account the EU criteria for environmentally sustainable economic activities.

The LYRA Subfund invests in economic activities that contribute to an environmental objective within the meaning of the Disclosure Regulation. For this reason, the Subfund is required to disclose, in accordance with Article 6 of the EU Taxonomy, the following:



- |  |  |
|--|--|
| <p>(a) die Informationen über das Umweltziel oder die Umweltziele gemäß Artikel 9 der EU-Taxonomie, zu dessen bzw. deren Erreichung die dem Subfonds zugrunde liegende Investitionen beitragen;</p> <p>(b) eine Beschreibung, wie und in welchem Umfang, die dem Subfonds zugrunde liegenden Investitionen in Wirtschaftstätigkeiten sind, die gemäß Artikel 3 der EU-Taxonomie als ökologisch nachhaltig einzustufen sind;</p> <p>(c) den Anteil der Investitionen in ökologisch nachhaltige Wirtschaftstätigkeiten, die für das Finanzprodukt ausgewählt wurden, einschließlich Einzelheiten zu den Anteilen der ermöglichenden Tätigkeiten und Übergangstätigkeiten im Sinne der EU-Taxonomie, als Prozentsatz aller für den Subfonds ausgewählten Investitionen.</p> | <p>(a) the information on the environmental objective or objectives, as defined in Article 9 of the EU Taxonomy, to the achievement of which the investments underlying the Subfund contribute;</p> <p>(b) a description of how and to what extent the investments underlying the Subfund are in economic activities that qualify as environmentally sustainable under Article 3 of the EU Taxonomy;</p> <p>(c) the proportion of investments in environmentally sustainable economic activities selected for the financial product, including details of the proportions of enabling activities and transitional activities within the meaning of the EU taxonomy, as a percentage of all investments selected for the Subfund.</p> |
|--|--|

Zum Zeitpunkt dieses Prospekts beträgt die Angleichung des Portfolios des Subfonds an die Taxonomie-Verordnung 0%. Die Offenlegung der oben geforderten Informationen und die Berechnung der Angleichung des Subfonds an die EU-Taxonomie erfordern jedoch die Verfügbarkeit mehrerer spezifischer Daten zu jeder Anlage des Subfonds, inklusive auf der Ebene der investierten Unternehmen. Zum gegenwärtigen Zeitpunkt stehen dem Anlageverwalter nicht genügend verlässliche, zeitnahe und überprüfbare Daten zur Verfügung, um die ökologische Nachhaltigkeit der Anlagen des Subfonds und ihren Beitrag zu den in der EU-Taxonomie festgelegten Umweltzielen zu bewerten und genau zu berechnen, inwieweit diese Anlagen an die EU-Taxonomie angeglichen sind. Die Angaben zur Angleichung an die EU-Taxonomie von 0% des Portfolios des Subfonds sind daher möglicherweise nicht korrekt und müssen überprüft werden, sobald der Anlageverwalter im Besitz zuverlässigerer und überprüfbarer Daten ist.

Der Anlageverwalter verfolgt diese Situation aktiv und wird, sobald genügend zuverlässige und überprüfbare Daten über die Anlagen des Subfonds zur Verfügung stehen, den Prozentsatz der Angleichung an die EU-Taxonomie des Portfolios des Subfonds neu bewerten und diesen besonderen Prospektteil gegebenenfalls entsprechend aktualisieren.

Der Grundsatz „Vermeidung erheblicher Beeinträchtigungen“ findet nur bei denjenigen des Subfonds LYRA zugrunde liegenden Investitionen Anwendung, die die EU-Kriterien für ökologisch nachhaltige Wirtschaftsaktivitäten berücksichtigen.

Die dem verbleibenden Teil des Subfonds LYRA zugrunde liegenden Investitionen berücksichtigen nicht die EU-Kriterien für ökologisch nachhaltige Wirtschaftsaktivitäten.

### 3.2 RISIKEN BETREFFEND INVESTITIONEN IN SPACs

Der Subfonds kann, nach Angaben des Allgemeinen Teils, in SPACs investieren.

Gemäss den CSSF Vorschriften sind SPACs mit besonderen Risiken verbunden, welche im Nachfolgenden gelistet werden:

As at the date of this Prospectus, the alignment of the Subfund's portfolio with the Taxonomy Regulation is 0%. However, the disclosure of the information required above and the calculation of the Subfund's alignment with the EU taxonomy requires the availability of several specific data on each investment of the Subfund, including at the level of the invested companies. At this stage, the Investment Manager does not have sufficient reliable, timely and verifiable data to assess the environmental sustainability of the Subfund's investments and their contribution to the environmental objectives set out in the EU taxonomy and to accurately calculate the extent to which these investments are aligned with the EU taxonomy. The 0% EU taxonomy alignment data of the Subfund's portfolio may therefore not be accurate and will need to be reviewed once the Investment Manager is in possession of more reliable and verifiable data.

The Investment Manager is actively monitoring this situation and, once sufficient reliable and verifiable data on the Subfund's investments is available, will reassess the percentage of alignment with the EU taxonomy of the Subfund's portfolio and update this Particular Section of the Prospectus accordingly, if appropriate.

The principle of "avoidance of significant adverse impacts" will only apply to those of the Subfund's underlying LYRA investments that take into account the EU criteria for environmentally sustainable economic activities.

The investments underlying the Subfund LYRA do not take into account the EU criteria for environmentally sustainable economic activities.

### 3.2 RISKS RELATED TO INVESTMENTS IN SPACs

The Subfund may, according to the General Part, invest into SPACs.

a) **Verwässerungsrisiko**: Aufgrund der Struktur einer SPAC besteht ein inhärentes Risiko, dass die Beteiligungsquote des Subfonds aufgrund einer Reihe von Faktoren erheblich sinken kann:

- Die Zahlung der Gebühren der Sponsoren in Aktien;
- Die Ausübung von Optionsscheinen, die im Rahmen des Börsengangs ausgegeben wurden;
- Die Ausgabe von Aktien im Zusammenhang mit der Finanzierung der Übernahme.

b) **Mangelnde Transparenz**: Die Transparenz der Angaben für SPAC-Anleger ist begrenzt, da die SPAC weder operativ noch historisch tätig ist, so dass keine historischen Finanzinformationen verfügbar sind und die Risikofaktoren in der Regel begrenzt und allgemeiner Natur sind, insbesondere dann, wenn die Akquisitionsstrategie breiter definiert ist. Die Angaben bestehen in erster Linie aus einer Zusammenfassung der Akquisitionsstrategie und -kriterien der SPAC, ihrer Kapitalstruktur, den Lebensläufen der Geschäftsführer und leitenden Angestellten sowie den Bedingungen der Übernahmevereinbarungen.

Was die dritte Stufe (d.h. den Erwerb des Zielunternehmens) betrifft, so ist es möglich, dass kein gebilligter Prospekt in Bezug auf den Unternehmenszusammenschluss veröffentlicht wird, es sei denn, dies ist nach lokalem Recht erforderlich. In einem solchen Fall gibt es nur einen begrenzten Einblick in die tatsächlichen zugrunde liegenden Investitionen nach der Übernahme, im Gegensatz zu herkömmlichen börsennotierten Unternehmen, deren Prospekt von den nationalen Aufsichtsbehörden geprüft wird, bevor sie zum Handel auf einem geregelten Markt zugelassen werden.

c) **Anreize für Sponsoren**: Aufgrund der mangelnden Transparenz des SPAC-Prospekts könnte es unklar sein, ob die Sponsoren unverhältnismäßig oder ungerecht aus den von den Investoren in SPACs gesammelten Geldern entschädigt werden.

d) **Emissionsgebühren**: Aufgrund der mangelnden Transparenz des SPAC-Prospekts kann es schwierig sein, abzuschätzen, ob die Kosten für die Übernahme von Beteiligungen (Emissionsgebühren) gerecht von den Anlegern, die ihre SPAC-Anteile zurückgeben und den verbleibenden Anlegern getragen werden.

e) **Bewertungsrisiko**: Sobald die Anteile der SPAC erworben sind, könnte sich die SPAC in einer Finanzierungsphase (Phase 1) befinden, ohne dass ihr ein greifbares Investment zugrunde liegt. Da das Ziel der SPAC darin besteht, in ein Unternehmen zu investieren, das zuvor nicht börsennotiert war, kann es schwierig sein, den

In accordance with CSSF regulations, SPACs are associated with specific risks, which are listed below:

a) **Dilution risk**: Due to the structure of a SPAC there is inherent risk that the relevant Subfund's level of ownership may drop significantly due to a number of factors:

- The payment of the sponsors' fees in shares;
- The exercise of warrants issued as part of the IPO;
- The issue of equity in relation to the financing of the acquisition.

b) **Lack of transparency**: The level of transparency provided in disclosures to SPAC investors is limited as the SPAC has no operations or history, therefore there is no historical financial information available, and the risk factors are typically limited and generic in nature, particularly where the acquisition strategy is more broadly defined. Disclosures primarily consist of a summary of the SPAC's acquisition strategy and criteria, its capital structure, the biographies of the directors and officers, and the terms of the underwriting arrangements.

As regards the third stage (i.e. the acquisition of the target company), it is possible that no approved prospectus will be published in relation to the business combination unless required under the local law. In such a case there will be limited insight into actual underlying investments following the acquisition, as opposed to traditional listed companies whose prospectus is screened by the national supervisory authorities, before being admitted to trading on a regulated market.

c) **Incentives for sponsor**: Due to lack of transparency of the SPAC prospectus, it might not be clear whether the sponsors are unproportionally or unfairly compensated, from the funds collected from the investors in SPACs.

d) **Underwriting costs**: Due to lack of transparency of the SPAC prospectus, it might be hard to estimate if the costs of underwriting fees are borne fairly by SPAC redeeming investors and remaining investors.

e) **Valuation risk**: Once the shares of SPAC are acquired, the SPAC might be in a funding stage (stage 1) without any underlying tangible investment. Since the objective of SPAC is to invest in a business which was not listed before, it might

tatsächlichen Wert und die potenzielle Leistung des Zielunternehmens zu schätzen.

f) **Liquiditätsrisiko:** Da es keine greifbaren Basiswerte und/oder Basiswerte ohne nachgewiesene Erfolgsbilanz an der Börse gibt, könnte es schwierig sein, die Anteile an SPAC zu einem gewünschten Zeitpunkt zu verkaufen, ohne Kursverluste zu erleiden. (Bitte beachten Sie auch den Abschnitt "Bewertungsrisiko" weiter oben).

Es kann auch der Fall sein, dass eine SPAC eine Rücknahmebeschränkung auferlegt.

g) **Treuhandkontorisiko:** In der IPO-Phase sammeln SPACs Finanzmittel von den Anlegern ein, ohne dass ihnen konkrete Investitionen zugrunde liegen, bis zu einem bestimmten Zeitpunkt, an dem die richtige Zielinvestition gefunden ist. Daher kann ein Risiko in Bezug auf die Kreditwürdigkeit des Instituts bestehen, bei dem die Mittel hinterlegt werden, sowie in Bezug auf die mögliche Reinvestition der Emissionserlöse, bis das Zielunternehmen erworben wird.

h) **Risiken von Interessenkonflikten:** Aufgrund der begrenzten Transparenz im Zusammenhang mit SPACs und der Rolle der Sponsoren bei der Suche nach dem Zielunternehmen können in den folgenden Situationen Interessenkonflikte auftreten:

- SPAC-Sponsoren können Aktien des SPAC zu günstigeren Bedingungen erwerben als die Investoren beim Börsengang oder spätere Investoren auf dem freien Markt, und die Sponsoren können vom Abschluss der SPAC-Transaktion stärker profitieren als die Investoren und einen Anreiz haben, die Transaktion zu Bedingungen abzuschließen, die für die Investoren weniger günstig sind;
- Wenn die Übernahme nicht innerhalb einer bestimmten Frist abgeschlossen wird, können die Sponsoren ihre ursprüngliche Investition verlieren, was sie dazu veranlasst, ein beliebiges Zielunternehmen zu finden, unabhängig von den finanziellen Aussichten des Geschäfts;
- Die Sponsoren können Vereinbarungen treffen, die ihre Verfügung über die Wertpapiere des Emittenten einschränken, wodurch die Liquidität der SPAC begrenzt wird;
- Es besteht die Möglichkeit, dass die SPAC in Unternehmen investiert, die mit den Sponsoren verbunden sind;
- Die Sponsoren und ihre verbundenen Unternehmen haben möglicherweise bereits in denselben Sektor wie die SPAC investiert; und
- Die Sponsoren und ihre verbundenen Unternehmen sind nicht verpflichtet, potenzielle Ziele, die sie identifizieren, mit der SPAC zu teilen und können diese Ziele selbst erwerben.

be hard to estimate the real value and potential performance of the target company.

f) **Liquidity risk:** Due to the lack of tangible underlying assets and/ or underlying assets without proven track record in stock exchanges, it might be hard to sell the shares in SPAC at a desired time without incurring in any losses in price. (please also refer to the 'Valuation risk' section, here above).

It may also be the case that a SPAC imposes a redemption limit.

g) **Escrow account risk:** At the IPO stage, SPACs collect financing from the investors without any tangible underlying investments, until certain period in time when the proper target investment is found. Therefore, there might be a risk related to the creditworthiness of the institution where the funds are deposited, as well as possible reinvestment of the proceeds of the offering until the target company is acquired.

h) **Conflicts of interest risks:** Due to limited transparency associated with SPACs and the role of the sponsors in finding the target company, conflicts of interest may occur in the following situations:

- SPAC sponsors may purchase equity in the SPAC at more favourable terms than investors in the IPO or subsequent investors in the open market and the sponsors may benefit more than investors from the completion of the de-SPAC transaction and may have an incentive to complete the transaction on terms which may be less favourable to Investors;
- If no acquisition is completed by a specific deadline, the sponsors may lose their initial investment, thus pushing the sponsors to find any target company irrespective of the financial prospects of the deal;
- The sponsors may have agreements in place restricting their disposal of the issuer's securities, thus limiting the liquidity of the SPAC;
- There is a possibility that the SPAC could invest in companies associated with the sponsors;
- The sponsors and their affiliates may have already invested in the same sector as the SPAC; and
- The sponsors and their affiliates are not obligated to share any potential targets they identify with the SPAC and may acquire these targets themselves.

i) **Risikoprofil des Subfonds:** Sobald die Anteile der SPAC erworben sind, kann sich die SPAC in einer Finanzierungsphase (Phase 1) befinden, ohne dass ihr ein greifbares Investment zugrunde liegt. Vor der Investition des betreffenden Subfonds in die SPAC und fortlaufend werden gemäß den einschlägigen Gesetzen und Vorschriften Analysen durchgeführt, um das Risikoprofil der SPAC, ihre Struktur und ihre Eignung für Investitionen in den betreffenden Subfonds zu ermitteln. Die Risikoauswirkungen der zugrunde liegenden Anlagen auf das Risiko- und Ertragsprofil des betreffenden Subfonds werden im Rahmen der laufenden Risikoanalyse bewertet. Im Vergleich zu anderen übertragbaren Wertpapieren kann dies jedoch komplexer sein.

### 3.3 RISIKEN BETREFFEND INVESTITIONEN IN CoCo-BONDS

CoCo-Bonds, auch "CoCos" genannt, sind bedingte Pflichtwandelanleihen. Diese qualifizieren insoweit als Wertpapiere mit hybriden Charakter als sie in der Form von Schuldverschreibungen herausgegeben werden, die ihren Nominalwert verlieren (d.h. abgeschrieben werden) oder – infolge eines bestimmten Trigger-Ereignisses – in Aktien umgewandelt werden können. Das Trigger-Ereignis wird insbesondere dann eintreten, wenn die bankenaufsichtsrechtliche Quote (die sog. „Tier One“) der herausgebenden Bank unter einer bestimmten Schwelle fällt oder wenn die zuständige Aufsichtsbehörde dies so beschliesst. In diesem Fall werden die CoCo-Bonds, welche ursprünglich als Schuldverschreibungen herausgegeben wurden, ohne vorgängige Konsultation deren Inhaber automatisch in Aktien umgewandelt. Die Anlage in CoCo-Bonds kann folgende Risiken nach sich ziehen (keine abschliessende Auflistung):

**Liquiditätsrisiken:** Unter bestimmten Umständen kann sich das Finden eines an CoCo-Bonds interessierten Käufers schwierig gestalten und der Verkäufer kann zwecks Verkauf dazu gezwungen werden, einen bedeutenden Rabatt auf den erwarteten Wert des CoCo-Bonds hinzunehmen.

**Kapitalstruktur-Inversionsrisiken:** Anders als bei klassischen Kapitalhierarchien können CoCo-Bonds-Investoren einen totalen Kapitalverlust erleiden, ohne dass Aktieninhaber zugleich mit ihrem Investment ausfallen.

**Triggerschwellenrisiko:** Trigger-Schwellen definieren die Exposure zu Konversionsrisiken in Abhängigkeit des Abstandes der Kernkapitalquote zur Trigger-Schwelle. Es kann für den Portfolio Manager eines Subfonds schwierig sein, Trigger-ereignisse vorzusehen, welche die Umwandlung der Obligation in eine Aktie nach sich ziehen.

**Umwandlungsrisiken:** Es kann für den Portfolio Manager eines Subfonds schwierig sein zu beurteilen, wie sich Wertpapiere nach einer Umwandlung entwickeln. Bei Umwandlungen in Aktien kann der Portfolio Manager dazu

i) **SUBFUND RISK PROFILE:** Once the shares of the SPAC are acquired, the SPAC might be in a funding stage (stage 1) without any underlying tangible investment. Analysis will be conducted prior to the relevant Subfund's investment in the SPAC and on an ongoing basis according to the relevant laws and regulations in order to identify the SPAC's risk profile, its structure and its eligibility for investment in the relevant Subfund. The risk impact of the underlying investments on the relevant Subfund's risk and reward profile is assessed as part of the ongoing risk analysis. However, it may be more complex to do so compared to other transferable securities.

### 3.3 RISKS RELATED TO INVESTMENTS IN CoCo-BONDS

CoCo-Bonds, also referred to as "CoCos" are contingent convertible bonds. They qualify as securities with a hybrid character insofar as they are issued in the form of bonds, which may lose their nominal value (i.e. be written down) or, following a determined trigger event, be transformed in equity. The trigger event will notably materialise when the prudential ratio (the so called "Tier One") of the issuing bank falls under a certain threshold or upon a decision of the competent supervisory authority. In such case, the CoCo-Bonds initially issued under the form of a bond will be automatically converted into equity without the holder of the CoCo-Bond being preliminarily consulted. Investment in CoCo-Bonds may entail the following risks (non-exhaustive list):

**Liquidity risk:** in certain circumstances finding a ready buyer for Co-Co-Bonds may be difficult and the seller may have to accept a significant discount to the expected value of the bond in order to sell it.

**Capital structure inversion risk:** contrary to classical capital hierarchy, CoCo-Bonds' investors may suffer a loss of capital when equity holders do not.

**Trigger level risk:** trigger levels determine exposure to conversion risk depending on the distance of the capital ratio to the trigger level. It might be difficult for the portfolio manager of a subfund to anticipate the triggering events that would require the debt to convert into equity.

**Conversion risk:** it might be difficult for the portfolio manager of the subfund to assess how the securities will behave upon conversion. In case of conversion into equity, the portfolio manager might be forced to sell these new equity shares because of the investment policy of the subfund does not allow equity in its portfolio. This forced sale may itself lead to liquidity issue for these shares.

**Coupon cancellation:** for some CoCo-Bonds, coupon payments are entirely discretionary and may be cancelled by the issuer at any point, for any reason and for any length of time.

gezwungen sein, diese neu ausgegebenen Aktien zu verkaufen, weil die Anlagepolitik des Subfonds das Halten von Aktien im Portfolio nicht zulässt. Der Zwangsverkauf selbst kann zu Liquiditätsrisiken bezüglich ebendieser Aktien führen.

**Couponannullierung:** Bei gewissen CoCo-Bonds sind Couponzahlungen diskretionär und können vom Emittenten jederzeit, aus irgendwelchen Gründen und für irgendwelche Zeitspanne annulliert werden.

**Kündigungsaufschubsrisiken:** Gewisse CoCo-Bonds werden als ewige Instrumente herausgegeben, welche bei Erreichen vordefinierter Schwellen nur mit Bewilligung der zuständigen Behörde kündbar sind.

**Sektorkonzentrationsrisiken:** CoCo-Bonds werden von Bank- und Versicherungsinstituten herausgegeben. Falls ein Subfund hauptsächlich in CoCo-Bonds investiert, wird seine Performance stärker vom allgemeinen Zustand der Finanzdienstleistungsindustrie abhängig sein als ein Subfonds, der in einer diversifizierteren Strategie investiert.

**Unbekannte Risiken:** Die Struktur von CoCo-Bonds ist innovativ und noch unerprobt.

Eine detaillierte Analyse der mit CoCo-Bonds verbundenen Risiken befindet sich in der Erklärung der ESMA/2014/944 ([https://www.esma.europa.eu/sites/default/files/library/2015/11/2014-944\\_statement\\_on\\_potential\\_risks\\_associated\\_with\\_investing\\_in\\_contingent\\_convertible\\_instruments.pdf](https://www.esma.europa.eu/sites/default/files/library/2015/11/2014-944_statement_on_potential_risks_associated_with_investing_in_contingent_convertible_instruments.pdf)).

**Call extension risk:** some CoCo-Bonds are issued as perpetual instruments, callable at pre-determined levels only with the approval of the competent authority.

**Sector concentration risk:** CoCo-Bonds are issued by banking/insurance institutions. If a subfund invests significantly in CoCo-Bonds its performance will depend to a greater extent on the overall condition of the financial services industry than a subfund following a more diversified strategy.

**Unknown risk:** the structure of CoCo-Bonds is innovative yet untested.

A detailed analysis of the risks inherent to CoCo-Bonds may be found in the statement ESMA/2014/944 ([https://www.esma.europa.eu/sites/default/files/library/2015/11/2014-944\\_statement\\_on\\_potential\\_risks\\_associated\\_with\\_investing\\_in\\_contingent\\_convertible\\_instruments.pdf](https://www.esma.europa.eu/sites/default/files/library/2015/11/2014-944_statement_on_potential_risks_associated_with_investing_in_contingent_convertible_instruments.pdf)).

#### 4. ANLEGERPROFIL

Die MOMentum FUNDS eignen sich für Investoren, die Erfahrung mit volatilen Anlagen haben, über solide Kenntnisse der Kapitalmärkte verfügen und die an der Entwicklung der Kapitalmärkte teilhaben wollen, um ihre spezifischen Anlageziele zu verfolgen. Investoren haben mit Wertschwankungen zu rechnen, die temporär auch zu hohen Wertverlusten führen können. In einem Gesamtportfolio können diese Subfonds als Ergänzungsanlage eingesetzt werden.

#### 5. ANLAGEVERWALTER / ANLEGERBERATER

MOMentum Alternative Investments S.A., Via delle Scuole 3, CH-6900 Paradiso (Lugano)

Die Anlageverwalterin ist ermächtigt, unter Berücksichtigung der Anlageziele, -politik und -grenzen der Gesellschaft respektive der MOMentum FUNDS und unter der ultimativen Kontrolle der Verwaltungsgesellschaft bzw. des Verwaltungsrates oder der/den von der Verwaltungsgesellschaft bestellten Kontrollstelle/n für die

#### 4. INVESTOR PROFILE

The MOMentum FUNDS are suitable for investors who have experience with volatile investments, have sound knowledge of the capital markets and wish to participate in the performance of the capital markets so as to pursue their specific investment objectives. Investors must expect fluctuations in the value of the investments, which may temporarily also lead to substantial loss of value. These Subfonds may be used as a supplementary investment within an overall portfolio.

#### 5. INVESTMENT MANAGER / INVESTMENT ADVISOR

MOMentum Alternative Investments S.A., Via delle Scuole 3, CH-6900 Paradiso (Lugano)

The Investment Manager is authorised to make investments directly on behalf of the MOMentum FUNDS, subject to the investment objectives, policies and restrictions of the Company and the MOMentum FUNDS, respectively, and under the ultimate control of the Management Company or the Board of Directors, as the case may be, or the control

MOMentum FUNDS unmittelbar Anlagen zu tätigen. Die Anlageverwalterin kann mit Zustimmung der Verwaltungsgesellschaft die Unterstützung von Anlageberatern beanspruchen.

MOMentum Alternative Investments S.A. ist eine Vermögensverwaltungsgesellschaft, die 2008 als Aktiengesellschaft schweizerischen Rechts gegründet worden ist. Sie ist ein Vermögensverwalter für kollektive Kapitalanlagen im Sinne des schweizerischen Kollektivanlagegesetzes und als solcher durch die Eidgenössische Finanzmarktaufsicht FINMA beaufsichtigt.

## 6. BESCHREIBUNG DER ANTEILE

Nach dem Erstausgabedatum kann die Gesellschaft Anteile der MOMentum FUNDS in folgenden Kategorien ausgeben:

- B1- und B2-Anteile: thesaurierend;
- C1- und C2-Anteile:thesaurierend; für „institutionelle Investoren“, wie nachfolgend definiert;
- E-Anteile: thesaurierend; für bestimmte Vertriebsstellen, wie nachfolgend definiert.

Die jeweils verfügbaren Anteilskategorien können bei der Hauptverwaltungsstelle bzw. bei den Informations- oder Vertriebsstellen erfragt werden.

Es werden nur Anteile in Namensform ausgegeben.

**C1- und C2-Anteile** werden nur an „institutionelle Investoren“ im Sinne von Art. 174 des Gesetzes von 2010, d.h. grundsätzlich an Firmen mit juristischer Rechtspersönlichkeit oder mit gleichwertiger Gesellschaftsform, ausgegeben, welche diese Anteile entweder in ihrem eigenen Geschäftsvermögen oder im Rahmen eines Mandatsverhältnisses für institutionelle Investoren im vorgenannten Sinne halten bzw. ausschliesslich an letztere weiterverkaufen oder im Rahmen von Vermögensverwaltungsmandaten im eigenen Namen und für Rechnung Dritter einsetzen. (vgl. nachfolgend zur Mindestzeichnung).

**E-Anteile** werden ausschliesslich an Vertriebsstellen mit Domizil in Italien sowie an bestimmte weitere Vertriebsstellen in anderen Vertriebsmärkten ausgegeben, sofern der Verwaltungsrat der Gesellschaft für letztere eine besondere Ermächtigung zum Vertrieb der E-Anteile beschlossen hat. Andere Vertriebsstellen dürfen keine E-Anteile erwerben.

## 7. AUSSCHÜTTUNGSPOLITIK

Die Gesellschaft beabsichtigt derzeit nicht, für die MOMentum FUNDS ausschüttende Anteile auszugeben.

## 8.GEBÜHREN UND KOSTEN

### A) VERWALTUNGSGEBÜHR

agent(s) appointed by the Management Company. The Investment Manager may, with the consent of the Management Company, request the assistance of investment advisors.

MOMentum Alternative Investments S.A. is an asset management company incorporated in 2008 as a public limited company under Swiss law. It is an asset manager for collective investment schemes within the meaning of the Swiss Collective Investment Schemes Act and as such is supervised by the Swiss Financial Market Supervisory Authority FINMA.

## 6. DESCRIPTION OF SHARES

After the initial issue date, the Company may issue Shares of the MOMentum FUNDS in the following categories:

- B1 and B2 Shares: accumulating;
- C1 and C2 Shares:accumulating (for “institutional investors” as described hereafter);
- E Shares: accumulating (for certain distributors, as described hereafter);

The respective available share categories can be obtained from the Central Administration Agent or from the Information or Distribution Agents.

Only registered Shares will be issued.

**C1 and C2 Shares** are issued only to “institutional investors” according to Article 174 of the 2010 Law – defined, in principle, as companies constituted as a corporate legal entity or equivalent legal form – holding these Shares either as part of their own business assets or under contract on behalf of institutional investors as defined above, or else reselling the Shares exclusively to institutional investors or using them on their own behalf and for account of third parties within the scope of discretionary portfolio management (cf. below for minimum subscription).

**E Shares** are issued exclusively to distributors domiciled in Italy and to other distributors in other distribution markets, provided the Board of Directors of the Company has decided on a special authorisation for the latter to distribute the E Shares. Other distributors respectively investors are not allowed to acquire E Shares.

## 7. DIVIDEND POLICY

The Company does not currently intend to issue distributing Shares for the MOMentum FUNDS.

## 8. FEES AND COSTS

### A) MANAGEMENT FEE

Auf der Basis des Nettoinventarwerts des jeweiligen Subfonds wird bei den B1-, B2- und E-Anteilen für die Verwaltung und die Beratung in Bezug auf das Wertpapierportfolio sowie für damit verbundene Verwaltungs- und Vertriebsleistungen eine jährliche maximale Verwaltungsgebühr wie folgt zulasten des jeweiligen Subfonds erhoben.

On the basis of the net asset value (NAV) of the respective Subfund, a maximum annual management fee is charged to the respective Subfund in respect of the B1, B2 and E Shares for the management and advisory services relating to the securities portfolio and for other related administrative and distribution services, as set out below.

Auf der Basis des Nettoinventarwertes des jeweiligen Subfonds wird bei den C1- und C2-Anteilen für die Verwaltung und die Beratung in Bezug auf das Wertpapierportfolio sowie sonstige damit verbundene Verwaltungsleistungen eine jährliche maximale Verwaltungsgebühr wie folgt zulasten des jeweiligen Subfonds erhoben. Im Zusammenhang mit dem Vertrieb, Anbieten oder Halten von C1- und C2-Anteilen werden den Vertriebsstellen keine Kommissionen für allfällige Vertriebsleistungen bezahlt.

On the basis of the net asset value (NAV) of the respective Subfund, a maximum annual management fee is charged to the respective Subfund in respect of the C1 and C2 Shares for the management and advisory services relating to the securities portfolio and for other related management services, as set out below. Distributors are not paid any commission for any distribution activities undertaken in connection with the sale, offering and holding of C1 and C2 Shares.

| Subfonds / Subfund | Max. Verwaltungsgebühr p.a. in % des Nettoinventarwerts /<br>Max. Management fee p.a. in % of the net asset value |                           |
|--------------------|---|---------------------------|
|                    | B1 / B2/ E<br>Anteile/Shares  | C1 / C2<br>Anteile/Shares |
| ARTEMIDE           | B1 = 1.75%; B2/E = 1.50%  | C1 = 1.25%; C2 = 1.00%    |
| LYRA               | B1 = 2.50%; B2/E = 2.00%  | C1 = 2.00%; C2 = 1.50%    |

Bei den E-Anteilen wird eine zusätzliche Vertriebsgebühr von maximal 0,75% p.a. erhoben.

An additional distribution fee of maximum 0.75% p.a. may be charged for E shares.

Die Gesellschaft zahlt ferner aus dem Nettoinventarwert der Subfonds die im Kapitel „Gebühren und Kosten“ des Allgemeinen Teils beschriebenen Kosten.

The Company shall also pay out of the Net Asset Value of the Subfonds the expenses described in the section "Fees and Costs" of the General Part.

**B) PERFORMANCE FEE BEIM ARTEMIDE**

**B) PERFORMANCE FEE FOR ARTEMIDE**

Die Anlageverwalterin hat darüber hinaus, für B2-, E- und C2-Anteile ausschliesslich, Anspruch auf eine jährliche performanceabhängige Entschädigung („**Performance Fee**“), auf die Wertsteigerung des Nettoinventarwerts der jeweiligen Anteilskategorie, unter den nachfolgend genannten Bedingungen:

The Investment Manager is, in addition, for B2, E and C2 Shares only, entitled to receive a performance-related annual fee ("**Performance Fee**") on the appreciation in the Net Asset Value per share of the relevant Share Category, in accordance with the application of the principles set out below.

Die Performance Fee unterliegt einer „Hurdle Rate“ und einem „Vergleichsindex“.

The Performance Fee is subject to a "Hurdle Rate" and a "Benchmark".

Die Anlageverwalterin hat dann Anspruch auf eine Performance Fee, wenn am letzten Bewertungstag des Geschäftsjahres die prozentuale Rendite der jeweiligen Anteilskategorie vor Abzug der Performance Fee und abzüglich aller mit dem Subfonds verbundenen Kosten (z.B. Verwaltungsgebühren und andere anwendbare Gebühren) seit Beginn des Referenzzeitraums für die Wertentwicklung

The Investment Manager shall be entitled to a Performance Fee if, on the last Valuation Day of the financial year, the rate of return of the relevant Share Category before deduction of the Performance Fee and net of all costs relating to the Subfund (e.g. management fees and other applicable fees) since the beginning of the Performance Reference Period (as defined hereafter) or if not the case,

(wie unten definiert), oder gegebenenfalls seit Beginn des Geschäftsjahres, im gleichen Zeitraum die der „Hurdle Rate“ übertrifft („**Outperformance über der Hurdle Rate**“, ausgedrückt als Prozentsatz), und wenn gleichzeitig die prozentuale Rendite der jeweiligen Anteilskategorie seit Beginn des Geschäftsjahres die des Vergleichsindexes übertrifft („**Outperformance über dem Vergleichsindex**“, ausgedrückt als Prozentsatz). Beide Bedingungen müssen kumulativ erfüllt sein.

Die Hurdle Rate wird am Anfang des Geschäftsjahres festgelegt und wird auf 0% gesetzt. Der Vergleichsindex entspricht dem Euro Short-Term Rate („**€STR**“) plus 8.5 bps. Der Vergleichsindex wird an jedem Bewertungstag aktualisiert.

Die Performance Fee wird an jedem Bewertungstag berechnet und zurückgestellt und die zurückgestellte Performance Fee wird am Ende des Geschäftsjahres kristallisiert und jährlich nach Ablauf des Geschäftsjahres ausbezahlt.

Die Performance Fee beträgt 15% der Outperformance über dem Vergleichsindex.

Der Referenzzeitraum für die Wertentwicklung wird auf 5 (fünf) Jahre auf fortlaufender Basis festgelegt, außer bei besonderen Ereignissen wie einer Verschmelzung oder dem Wechsel des Anlageverwalters. Daher kann eine Performance Fee nur geltend gemacht werden, wenn jede Unterperformance gegenüber der Hurdle Rate der zurückliegenden fünf Jahre wieder aufgeholt wurde.

Für Anteile, die an einem Bewertungstag während des Geschäftsjahres zurückgegeben werden, wird die den zurückgegebenen Anteilen zuzuordnende zurückgestellte Performance Fee (falls vorhanden) kristallisiert aber erst am Ende des Geschäftsjahres dem Anlageverwalter ausgezahlt.

Darüber hinaus tragen die Anteile, die während des Geschäftsjahres gezeichnet werden, nicht zur Performance Fee bei, die vor der Zeichnung kumuliert wurde.

Der **€STR** ist ein Referenzwert, der von der **Europäischen Zentralbank (EZB)** bereitgestellt wird. Die Gesellschaft hat robuste schriftliche Pläne aufgestellt, in denen die Massnahmen dargelegt werden, die sie ergreifen würde, falls dieser Referenzwert sich wesentlich ändert oder nicht mehr bereitgestellt wird. Die entsprechenden Richtlinien der GAM-Gruppe sind auf [www.funds.gam.com](http://www.funds.gam.com) erhältlich.

Berechnungsbeispiel 1: Outperformance über der Hurdle Rate und Referenzzeitraum für die Wertentwicklung

Der Referenzzeitraum für die Wertentwicklung wird auf fünf Jahre auf fortlaufender Basis festgelegt und stellt den Zeithorizont dar, über den die Wertentwicklung gemessen und mit derjenigen die Hurdle Rate verglichen wird, an deren Ende der Mechanismus für die Entschädigung für die Unterperformance in der Vergangenheit zurückgesetzt werden kann.

Im folgenden Beispiel wird die Hurdle Rate auf 0,00% festgelegt.

since the beginning of the financial year, is to exceed that of the Hurdle Rate ("**Outperformance over the Hurdle Rate**", expressed in percentage) over the same period and if, at the same time, the rate of return of the relevant Share Category since the beginning of the financial year is to exceed that of the Benchmark ("**Outperformance over the Benchmark**", expressed in percentage). Both conditions should be cumulatively met.

The Hurdle Rate is fixed at the start of the financial year and is set at 0%. The Benchmark corresponds to the Euro Short-Term Rate ("**€STR**") plus 8.5 bps. The Benchmark is updated on each Valuation Day.

The Performance Fee is calculated and accrued on each Valuation Day and any accrued Performance Fee at the end of the financial year will be crystallized and paid out annually after the end of the financial year.

The Performance Fee amounts to 15% of the Outperformance over the Benchmark.

The Performance Reference Period is set equal to 5 (five) years on a rolling basis except for special events such as merger or the replacement of the Investment Manager. As a result, a Performance Fee may only be claimed if underperformance against the Hurdle Rate during the previous five years has been clawed back.

For shares that are redeemed during the accounting year, the existing accrued Performance Fee will be crystallized in proportion to the number of shares redeemed but not be paid to the Investment Manager until the end of the financial year.

In addition, shares subscribed during the financial year will not contribute to the Performance Fee earned in the period preceding the subscription.

The **€STR** is a benchmark provided by the **European Central Bank (ECB)**. The Company has solid written plans in place setting out the actions it would take should this benchmark change materially or cease to be provided. The relevant GAM Group policies are available on [www.funds.gam.com](http://www.funds.gam.com).

Calculation example 1: Outperformance over the Hurdle Rate and Performance Reference Period

Performance Reference Period is set to five years on a rolling basis and represents the time horizon over which the performance is measured and compared with that of the Hurdle Rate, at the end of which the mechanism for the compensation for past underperformance can be reset.

In the following example, the Hurdle Rate is set at 0.00%.



MOMentum FUNDS

| End of Financial Year/Ende des Geschäftsjahres  | Financial Year/ Geschäftsjahr 1 | Financial Year / Geschäftsjahr 2 | Financial Year/ Geschäftsjahr 3 | Financial Year/ Geschäftsjahr 4 | Financial Year/ Geschäftsjahr 5 | Financial Year/ Geschäftsjahr 6 | Financial Year/ Geschäftsjahr 7 |
|---|---------------------------------|----------------------------------|---------------------------------|---------------------------------|---------------------------------|---------------------------------|---------------------------------|
| NAV per Share performance over the financial year/ Entwicklung des Nettoinventarwerts pro Anteil im Laufe des Geschäftsjahres | 2%                              | -10%                             | 2%                              | 1%                              | 1%                              | -2%                             | 3%                              |
| Hurdle Rate   | 0%                              | 0%                               | 0%                              | 0%                              | 0%                              | 0%                              | 0%                              |
| Outperformance over the Hurdle Rate/ Outperformance über der Hurdle Rate  | 2%                              | -10%                             | 2%                              | 1%                              | 1%                              | -2%                             | 3%                              |

Jede Unterperformance gegenüber der Hurdle Rate wird wie folgt auf das nächste Geschäftsjahr übertragen.

Any underperformance against the Hurdle Rate is carried forward to the next financial year.

|   |    |      |      |      |      |      |      |
|---|----|------|------|------|------|------|------|
| Financial Year / Geschäftsjahr -1   |    |      | -10% | 2%   | 1%   | 1%   | -2%* |
| Financial Year / Geschäftsjahr -2   |    |      |      | -10% | 2%   | 1%   |      |
| Financial Year / Geschäftsjahr -3   |    |      |      |      | -10% | 2%   |      |
| Financial Year / Geschäftsjahr -4   |    |      |      |      |      | -10% |      |
| Outperformance over the Hurdle Rate / Outperformance über der Hurdle Rate | 2% | -10% | -8%  | -7%  | -6%  | -8%  | 1%   |

|   |   |
|---|---|
| End of Financial Year/ Ende des Geschäftsjahres 1     | NAV per Share outperforms Hurdle Rate by 2%. No underperformance is carried for the next financial year. Der Nettoinventarwert pro Anteil übertrifft die Hurdle Rate um 2 %. Für das nächste Geschäftsjahr wird keine Unterperformance übertragen.  |
| End of Financial Year/ Ende des Geschäftsjahres 2     | NAV per Share underperforms Hurdle Rate and the underperformance of 10% is to be compensated until Financial Year 6. A Performance Reference Period starts. Der Nettoinventarwert pro Anteil liegt unter der Hurdle Rate und die Unterperformance von 10 % wird bis zum Geschäftsjahr 6 ausgeglichen. Der Referenzzeitraum für die Wertentwicklung beginnt.   |
| End of Financial Year/ Ende des Geschäftsjahres 3     | Previous underperformance of 10% is partially clawed back resulting in a underperformance of 8% to be carried forward to the next financial year. Eine frühere Unterperformance von 10% wird teilweise aufgeholt, so dass sich eine Unterperformance von 8 % ergibt, die auf das nächste Geschäftsjahr übertragen wird.   |
| End of Financial Year/ Ende des Geschäftsjahres 4     | The underperformance is partially clawed back resulting in a underperformance of 7% to be carried forward to the next financial year. Die Unterperformance wird teilweise aufgeholt, was zu einer Unterperformance von 7 % führt, die auf das nächste Geschäftsjahr übertragen wird.  |
| End of Financial Year/ Ende des Geschäftsjahres 5     | The underperformance is partially clawed back resulting in a underperformance of 6% to be carried forward to the next financial year. Die Unterperformance wird teilweise aufgeholt, was zu einer Unterperformance von 6 % führt, die auf das nächste Geschäftsjahr übertragen wird.  |
| End of Financial Year 6*/ Ende des Geschäftsjahres 6* | Although the underperformance of 10% that originated in Financial Year 2 is only partially clawed back, resulting in a remaining underperformance of 9%, this figure is not carried forward as no longer valid after 5 years elapsed. Only underperformance originating from Financial Year 6 (i.e. an underperformance of 2%) is carried forward for the next financial year. Obwohl die Unterperformance von 10%, die aus dem Geschäftsjahr 2 stammt, nur teilweise aufgeholt wird, was zu einer verbleibenden Unterperformance von 9% führt, wird diese Zahl nicht übertragen, da sie nach Ablauf von 5 Jahren nicht mehr gültig ist. Nur die Unterperformance aus dem Geschäftsjahr 6 (d. h. eine Unterperformance von 2%) wird auf das nächste Geschäftsjahr übertragen. |
| End of Financial Year 7/ Ende des Geschäftsjahres 7   | NAV per Share outperforms Benchmark by 3%, but the underperformance of 2% needs to be clawed back, resulting in a net outperformance of 1%. As a result, Performance Reference Period ends in Financial Year 6. Der Nettoinventarwert pro Anteil übertrifft den Vergleichsindex um 3%, aber die Unterperformance von 2% muss aufgeholt werden, was zu einer Netto-Outperformance von 1% führt. Infolgedessen endet der Referenzzeitraum für die Wertentwicklung im Geschäftsjahr 6.   |

**Berechnungsbeispiel 2**

Im folgenden Beispiel wird die Hurdle Rate auf 0,00% und der Vergleichsindex auf Base 100 zum Bewertungszeitpunkt A festgelegt.

Bewertungszeitpunkt A ist der Beginn des Geschäftsjahres.

Der Bewertungszeitpunkt C ist das Ende des Geschäftsjahres. Zu Illustrationszwecken beträgt der Prozentsatz der Performance Fee 10 %.

Der Bruttoinventarwert entspricht dem Gesamtvermögen ohne aufgelaufene Performance Fee und kristallisierte Performance Fee. Das Vermögen vor Abzug der Performance Fee entspricht dem Gesamtvermögen ohne aufgelaufene Performance Fee.

**Calculation example 2**

In the following example, the Hurdle Rate is set at 0.00% and Benchmark is set at Base 100 at Valuation Point A.

Valuation Point A is the beginning of the financial year.

Valuation Point C is the end of the financial year. For illustrative purposes, the Performance Fee rate is set equal to 10%.

Gross Asset Value represents total net assets excluding accrued Performance Fee and crystallized Performance Fee.

Assets before deduction of Performance Fee represent total net assets excluding accrued Performance Fee only.

| Valuation Point/Bewertungszeitpunkt | Number of Outstanding Shares/ Anzahl der ausstehenden Anteile | Gross Asset Value/Bruttovermögen | Assets before deduction of Performance Fee/ Vermögen vor Abzug der Performance Fee | NAV per Share before deduction of Performance Fee (referred as NAV per Share)/ Nettoinventarwert pro Anteil vor Abzug der Performance Fee (als Nettoinventarwert pro Anteil bezeichnet) | Hurdle Rate | Benchmark/ Vergleichsindex Base 100 | Accrued Performance Fee/ Aufgelaufene Performance Fee | NAV per Share after deduction of the Performance Fee/ Nettoinventarwert pro Anteil nach Abzug der Performance Fee |
|-------------------------------------|---|----------------------------------|--|---|-------------|-------------------------------------|---|---|
| A                                   | 1,000.00  | 100,000.00                       | 100,000.00   | 100.00  | 0.00%       | 100.00                              | 0.00  | 100.00  |
| B                                   | 1,000.00  | 100,400.00                       | 100,400.00   | 100.40  | 0.00%       | 100.20                              | 19.96   | 100.38  |
| C                                   | 1,200.00  | 120,600.00                       | 120,600.00   | 100.50  | 0.00%       | 100.33                              | 16.74   | 100.48  |

## MULTILABEL SICAV: BESONDERER TEIL B / SPECIAL PART B

Ein Anleger kauft 1.000,00 Anteile und die Anzahl der ausstehenden Anteile beträgt zum Bewertungszeitpunkt A 1.000,00.

### **Bewertungspunkt B**

Zum Bewertungszeitpunkt B wird der Anspruch auf eine Leistungsvergütung überprüft. Der Nettoinventarwert pro Aktie beträgt 100,40.

An investor buys 1,000.00 shares and the number of Outstanding Shares is 1,000.00 at Valuation Point A.

### **Valuation Point B**

At Valuation Point B, entitlement to a Performance Fee is verified. NAV per Share is 100.40.

|  |  |
|--|--|
| Outperformance over the Hurdle Rate/Outperformance über der Hurdle Rate  | Outperformance over the Benchmark/Outperformance über dem Vergleichsindex  |
| NAV per Share divided by Hurdle Rate-adjusted NAV per Share since beginning of the financial year/ Nettoinventarwert pro Anteil geteilt durch den an die Hurdle Rate angepassten Nettoinventarwert pro Anteil seit Beginn des Geschäftsjahres -1<br>$(100.40/100.00)-1 = 0.40\%$ | NAV per Share divided by Benchmark-adjusted NAV per Share since beginning of the financial year/ Nettoinventarwert pro Anteil geteilt durch den an den Vergleichsindex angepassten Nettoinventarwert pro Anteil seit Beginn des Geschäftsjahres -1<br>$(100.40/100.20)-1 = 0.1996\%$ |
| Outperformance over the Hurdle Rate is 0.40%.<br>Outperformance über der Hurdle Rate beträgt 0,40%.  | Outperformance over the Benchmark is 0.1996%.<br>Outperformance über dem Vergleichsindex beträgt 0.1996%.  |

Zum Bewertungszeitpunkt B sind die Bedingungen mit einer Outperformance über der Hurdle Rate und einer Outperformance über Vergleichsindex erfüllt. Es kann eine Performance Fee anfallen.

At Valuation Point B, conditions with Outperformance over the Hurdle Rate and Outperformance over the Benchmark are met. Performance Fee can be accrued.

|  |  |
|--|--|
| Accrued Performance Fee / Aufgelaufene Performance Fee   | NAV per Share after deduction of the Performance Fee/ Nettoinventarwert pro Anteil nach Abzug der Performance Fee  |
| Outperformance over the Benchmark applied to NAV per Share from the beginning of the financial year (multiplied by the number of Outstanding Shares) and multiplied by the Performance Fee Rate/ Outperformance über dem Vergleichsindex, multipliziert mit dem Nettoinventarwert pro Anteil seit Beginn des Geschäftsjahres (multipliziert mit der Anzahl der ausstehenden Anteile) und dem Prozentsatz der Performance Fee<br>$0.1996\% \times 100,000.00 \times 10\% = 19.96$ | Assets before deduction of Performance Fee with Accrued Performance Fee deducted and the whole divided by the number of Outstanding Shares/ Vermögen vor Abzug der Performance Fee, wobei die aufgelaufene Performance Fee abgezogen und das Ganze durch die Anzahl der ausstehenden Anteile geteilt wird<br>$(100,400.00-19.96) / 1,000.00 \text{ shares} = 100.3800$ |
| Accrued Performance Fee is 19.96<br>Aufgelaufene Performance Fee beträgt 19,96.  | Final NAV per Share is 100.3800.<br>Der endgültige Nettoinventarwert pro Anteil beträgt 100.3800.  |

### **Bewertungspunkt C**

Ein Anleger kauft 200,00 Anteile zum Bewertungszeitpunkt B zu einem Preis von 100,38. Die Anzahl der ausstehenden Anteile beträgt nun 1.200,00 am Bewertungszeitpunkt C. Der Nettoinventarwert pro Anteil beträgt 100,50.

### **Valuation Point C**

An investor buys 200.00 shares at Valuation Point B at a price of 100.38.

The number of Outstanding Shares is now 1,200.00 at Valuation Point C.

NAV per Share is 100.50.

|  |  |
|--|--|
| Outperformance over the Hurdle Rate/Outperformance über der Hurdle Rate  | Outperformance over the Benchmark/Outperformance über dem Vergleichsindex  |
| NAV per Share divided by Hurdle Rate-adjusted NAV per Share since beginning of the financial year/ Nettoinventarwert pro Anteil geteilt durch den an die Hurdle Rate angepassten Nettoinventarwert pro Anteil seit Beginn des Geschäftsjahres -1<br>$(100.50/100.00)-1 = 0.50\%$ | NAV per Share divided by Benchmark-adjusted NAV per Share since beginning of the financial year/ Nettoinventarwert pro Anteil geteilt durch den an den Vergleichsindex angepassten Nettoinventarwert pro Anteil seit Beginn des Geschäftsjahres -1<br>$(100.50/100.33)-1 = 0.1694\%$ |
| Outperformance over the Hurdle Rate is 0.50%.<br>Outperformance über der Hurdle Rate beträgt 0.50%.  | Outperformance over the Benchmark is 0.1694%.<br>Outperformance über dem Vergleichsindex beträgt 0.1694.   |

Zum Bewertungszeitpunkt C sind die Bedingungen mit einer Outperformance über der Hurdle Rate und einer Outperformance über dem Vergleichsindex erfüllt. Es kann eine Performance Fee anfallen.

At Valuation Point C, conditions with Outperformance over the Hurdle Rate and Outperformance over the Benchmark are met. Performance Fee can be accrued.

Eine Zeichnung, die zur Schaffung neuer, im Umlauf befindlicher Anteile führt, sollte bei der Berechnung der im Zeitraum vor der Zeichnung angefallenen Performance Fee nicht berücksichtigt werden.

Daher wird jede aufgelaufene Performance Fee zum Bewertungszeitpunkt C um den Betrag reduziert, der durch den Kauf von 200 Anteilen ausgelöst wird (200 Anteile mit einer Outperformance von jeweils 0,1797%  $(100,38/100,20-1)$  gegenüber dem Nettoinventarwert pro Anteil, dem Vergleichsindex zum Bewertungszeitpunkt B).

Any subscription leading to the creation of new outstanding Shares should not be taken into account when calculating the Performance Fee incurred in the period preceding the subscription.

Therefore, any accrued Performance Fee at Valuation Point C is reduced by the amount triggered by the purchase of 200 shares (200 shares with each a 0.1797%  $(100.38/100.20-1)$  outperformance against of NAV per Share the Benchmark at Valuation Point B).

|  |   |
|--|---|
| Accrued Performance Fee/Aufgelaufene Performance Fee   | NAV per Share after deduction of the Performance Fee/Nettoinventarwert pro Anteil nach Abzug der Performance Fee  |
| <i>(Outperformance over the Benchmark applied to NAV per Share from the beginning of the financial year (multiplied by the number of Outstanding Shares) and multiplied by the Performance Fee Rate) – (Number of new shares multiplied by net outperformance against the Benchmark from the previous Valuation Point applied to NAV per Share from the beginning of the financial year and Performance Fee Rate)/ Outperformance über dem Vergleichsindex, multipliziert mit dem Nettoinventarwert pro Anteil seit Beginn des Geschäftsjahres (multipliziert mit der Anzahl der neuen Anteile) und dem Prozentsatz der Performance Fee) - (Anzahl der neuen Anteile multipliziert mit der Netto-Outperformance gegenüber dem Vergleichsindex seit dem vorherigen Bewertungszeitpunkt, multipliziert mit dem Nettoinventarwert pro Anteil seit Beginn des Geschäftsjahres und dem Prozentsatz der Performance Fee</i><br>$(0,1694\% \times 1,200 \times 100 \times 10\%) - ((200 \times (100,38/100,20-1) \times 100,00 \times 10\%)) = 16,74$ | <i>Assets before deduction of Performance Fee with Accrued Performance Fee deducted and the whole divided by the number of Outstanding Shares/ Vermögen vor Abzug der Performance Fee, wobei die aufgelaufene Performance Fee abgezogen und das Ganze durch die Anzahl der ausstehenden Anteile geteilt wird</i><br>$(120,600,00-16,74) / 1,200,00 \text{ shares} = 100,4860$ |
| Accrued Performance Fee is 16,74<br>Die aufgelaufene Performance Fee beträgt 16,74   | Final NAV per Share is 100,4860<br>Der endgültige Nettoinventarwert pro Anteil beträgt 100,4860   |

Der Nettoinventarwert pro Anteil nach Abzug der Performance Fee beträgt 100,4860. Eine Performance Fee von 16,74 wird kristallisiert. Für das nächste Geschäftsjahr ist keine Unterperformance gegenüber der Hurdle Rate zu melden. Ein Referenzzeitraum für die Wertentwicklung kann nicht beginnen.

NAV per share after deduction of the Performance Fee is 100,4860  
A Performance Fee of 16.74 is crystallized.  
No Underperformance against Hurdle Rate is to be reported for the next financial year.  
No Performance Reference Period starts.

**Berechnungsbeispiel 3**

Im folgenden Beispiel wird die Hurdle Rate auf 0,00% und der Vergleichsindex auf Base 100 zum Bewertungszeitpunkt A festgelegt.  
Bewertungszeitpunkt A ist der Beginn des Geschäftsjahres.  
Der Bewertungszeitpunkt C ist das Ende des Geschäftsjahres. Der Prozentsatz der Performance Fee beträgt 10 %.  
Der Bruttoinventarwert entspricht dem Gesamtnettvermögen ohne aufgelaufene Performance Fee und kristallisierte Performance Fee.  
Das Vermögen vor Abzug der Performance Fee entspricht dem Gesamtnettvermögen ohne aufgelaufene Performance Fee.

**Calculation example 3**

In the following example, the Hurdle Rate is set at 0.00% and Benchmark is set at Base 100 at Valuation Point A.  
Valuation Point A is the beginning of the financial year.  
Valuation Point C is the end of the financial year. Performance Fee rate is 10%.  
Gross Asset Value represents total net assets excluding accrued Performance Fee and crystallized Performance Fee.  
Assets before deduction of Performance Fee represent total net assets excluding accrued Performance Fee only.

| Valuation Point/Bewertungszeitpunkt | Number of Outstanding Shares/Anzahl der ausstehenden Anteile | Gross Asset Value/Bruttovermögenwert | Assets before deduction of Performance Fee/Vermögen vor Abzug der Performance Fee | NAV per Share before deduction of Performance Fee (referred as NAV per Share)/ Nettoinventarwert pro Anteil vor Abzug der Performance Fee (als Nettoinventarwert pro Anteil bezeichnet) | Hurdle Rate | Benchmark/Vergleichsindex Base 100 | Accrued Performance Fee/ Aufgelaufene Performance Fee | NAV per Share after deduction of the Performance Fee/ Nettoinventarwert pro Anteil nach Abzug der Performance Fee |
|-------------------------------------|--|--------------------------------------|---|---|-------------|------------------------------------|---|---|
| A                                   | 1,000.00   | 100,000.00                           | 100,000.00  | 100.00  | 0.00%       | 100.00                             | 0.00  | 100.00  |
| B                                   | 1,000.00   | 100,550.00                           | 100,550.00  | 100.55  | 0.00%       | 100.31                             | 23.93   | 100.52  |
| C                                   | 800.00   | 80,400.00                            | 80,395.21*  | 100.49  | 0.00%       | 100.52                             | 0.00  | 100.49  |

\* Eine kristallisierte Performance Fee von 4,79 vom Bewertungspunkt B wird abgezogen.

Ein Anleger kauft 1.000,00 Anteile und die Anzahl der ausstehenden Anteile beträgt zum Bewertungszeitpunkt A 1.000,00.

An investor buys 1,000.00 shares and the number of Outstanding Shares is 1,000.00 at Valuation Point A.

**Bewertungspunkt B**

Zum Bewertungszeitpunkt B wird der Anspruch auf eine Performance Fee überprüft. Der Nettoinventarwert pro Anteil beträgt 100,55.

**Valuation Point B**

At Valuation Point B, entitlement to a Performance Fee is verified. NAV per Share is 100.55.

|   |   |
|---|---|
| Outperformance over the Hurdle Rate/Outperformance über der Hurdle Rate   | Outperformance over the Benchmark/Outperformance über dem Vergleichsindex   |
| <i>NAV per Share divided by Hurdle Rate-adjusted NAV per Share since beginning of the financial year/ Nettoinventarwert pro Anteil geteilt durch den an die Hurdle Rate angepassten Nettoinventarwert pro Anteil seit Beginn des Geschäftsjahres -1</i><br>$(100,55/100,00)-1 = 0,55\%$ | <i>NAV per Share divided by Benchmark-adjusted NAV per Share since beginning of the financial year/ Nettoinventarwert pro Anteil geteilt durch den an den Vergleichsindex angepassten Nettoinventarwert pro Anteil seit Beginn des Geschäftsjahres -1</i><br>$(100,55/100,31)-1 = 0,2393\%$ |
| Outperformance over the Hurdle Rate is 0.55%.<br>Outperformance über der Hurdle Rate beträgt 0.55%.   | Outperformance over the Benchmark is 0.2393%.<br>Outperformance über dem Vergleichsindex beträgt 0.2393%.   |

Zum Bewertungszeitpunkt B sind die Bedingungen mit einer Outperformance über der Hurdle Rate und einer Outperformance

At Valuation Point B, conditions with Outperformance over the Hurdle Rate and Outperformance over the Benchmark are met. Performance Fee can be accrued.

über dem Vergleichsindex erfüllt. Es kann eine Performance Fee anfallen.

|   |  |
|---|--|
| Accrued Performance Fee/Aufgelaufene Performance Fee  | NAV per Share after deduction of the Performance Fee/Nettoinventarwert pro Anteil nach Abzug der Performance Fee   |
| <i>Outperformance over the Benchmark applied to NAV per Share from the beginning of the financial year (multiplied by the number of Outstanding Shares) and multiplied by the Performance Fee Rate/ Outperformance über dem Vergleichsindex, multipliziert mit dem Nettoinventarwert pro Anteil seit Beginn des Geschäftsjahres (multipliziert mit der Anzahl der ausstehenden Anteile) und dem Prozentsatz der Performance Fee</i> | <i>Assets before deduction of Performance Fee with Accrued Performance Fee deducted and the whole divided by the number of Outstanding Shares/ Vermögen vor Abzug der Performance Fee, wobei die aufgelaufene Performance Fee abgezogen und das Ganze durch die Anzahl der ausstehenden Anteile geteilt wird</i> |
| 0.2393% x 100,000.00 x 10% =23.93   | (100,550.00–23.93) / 1,000.00 shares = 100.5260  |
| Accrued Performance Fee is 23.93<br>Die aufgelaufene Performance Fee beträgt 23.93  | Final NAV per Share is 100.5260<br>Der finale Nettoinventarwert pro Anteil beträgt 100.5260  |

**Bewertungspunkt C**

Ein Anleger verkauft 200,00 Anteile zum Bewertungspunkt B zum Preis von 100,5260. Die Anzahl der ausstehenden Anteile beträgt nun 800.00 zum Bewertungszeitpunkt C.

Für Anteile, die an einem Bewertungstag während des Geschäftsjahres zurückgenommen werden (*net outflows*), wird die aufgelaufene Performance Fee, die den zurückgenommenen Anteilen zuzuordnen ist, nach Ende des Geschäftsjahres kristallisiert und an den Anlageverwalter ausgezahlt.

Die zum Bewertungszeitpunkt B aufgelaufene Performance Fee wird im Verhältnis zu den zurückgenommenen Anteilen kristallisiert. Die kristallisierte Performance Fee beträgt 4,79.

Aufgelaufene Performance Fee vom vorherigen Bewertungszeitpunkt multipliziert mit dem Verhältnis zwischen zurückgenommenen Anteilen und der Anzahl der ausstehenden Anteile vom vorherigen Bewertungszeitpunkt

$$23.93 \times (200.00/1,000.00)=4.79$$

Der Nettoinventarwert pro Anteil beträgt 100,49.

**Valuation Point C**

An investor sells 200.00 shares at Valuation Point B at a price of 100.5260

The number of Outstanding Shares is now 800.00 at Valuation Point C.

For Shares redeemed on any Valuation Day during the financial year (net outflows), the accrued Performance Fee attributable to the redeemed Shares will be crystallized and paid out to the Investment Manager after the end of the financial year.

Accrued Performance Fee at Valuation Point B is crystallized in proportion to shares redeemed. Crystallized Performance Fee is 4.79

Accrued Performance Fee from the previous Valuation Point multiplied by Ratio between Shares Redeemed and Number of Outstanding Shares from the previous Valuation Point

$$23.93 \times (200.00/1,000.00)=4.79$$

NAV per Share is 100.49.

|   |   |
|---|---|
| Outperformance over the Hurdle Rate/Outperformance über der Hurdle Rate   | Outperformance over the Benchmark/Outperformance über dem Vergleichsindex   |
| <i>NAV per Share divided by Hurdle Rate-adjusted NAV per Share since beginning of the financial year/ Nettoinventarwert pro Anteil geteilt durch den an die Hurdle Rate angepassten Nettoinventarwert pro Anteil seit Beginn des Geschäftsjahres -1</i> | <i>NAV per Share divided by Benchmark-adjusted NAV per Share since beginning of the financial year/ Nettoinventarwert pro Anteil geteilt durch den an den Vergleichsindex angepassten Nettoinventarwert pro Anteil seit Beginn des Geschäftsjahres -1</i> |
| (100.49/100.00)-1 = 0.49%   | (100.494/100.52)-1) = -0.0259%  |
| Outperformance over the Hurdle Rate is 0.49%.<br>Outperformance über der Hurdle Rate beträgt 0.49%.   | Outperformance over the Benchmark is -0.0259%<br>Outperformance über dem Vergleichsindex beträgt -0.0259%.  |

Zum Bewertungszeitpunkt C sind die Bedingungen der Outperformance über der Hurdle Rate und der Outperformance über dem Vergleichsindex nicht beide erfüllt. Es kann keine Performance Fee anfallen.

At Valuation Point C, conditions with Outperformance over the Hurdle Rate and Outperformance over the Benchmark are not both met. No Performance Fee can be accrued.

|  |  |
|--|--|
| Accrued Performance Fee/ Aufgelaufene Performance Fee                        | NAV per Share after deduction of the Performance Fee   |
|  | <i>Assets before deduction of Performance Fee with Accrued Performance Fee deducted and the whole divided by the number of Outstanding Shares/ Vermögen vor Abzug der Performance Fee, wobei die aufgelaufene Performance Fee abgezogen und das Ganze durch die Anzahl der ausstehenden Anteile geteilt wird</i> |
|  | (80,39521–0.00) / 800.00 shares = 100.4940   |
| Accrued Performance Fee is 0.00<br>Aufgelaufene Performance Fee beträgt 0.00 | Final NAV per Share is 100.4949<br>Der endgültige Nettoinventarwert pro Anteil beträgt 100.4949.   |

Der Nettoinventarwert pro Anteil nach Abzug der Performance Fee beträgt 100,4940. Keine Performance Fee wird kristallisiert (mit Ausnahme der aus der Rücknahme resultierenden kristallisierten Performance Fee von 4,79). Für das nächste Geschäftsjahr ist keine Unterperformance gegenüber der Hurdle Rate zu melden. Ein Referenzzeitraum für die Wertentwicklung kann nicht beginnen.

NAV per share after deduction of the Performance Fee is 100.4940 No Performance Fee is crystallized (except for the crystallization Performance Fee of 4.79 resulting from the redemption).

No Underperformance against Hurdle Rate is to be reported for the next financial year.

No Performance Reference Period starts.

**C) PERFORMANCE FEE BEIM LYRA**

Die Anlageverwalterin hat darüber hinaus, für B2-, E- und C2-Anteile ausschliesslich, Anspruch auf eine jährliche performanceabhängige Entschädigung („**Performance Fee**“) auf die Wertsteigerung des Nettoinventarwerts der jeweiligen Anteilskategorie, unter den nachfolgend genannten Bedingungen.

Die Performance Fee unterliegt einem Vergleichsindex.

Die Anlageverwalterin hat dann Anspruch auf eine Performance Fee, wenn am letzten Bewertungstag des Geschäftsjahres die prozentuale Rendite der jeweiligen Anteilskategorie vor Abzug der Performance Fee und abzüglich aller mit dem Subfonds verbundenen Kosten (z.B. Verwaltungsgebühren und andere anwendbare Gebühren) seit Beginn des Referenzzeitraums für die Wertentwicklung (wie unten definiert), oder gegebenenfalls seit Beginn des Geschäftsjahres die des Vergleichsindexes übertrifft („**Outperformance über dem Vergleichsindex**“, ausgedrückt als Prozentsatz).

Der Vergleichsindex entspricht 50% €STR, 25% MSCI Europe Small Cap (MXEU000S Index) und 25% FTSE Italia Mid Cap (formerly, Midex Italia). Der Vergleichsindex wird an jedem Bewertungstag aktualisiert.

Die Performance Fee wird an jedem Bewertungstag berechnet und zurückgestellt und die zurückgestellte Performance Fee wird am Ende des Geschäftsjahres kristallisiert und jährlich nach Ablauf des Geschäftsjahres ausbezahlt.

Die Performance Fee beträgt 25% der Outperformance über dem Vergleichsindex.

Der Referenzzeitraum für die Wertentwicklung wird auf 5 (fünf) Jahre auf fortlaufender Basis festgelegt, außer bei besonderen Ereignissen wie einer Verschmelzung oder dem Wechsel des Anlageverwalters. Daher kann eine Performance Fee nur geltend gemacht werden, wenn jede Unterperformance gegenüber dem Vergleichsindex der zurückliegenden fünf Jahre wieder aufgeholt wurde.

Anleger sollten beachten, dass Performance Fees auch dann anfallen und kristallisiert werden können, wenn die Anteilskategorie den Vergleichsindex zwar übertroffen hat, aber eine negative absolute Wertentwicklung aufweist.

Für Anteile, die an einem Bewertungstag während des Geschäftsjahres zurückgegeben werden, wird die den zurückgegebenen Anteilen zuzuordnende zurückgestellte Performance Fee (falls vorhanden) kristallisiert aber erst am Ende des Geschäftsjahres dem Anlageverwalter ausgezahlt.

Darüber hinaus tragen die Anteile, die während des Geschäftsjahres gezeichnet werden, nicht zur Performance Fee bei, die vor der Zeichnung kumuliert wurde.

**Der MSCI Europe Small Cap (MXEU000S Index) und der Midex Italia sind Referenzwerte im Sinne der**

**C) PERFORMANCE FEE FOR LYRA**

The Investment Manager is, in addition, entitled to receive, for B2, E and C2 Shares only, a performance-related annual fee ("**Performance Fee**") on the appreciation in the Net Asset Value per share of the relevant Share Category, in accordance with the application of the principles set out below.

The Performance Fee is subject to a Benchmark.

The Investment Manager shall be entitled to a Performance Fee if, on the last Valuation Day of the financial year, the rate of return of the relevant Share Category before deduction of the Performance Fee and net of all costs relating to the Subfund (e.g. management fees and other applicable fees) since the beginning of the Performance Reference Period (as defined hereafter) or if not the case, since the beginning of the financial year, is to exceed that of the Benchmark ("**Outperformance over the Benchmark**", expressed in percentage).

The Benchmark corresponds to 50% €STR, 25% MSCI Europe Small Cap (MXEU000S Index) and 25% FTSE Italia Mid Cap (formerly, Midex Italia). The Benchmark is updated on each Valuation Day.

The performance fee is calculated and accrued on each Valuation Day and any accrued Performance Fee at the end of the financial year will be crystallized and paid out annually after the end of the financial year.

The performance fee amounts to 25% of the Outperformance over the Benchmark.

The Performance Reference Period is set equal to 5 (five) years on a rolling basis except for special events such as merger or the replacement of the Investment Manager. As a result, a Performance Fee may only be claimed if underperformance against the Benchmark during the previous five years has been clawed back.

Investors should note that Performance Fees could also be accrued and crystallized in case the Share Category has overperformed the Benchmark but had a negative absolute performance.

For shares that are redeemed during the accounting year, the existing accrued Performance Fee will be crystallized in proportion to the number of shares redeemed but not be paid to the Investment Manager until the end of the financial year.

In addition, shares subscribed during the financial year will not contribute to the performance fee earned in the period preceding the subscription.

**The MSCI Europe Small Cap (MXEU000S Index) and the Midex Italia are benchmarks within the meaning of**

**Verordnung (EU) 2016/1011 (EU-Referenzwertverordnung).** Die Referenzwerte werden von Administratoren **((i) MSCI Limited / (ii) FTSE International Limited)** bereitgestellt, die in der EU angesiedelt sind und in das Register nach Art. 36 der EU-Referenzwertverordnung eingetragen sind.

Der **€STR** ist ein Referenzwert, der von der **Europäischen Zentralbank (EZB)** bereitgestellt wird.

Die Gesellschaft hat robuste schriftliche Pläne aufgestellt, in denen die Massnahmen dargelegt werden, die sie ergreifen würde, falls einer dieser Referenzwerte sich wesentlich ändern oder nicht mehr bereitgestellt würde. Die entsprechenden Richtlinien der GAM-Gruppe sind auf [www.funds.gam.com](http://www.funds.gam.com) erhältlich.

Berechnungsbeispiel 1: Outperformance über dem Vergleichsindex und Referenzzeitraum für die Wertentwicklung.

Der Referenzzeitraum für die Wertentwicklung wird auf fünf Jahre auf fortlaufender Basis festgelegt und stellt den Zeithorizont dar, über den die Wertentwicklung gemessen und mit derjenigen des Vergleichsindex verglichen wird, an dessen Ende der Mechanismus für die Entschädigung für die Unterperformance in der Vergangenheit zurückgesetzt werden kann.

Im folgenden Beispiel wird die Wertentwicklung wie folgt gemessen.

| End of Financial Year/Geschäftsjahrende  | Financial Year/ Geschäftsjahr 1 | Financial Year / Geschäftsjahr 2 | Financial Year/ Geschäftsjahr 3 | Financial Year/ Geschäftsjahr 4 | Financial Year/ Geschäftsjahr 5 | Financial Year/ Geschäftsjahr 6 | Financial Year/ Geschäftsjahr 7 |
|--|---------------------------------|----------------------------------|---------------------------------|---------------------------------|---------------------------------|---------------------------------|---------------------------------|
| NAV per Share performance over the financial year/ Wertentwicklung des Nettoinventarwerts pro Anteil im Laufe des Geschäftsjahrs | 2%                              | -10%                             | 2%                              | 1%                              | 1%                              | -2%                             | 3%                              |
| Benchmark performance over the financial year/Wertentwicklung des Vergleichsindexes Geschäftsjahres                              | 1%                              | 0%                               | 1%                              | 0%                              | 0%                              | 0%                              | 0%                              |
| Outperformance over the Benchmark/Outperformance über dem Vergleichsindex  | 1%                              | -10%                             | 1%                              | 1%                              | 1%                              | -2%                             | 3%                              |

Jede Unterperformance gegenüber dem Vergleichsindex wird wie folgt auf das nächste Geschäftsjahr übertragen.

**Regulation (EU) 2016/1011 (EU Benchmark Regulation).** The Reference Values are provided by administrators **((i) MSCI Limited / (ii) FTSE International Limited)** located in the EU and entered in the register referred to in Article 36 of the EU Benchmark Regulation.

The **€STR** is a benchmark provided by the **European Central Bank (ECB)**.

The Company has solid written plans in place setting out the actions it would take should this benchmark change materially or cease to be provided. The relevant GAM Group policies are available on [www.funds.gam.com](http://www.funds.gam.com).

Calculation example 1: Outperformance over the Benchmark and Performance Reference Period

Performance Reference Period is set to five years on a rolling basis and represents the time horizon over which the performance is measured and compared with that of the Benchmark, at the end of which the mechanism for the compensation for past underperformance can be reset.

In the following example, respective performance is measured as follows:

Any underperformance against the Benchmark is carried forward to the next financial year as follows.

|   |    |      |      |      |      |      |      |
|---|----|------|------|------|------|------|------|
| Financial year/ Geschäftsjahr -1  |    |      | -10% | 1%   | 1%   | 1%   | -2%* |
| Financial year/ Geschäftsjahr -2  |    |      |      | -10% | 1%   | 1%   |      |
| Financial year/ Geschäftsjahr -3  |    |      |      |      | -10% | 1%   |      |
| Financial year/ Geschäftsjahr -4  |    |      |      |      |      | -10% |      |
| Outperformance over the Benchmark/Outperformance über dem Vergleichsindex | 1% | -10% | -9%  | -8%  | -7%  | -9%  | 1%   |

|   |  |
|---|--|
| End of Financial Year 1/Ende des Geschäftsjahres 1    | NAV per Share outperforms Benchmark by 1%. No underperformance is carried for the next financial year.<br>Der Nettoinventarwert pro Anteil übertrifft den Vergleichsindex um 1%. Für das nächste Geschäftsjahr wird keine Unterperformance übertragen.   |
| End of Financial Year 2/ Ende des Geschäftsjahres 2   | NAV per Share underperforms Benchmark and the underperformance of 10% is to be compensated until Financial Year 6. A Performance Reference Period starts.<br>Der Nettoinventarwert pro Anteil liegt unter dem Vergleichsindex und die Unterperformance von 10 % wird bis zum Geschäftsjahr 6 ausgeglichen. Der Referenzzeitraum für die Wertentwicklung beginnt.   |
| End of Financial Year 3/ Ende des Geschäftsjahres 3   | Previous underperformance of 10% is partially clawed back resulting in a underperformance of 9% to be carried forward to the next financial year.<br>Eine frühere Unterperformance von 10 % wird teilweise aufgeholt, so dass sich eine Unterperformance von 9% ergibt, die auf das nächste Geschäftsjahr übertragen wird.   |
| End of Financial Year 4/ Ende des Geschäftsjahres 4   | The underperformance is partially clawed back resulting in a underperformance of 8% to be carried forward to the next financial year.<br>Die Unterperformance wird teilweise aufgeholt, was zu einer Unterperformance von 8% führt, die auf das nächste Geschäftsjahr übertragen wird.   |
| End of Financial Year 5/ Ende des Geschäftsjahres 5   | The underperformance is partially clawed back resulting in a underperformance of 7% to be carried forward to the next financial year.<br>Die Unterperformance wird teilweise aufgeholt, was zu einer Unterperformance von 7% führt, die auf das nächste Geschäftsjahr übertragen wird.   |
| End of Financial Year 6*/ Ende des Geschäftsjahres 6* | Although the underperformance of 10% that originated in Financial Year 2 is only partially clawed back, resulting in a remaining underperformance of 9%, this figure is not carried forward as no longer valid after 5 years elapsed. Only underperformance originating from Financial Year 6 (i.e. an underperformance of 2%) is carried forward for the next financial year.<br>Obwohl die Unterperformance von 10%, die aus dem Geschäftsjahr 2 stammt, nur teilweise aufgeholt wird, was zu einer verbleibenden Unterperformance von 9% führt, wird diese Zahl nicht übertragen, da sie nach Ablauf von 5 Jahren nicht mehr gültig ist. Nur die Unterperformance aus dem Geschäftsjahr 6 (d. h. eine Unterperformance von 2%) wird auf das nächste Geschäftsjahr übertragen. |
| End of Financial Year 7/ Ende des Geschäftsjahres 7   | NAV per Share outperforms Benchmark by 3%, but the underperformance of 2% needs to be clawed back, resulting in a net outperformance of 1%. As a result, Performance Reference Period ends in Financial Year 6.<br>Der Nettoinventarwert pro Anteil übertrifft den Vergleichsindex um 3%, aber die Unterperformance von 2% muss aufgeholt werden, was zu einer Netto-Outperformance von 1% führt. Infolgedessen endet der Referenzzeitraum für die Wertentwicklung im Geschäftsjahr 6.   |

**Berechnungsbeispiel 2**

Im folgenden Beispiel wird der Vergleichsindex auf Base 100 zum Bewertungszeitpunkt A festgelegt. Bewertungszeitpunkt A ist der Beginn des Geschäftsjahres.

Der Bewertungszeitpunkt C ist das Ende des Geschäftsjahres. Zu Illustrationszwecken beträgt der Prozentsatz der Performance Fee 10 %.

Der Bruttoinventarwert entspricht dem Gesamtnettvermögen ohne aufgelaufene Performance Fee und kristallisierte Performance Fee.

Das Vermögen vor Abzug der Performance Fee entspricht dem Gesamtnettvermögen ohne aufgelaufene Performance Fee.

**Calculation example 2**

In the following example, the Benchmark is set at Base 100 at Valuation Point A.

Valuation Point A is the beginning of the financial year. Valuation Point C is the end of the financial year. For illustrative purposes, the Performance Fee rate is set equal to 10%.

Gross Asset Value represents total net assets excluding accrued Performance Fee and crystallized Performance Fee.

Assets before deduction of Performance Fee represent total net assets excluding accrued Performance Fee only.

| Valuation Point/Bewertungszeitpunkt | Number of Outstanding Shares/ Anzahl der ausstehenden Anteile | Gross Asset Value/Bruttovermögen | Assets before deduction of Performance Fee/ Vermögen vor Abzug der Performance Fee | NAV per Share before deduction of Performance Fee (referred as NAV per Share)/ Nettoinventarwert pro Anteil vor Abzug der Performance Fee (als Nettoinventarwert je Anteil bezeichnet) | Benchmark/Vergleichsindex Base 100 | Accrued Performance Fee/ Aufgelaufene Performance Fee | NAV per Share after deduction of the Performance Fee/ Nettoinventarwert pro Anteil nach Abzug der Performance Fee |
|-------------------------------------|---|----------------------------------|--|--|------------------------------------|---|---|
| A                                   | 1,000.00  | 100,000.00                       | 100,000.00   | 100.00   | 100.00                             | 0.00  | 100.00  |
| B                                   | 1,000.00  | 101,000.00                       | 101,000.00   | 101.00   | 100.50                             | 49.75   | 100.95  |
| C                                   | 1,200.00  | 121,600.00                       | 121,600.00   | 101.33   | 100.80                             | 54.53   | 100.28  |

Ein Anleger kauft 1.000,00 Anteile und die Anzahl der ausstehenden Anteile beträgt zum Bewertungszeitpunkt A 1.000,00.

An investor buys 1,000.00 shares and the number of Outstanding Shares is 1,000.00 at Valuation Point A.

**Bewertungspunkt B**

Zum Bewertungszeitpunkt B wird der Anspruch auf eine Performance Fee überprüft. Der Nettoinventarwert pro Anteil beträgt 101.00.

**Valuation Point B**

At Valuation Point B, entitlement to a Performance Fee is verified. NAV per Share is 101.00

|  |
|--|
| <p><b>Outperformance over the Benchmark/ Outperformance über dem Vergleichsindex</b><br/> <i>NAV per Share divided by Benchmark-adjusted NAV per Share since beginning of the financial year/ Nettoinventarwert pro Anteil geteilt durch den an den Vergleichsindex angepassten Nettoinventarwert pro Anteil seit Beginn des Geschäftsjahres -1</i><br/> <math>(101.00/100.50)-1 = 0.4975\%</math><br/>                     Outperformance over the Benchmark is 0.4975%</p> |
|--|

Zum Bewertungszeitpunkt B sind die Bedingungen mit einer Outperformance über dem Vergleichsindex erfüllt. Es kann eine Performance Fee anfallen.

At Valuation Point B, condition with Outperformance over the Benchmark is met. Performance Fee can be accrued.

|  |  |
|--|--|
| <p><b>Accrued Performance Fee/ Aufgelaufene Performance Fee</b><br/> <i>Outperformance over the Benchmark applied to NAV per Share from the beginning of the financial year (multiplied by the number of Outstanding Shares) and multiplied by the Performance Fee Rate/Outperformance über dem Vergleichsindex, multipliziert mit dem Nettoinventarwert pro Anteil seit Beginn des Geschäftsjahres (multipliziert mit der Anzahl der ausstehenden Anteile) und dem Prozentsatz der Performance Fee</i><br/> <math>0.4975\% \times 1,000.00 \times 10\% = 49.75</math><br/>                     Accrued Performance Fee is 49.75<br/>                     Aufgelaufene Performance Fee beträgt 49.75</p> | <p><b>NAV per Share after deduction of the Performance Fee/ Nettoinventarwert pro Anteil nach Abzug der Performance Fee</b><br/> <i>Assets before deduction of Performance Fee with Accrued Performance Fee deducted and the whole divided by the number of Outstanding Shares/ Vermögen vor Abzug der Performance Fee, wobei die aufgelaufene Performance Fee abgezogen und das Ganze durch die Anzahl der ausstehenden Anteile geteilt wird</i><br/> <math>(101,000.00-49.75) / 1,000.00 \text{ shares} = 100.9502</math><br/>                     Final NAV per Share is 100.9502<br/>                     Der endgültige Nettoinventarwert pro Anteil beträgt 100.9502</p> |
|--|--|

**Bewertungspunkt C**

Ein Anleger kauft 200,00 Anteile zum Bewertungspunkt B zu einem Preis von 100.9502. Die Anzahl der ausstehenden Anteile beträgt nun 1.200,00 am Bewertungszeitpunkt C. Der Nettoinventarwert pro Anteil beträgt 101.33.

**Valuation Point C**

An investor buys 200.00 shares at Valuation Point B at a price of 100.9502. The number of Outstanding Shares is now 1,200.00 at Valuation Point C. NAV per Share is 101.33

|   |
|---|
| <p><b>Outperformance over the Benchmark/ Outperformance über dem Vergleichsindex</b><br/> <i>NAV per Share divided by Benchmark-adjusted NAV per Share since beginning of the financial year/ Nettoinventarwert pro Anteil geteilt durch den an den Vergleichsindex angepassten Nettoinventarwert pro Anteil seit Beginn des Geschäftsjahres -1</i><br/> <math>(101.33/100.80)-1 = 0.5291\%</math><br/>                     Outperformance over the Benchmark is 0.5291%<br/>                     Outperformance über dem Vergleichsindex beträgt 0.5291%</p> |
|---|

Zum Bewertungszeitpunkt C sind die Bedingungen mit einer Outperformance über dem Vergleichsindex erfüllt. Es kann eine Performance Fee anfallen.

At Valuation Point C, conditions with Outperformance over the Benchmark is met. Performance Fee can be accrued.

Eine Zeichnung, die zur Schaffung neuer, im Umlauf befindlicher Anteile führt, sollte bei der Berechnung der im Zeitraum vor der Zeichnung angefallenen Performance Fee nicht berücksichtigt werden.

Any subscription leading to the creation of new outstanding Shares should not be taken into account when calculating the Performance Fee incurred in the period preceding the subscription.

Daher wird jede aufgelaufene Performance Fee zum Bewertungspunkt C um den Betrag reduziert, der durch den Kauf von 200 Anteilen ausgelöst wird

Therefore, any accrued Performance Fee at Valuation Point C is reduced by the amount triggered by the purchase of 200 shares (200 shares with each a 0.4975% (100.95/100.50-1) outperformance against of NAV per Share the Benchmark at Valuation Point B).

## MULTILABEL SICAV: BESONDERER TEIL B / SPECIAL PART B

(200 Anteile mit einer Outperformance von jeweils 0.4975% (100.95/100.50-1) gegenüber dem Nettoinventarwert pro Anteil, dem Vergleichsindex zum Bewertungspunkt B).

|  |  |
|--|--|
| Accrued Performance Fee/ Aufgelaufene Performance Fee<br><br><i>(Outperformance over the Benchmark applied to NAV per Share from the beginning of the financial year (multiplied by the number of Outstanding Shares) and multiplied by the Performance Fee Rate) – (Number of new shares multiplied by net outperformance against the Benchmark from the previous Valuation Point applied to NAV per Share from the beginning of the financial year and Performance Fee Rate) / Outperformance über dem Vergleichsindex, multipliziert mit dem Nettoinventarwert pro Anteil seit Beginn des Geschäftsjahres (multipliziert mit der Anzahl der neuen Anteile) und dem Prozentsatz der Performance Fee) - (Anzahl der neuen Anteile multipliziert mit der Netto-Outperformance gegenüber dem Vergleichsindex seit dem vorherigen Bewertungszeitpunkt, multipliziert mit dem Nettoinventarwert pro Anteil seit Beginn des Geschäftsjahres und dem Prozentsatz der Performance Fee</i><br>$(0.5291\% \times 1,200.00 \times 10\%) - ((200 \times (100.95/100.50-1) \times 100.00 \times 10\%)) = 54.53$ | NAV per Share after deduction of the Performance Fee/ Nettoinventarwert pro Anteil nach Abzug der Performance Fee<br><br><i>Assets before deduction of Performance Fee with Accrued Performance Fee deducted and the whole divided by the number of Outstanding Shares/ Vermögen vor Abzug der Performance Fee, wobei die aufgelaufene Performance Fee abgezogen und das Ganze durch die Anzahl der ausstehenden Anteile geteilt wird</i><br>$(121,600.00 - 54.53) / 1,200.00 \text{ shares} = 101.2879$ |
| Accrued Performance Fee is 54.53<br>Die aufgelaufene Performance Fee beträgt 54.53.  | Final NAV per Share is 101.2879<br>Der endgültige Nettoinventarwert pro Anteil beträgt 101.2879  |

Der Nettoinventarwert pro Anteil nach Abzug der Performance Fee beträgt 101.2879. Eine Performance Fee von 54.53 wird kristallisiert. Für das nächste Geschäftsjahr ist keine Unterperformance gegenüber dem Vergleichsindex zu melden. Ein Referenzzeitraum für die Wertentwicklung kann nicht beginnen.

### Berechnungsbeispiel 3

Im folgenden Beispiel wird der Vergleichsindex auf Base 100 zum Bewertungszeitpunkt A festgelegt. Bewertungszeitpunkt A ist der Beginn des Geschäftsjahres.

Der Bewertungszeitpunkt C ist das Ende des Geschäftsjahres. Der Prozentsatz der Performance Fee beträgt 10%.

Der Bruttoinventarwert entspricht dem Gesamtvermögen ohne aufgelaufene Performance Fee und kristallisierte Performance Fee.

Das Vermögen vor Abzug der Performance Fee entspricht dem Gesamtvermögen ohne aufgelaufene Performance Fee.

NAV per share after deduction of the Performance Fee is 101.2879

A Performance Fee of 54.53 is crystallized.

No Underperformance against Benchmark is to be reported for the next financial year.

No Performance Reference Period starts.

### Calculation example 3

In the following example, the Benchmark is set at Base 100 at Valuation Point A.

Valuation Point A is the beginning of the financial year.

Valuation Point C is the end of the financial year. Performance Fee rate is 10%.

Gross Asset Value represents total net assets excluding accrued Performance Fee and crystallized Performance Fee.

Assets before deduction of Performance Fee represent total net assets excluding accrued Performance Fee only.

| Valuation Point/Bewertungszeitpunkt | Number of Outstanding Shares/ Anzahl der ausstehenden Anteile | Gross Asset Value/Bruttovermögenswert | Assets before deduction of Performance Fee/ Vermögen vor Abzug der Performance Fee | NAV per Share before deduction of Performance Fee (referred as NAV per Share)/ Nettoinventarwert pro Anteil vor Abzug der Performance Fee (als Nettoinventarwert pro Anteil bezeichnet) | Benchmark /Vergleichsindex Base 100 | Accrued Performance Fee/ Aufgelaufene Performance Fee | NAV per Share after deduction of the Performance Fee/ Nettoinventarwert pro Anteil nach Abzug der Performance Fee |
|-------------------------------------|---|---------------------------------------|--|---|-------------------------------------|---|---|
| A                                   | 1,000.00  | 100,000.00                            | 100,000.00   | 100.00  | 100.00                              | 0.00  | 100.00  |
| B                                   | 1,000.00  | 99,500.00                             | 99,500.00  | 99.50   | 99.00                               | 50.51   | 99.44   |
| C                                   | 900.00  | 89,500.00                             | 89,494.95*   | 99.43   | 99.10                               | 30.77   | 99.40   |

\* A crystallized Performance Fee of 5.05 from Valuation Point B is deducted  
 \* Eine kristallisierte Performance Fee von 5.05 vom Bewertungspunkt B wird abgezogen

Ein Anleger kauft 1.000,00 Aktien und die Anzahl der ausstehenden Anteile beträgt zum Bewertungszeitpunkt A 1.000,00.

An investor buys 1,000.00 shares and the number of Outstanding Shares is 1,000.00 at Valuation Point A.

### Bewertungspunkt B

Zum Bewertungszeitpunkt B wird der Anspruch auf eine Performance Fee überprüft. Der Nettoinventarwert pro Anteil beträgt 99.50.

### Valuation Point B

At Valuation Point B, entitlement to a Performance Fee is verified.

NAV per Share is 99.50

|   |
|---|
| Outperformance over the Benchmark/ Outperformance über dem Vergleichsindex<br><br><i>NAV per Share divided by Benchmark-adjusted NAV per Share since beginning of the financial year/ Nettoinventarwert pro Anteil geteilt durch den an den Vergleichsindex angepassten Nettoinventarwert pro Anteil seit Beginn des Geschäftsjahres -1</i><br>$(99.50/99.00-1) = 0.5051\%$ |
| Outperformance over the Benchmark is 0.5051%.<br>Outperformance über dem Vergleichsindex beträgt 0.5051%.   |

Zum Bewertungszeitpunkt B sind die Bedingungen mit einer Outperformance über dem Vergleichsindex erfüllt. Es kann eine Performance Fee anfallen.

At Valuation Point B, condition Outperformance over the Benchmark is met. Performance Fee can be accrued.



## MOMentum FUNDS

|   |   |
|---|---|
| Accrued Performance Fee /Aufgelaufene Performance Fee   | NAV per Share after deduction of the Performance Fee/ Nettoinventarwert pro Anteil nach Abzug der Performance Fee   |
| <i>Outperformance over the Benchmark applied to NAV per Share from the beginning of the financial year (multiplied by the number of Outstanding Shares) and multiplied by the Performance Fee Rate/Outperformance über dem Vergleichsindex, multipliziert mit dem Nettoinventarwert pro Anteil seit Beginn des Geschäftsjahres (multipliziert mit der Anzahl der ausstehenden Anteile) und dem Prozentsatz der Performance Fee</i><br>0.5051% x 1,000.00 x 10% =50.51 | <i>Assets before deduction of Performance Fee with Accrued Performance Fee deducted and the whole divided by the number of Outstanding Shares/ Vermögen vor Abzug der Performance Fee, wobei die aufgelaufene Performance Fee abgezogen und das Ganze durch die Anzahl der ausstehenden Anteile geteilt wird</i><br>(99,500.00-50.51) / 1,000.00 shares = 99.4495 |
| Accrued Performance Fee is 50.51<br>Die aufgelaufene Performance Fee beträgt 50.51.   | Final NAV per Share is 99.4495<br>Der endgültige Nettoinventarwert pro Anteil beträgt 99.4495.  |

### Bewertungspunkt C

Ein Anleger verkauft 100,00 Anteile zum Bewertungspunkt B zu einem Preis von 99,4495.  
Die Anzahl der ausstehenden Anteile beträgt nun 900,00 am Bewertungspunkt C.

Für Anteile, die an einem Bewertungstag während des Geschäftsjahres zurückgenommen werden (*net outflows*), wird die aufgelaufene Performance Fee, die den zurückgenommenen Anteilen zuzuordnen ist, nach Ende des Geschäftsjahres festgestellt und an den Anlageverwalter ausgezahlt.  
Die zum Bewertungszeitpunkt B aufgelaufene Performance Fee wird im Verhältnis zu den zurückgenommenen Anteilen kristallisiert.  
Die kristallisierte Performance Fee beträgt 5,05.  
Aufgelaufene Performance Fee vom vorherigen Bewertungszeitpunkt multipliziert mit dem Verhältnis zwischen zurückgenommenen Anteilen und der Anzahl der ausstehenden Anteile vom vorherigen Bewertungszeitpunkt  $50,51 \times (100,00/1.000,00)=5,05$ .  
Der Nettoinventarwert pro Anteil beträgt 99,43.

### Valuation Point C

An investor sells 100.00 shares at Valuation Point B at a price of 99.4495  
The number of Outstanding Shares is now 900.00 at Valuation Point C.

For Shares redeemed on any Valuation Day during the financial year (net outflows), the accrued Performance Fee attributable to the redeemed Shares will be crystallized and paid out to the Investment Manager after the end of the financial year.  
Accrued Performance Fee at Valuation Point B is crystallized in proportion to shares redeemed.  
Crystallized Performance Fee is 5.05.  
*Accrued Performance Fee from the previous Valuation Point multiplied by Ratio between Shares Redeemed and Number of Outstanding Shares from the previous Valuation Point*  
 $50.51 \times (100.00/1,000.00)=5.05$ .  
NAV per Share is 99.43.

|   |
|---|
| Outperformance over the Benchmark/ Outperformance über dem Vergleichsindex<br><i>NAV per Share divided by Benchmark-adjusted NAV per Share since beginning of the financial year/ Nettoinventarwert pro Anteil geteilt durch den an den Vergleichsindex angepassten Nettoinventarwert pro Anteil seit Beginn des Geschäftsjahres -1 -1</i><br>(99.43/99.10)-1 = 0.3419% |
| Outperformance over the Benchmark is 0.34191%<br>Outperformance über dem Vergleichsindex beträgt 0.34191%.  |

Zum Bewertungspunkt C ist die Bedingung Outperformance gegenüber der Benchmark erfüllt. Es kann eine Performance Fee anfallen.

At Valuation Point C, condition Outperformance over the Benchmark is met.  
Performance Fee can be accrued.

|   |   |
|---|---|
| Accrued Performance Fee/ Aufgelaufene Performance Fee   | NAV per Share after deduction of the Performance Fee/ Nettoinventarwert pro Anteil nach Abzug der Performance Fee   |
| <i>Outperformance over the Benchmark applied to NAV per Share from the beginning of the financial year (multiplied by the number of Outstanding Shares) and multiplied by the Performance Fee Rate/Outperformance über dem Vergleichsindex, multipliziert mit dem Nettoinventarwert pro Anteil seit Beginn des Geschäftsjahres (multipliziert mit der Anzahl der ausstehenden Anteile) und dem Prozentsatz der Performance Fee</i><br>0.3419% x 900.00 x 10% =30.77 | <i>Assets before deduction of Performance Fee with Accrued Performance Fee deducted and the whole divided by the number of Outstanding Shares/ Vermögen vor Abzug der Performance Fee, wobei die aufgelaufene Performance Fee abgezogen und das Ganze durch die Anzahl der ausstehenden Anteile geteilt wird</i><br>(89,494.95-30.77) / 900.00 shares = 99.4046 |
| Accrued Performance Fee is 30.77<br>Aufgelaufene Performance Fee beträgt 30.77.   | Final NAV per Share is 99.4046<br>Der finale Nettoinventarwert beträgt 99.4046.   |

Der Nettoinventarwert pro Anteil nach Abzug der Performance Fee beträgt 99,4046.  
Eine Performance Fee von 30.77 wird kristallisiert (mit einer kristallisierten Performance Fee von 5,05, die aus der Rücknahme resultiert).  
Für das nächste Geschäftsjahr ist keine Unterperformance gegenüber dem Vergleichsindex zu melden.  
Der Referenzzeitraum für die Wertentwicklung kann nicht beginnen.

NAV per share after deduction of the Performance Fee is 99.4046  
A Performance Fee of 30.77 is crystallized (with a crystallized Performance Fee of 5.05 resulting from the redemption).  
No Underperformance against Benchmark is to be reported for the next financial year.  
No Performance Reference Period starts.

## 9. AUSGABE DER ANTEILE

### A) ALLGEMEIN

Nach Ablauf der Erstzeichnungsfrist werden die Anteile der MOMentum FUNDS an jedem Bewertungstag ausgegeben.  
Der Ausgabepreis gründet auf dem Nettoinventarwert der Anteile am jeweils anwendbaren Bewertungstag und wird auf zwei Stellen nach dem Komma gerundet.

In Anwendung der im Allgemeinen Teil des Prospekts enthaltenen Bestimmungen kann eine Verkaufsgebühr von maximal 5% dazugeschlagen werden.

## 9. ISSUE OF SHARES

### A) GENERAL INFORMATION

On expiry of the initial subscription period, the Shares in the MOMentum FUNDS will be issued on each Valuation Day.  
The Issue Price is based on the NAV of the Shares on the applicable Valuation Day and will be rounded to two (2) decimal places.

A selling fee of a maximum of 5% may be added, pursuant to the provisions contained in the General Part of the Prospectus.

**B) MINDESTZEICHNUNGSBETRAG**

Bei erstmaliger Zeichnung gelten die folgenden Mindestzeichnungsbeträge:

**B) MINIMUM SUBSCRIPTION AMOUNT**

At the initial subscription, share categories are subject to minimum subscription amount as shown in the table below:

| Subfonds / Subfunds | Anteile /Shares | Erstmalige Zeichnung / Initial subscription |
|---------------------|-----------------|---|
| ARTEMIDE            | "B1 / B2"       | EUR 25'000                                  |
|                     | "C1 / C2"       | EUR 250'000                                 |
|                     | "E"             | EUR 25'000                                  |
| LYRA                | "B1 / B2"       | 1 Anteil / 1 Share                          |
|                     | "C1 / C2"       | EUR 100'000                                 |
|                     | "E"             | 1 Anteil / 1 Share                          |

**C) ANTRAGSVERFAHREN**

Investoren können jederzeit Anteile der MOMentum FUNDS bei der im Allgemeinen Teil des Prospekts genannten Hauptzahlstelle in Luxemburg (oder bei ggf. in einzelnen Vertriebsländern bestellten lokalen Vertriebs- bzw. Zahlstellen) zeichnen. Dabei ist die genaue Identität des Zeichners, der Name des Subfonds und welche Anteilskategorie gezeichnet wird, anzugeben.

Für alle Zeichnungen von Anteilen des **ARTEMIDE**, die bei der Hauptzahlstelle an einem Auftragstag bis spätestens um 15.00 Uhr luxemburgische Zeit („cut-off“ Zeit) eintreffen, gilt der am darauffolgenden Bewertungstag ermittelte Ausgabepreis. Für nach diesem Zeitpunkt eintreffende Zeichnungen gilt der Ausgabepreis des übernächsten Bewertungstages.

Für alle Zeichnungen von Anteilen des **LYRA**, die bei der Hauptzahlstelle an einem Auftragstag bis spätestens um 15.00 Uhr luxemburgische Zeit („cut-off“ Zeit) eintreffen, gilt der am sechsten (6.) auf den Auftragstag folgenden luxemburgischen Bankarbeitstag (Bewertungstag) ermittelte Ausgabepreis. Für nach diesem Zeitpunkt eintreffende Zeichnungen gilt der Ausgabepreis des siebten (7.) auf den Auftragstag folgenden luxemburgischen Bankarbeitstages.

Der Gesamtbetrag der Zeichnung muss innerhalb von drei (3) Luxemburger Bankarbeitstagen nach dem entsprechenden Bewertungstag auf dem im Allgemeinen Teil dieses Prospekts angegebenen Konto wertmässig gutgeschrieben sein.

Es werden keine Anteilscheine oder Anteilzertifikate ausgeliefert.

Die Gesellschaft behält sich das Recht vor, Anträge abzulehnen oder nur zum Teil anzunehmen oder ergänzende Informationen und Dokumente zu verlangen. Wird ein Antrag ganz oder teilweise abgelehnt, wird der Zeichnungsbetrag oder der entsprechende Saldo dem Zeichner rücküberwiesen.

**C) APPLICATION PROCEDURE**

Investors may at any time subscribe Shares in the MOMentum FUNDS at the Principal Paying Agent in Luxembourg mentioned in the General Part of this Prospectus (or, as the case may be, at local distributors and paying agents appointed in particular distribution countries). The exact identity of the subscriber, the name of the Subfund, and which Share category will be subscribed for must be stated.

All subscriptions for Shares in **ARTEMIDE** received by the Principal Paying Agent on a Valuation Day no later than 15:00 a.m. Luxembourg local time (cut-off time), will be handled at the Issue Price, which will be calculated on the next Valuation Day. Subscriptions received after this time will be handled at the Issue Price of the Valuation Day after the next Valuation Day.

All subscriptions for Shares in **LYRA** received by the Principal Paying Agent on a Valuation Day no later than 15:00 a.m. Luxembourg local time (cut-off time), will be handled at the Issue Price determined on the sixth (6th) Luxembourg Banking Day following the Valuation Day (Valuation Day). Subscriptions received after this time will be handled at the Issue Price of the seventh (7th) Luxembourg banking day following the Valuation Day.

The total amount of the subscription of Shares in the Subfunds must be credited to the account indicated in the General Part of this Prospectus within three (3) banking days of the applicable Valuation day.

Share coupons or certificates will not be delivered.

The Company reserves the right to reject applications or to accept them only in part or to require further information and/or documents. If an application is rejected in full or in part, the subscription amount or the corresponding balance is returned to the applicant.

## 10. RÜCKNAHME VON ANTEILEN

Anteile der MOMentum FUNDS werden an jedem Bewertungstag durch Antrag an die im Allgemeinen Teil des Prospekts genannte Hauptzahlstelle in Luxemburg (oder an ggf. in einzelnen Vertriebsländern bestellte lokale Vertriebs- bzw. Zahlstellen) zurückgenommen.

Für alle Anträge auf Rücknahmen von Anteilen des **ARTEMIDE**, die bei der Hauptzahlstelle an einem Auftragstag bis spätestens um 15.00 Uhr luxemburgische Zeit („cut-off“ Zeit) eintreffen, gilt der am darauffolgenden Bewertungstag ermittelte Rücknahmepreis. Für nach diesem Zeitpunkt eintreffende Anträge gilt der Rücknahmepreis des übernächsten Bewertungstages.

Für alle Anträge auf Rücknahmen von Anteilen des **LYRA**, die bei der Hauptzahlstelle an einem Auftragstag bis spätestens um 15.00 Uhr luxemburgische Zeit („cut-off“ Zeit) eintreffen, gilt der am sechsten (6.) auf den Auftragstag folgenden luxemburgischen Bankarbeitstag (Bewertungstag) ermittelte Rücknahmepreis. Für nach diesem Zeitpunkt eintreffende Anträge gilt der Rücknahmepreis des siebten (7.) auf den Auftragstag folgenden luxemburgischen Bankarbeitstages.

Der Rücknahmepreis gründet auf dem Nettoinventarwert der Anteile am jeweils anwendbaren Bewertungstag und wird auf zwei Stellen nach dem Komma gerundet. Sofern bei der Ausgabe von Anteilen keine Verkaufsgebühr erhoben wurde, kann stattdessen eine Rücknahmegebühr von maximal 3% des Nettoinventarwerts erhoben werden.

Die Zahlung der Rücknahme von Anteilen der MOMentum FUNDS erfolgt innerhalb von drei (3) Luxemburger Bankarbeitstagen nach dem Bewertungstag.

## 11. UMTAUSCH VON ANTEILEN

Anteile der MOMentum FUNDS können gegen Zahlung einer Umtauschgebühr von maximal 2% des Nettoinventarwertes der vorgenannten Anteile in Anteile anderer aktiver Subfonds der Gesellschaft umgetauscht werden, in welche ein solcher Umtausch gestattet ist. Für einen Umtausch in Anteile eines anderen in diesem Besonderen Teil beschriebenen Subfonds wird keine Umtauschgebühr erhoben.

Beim jedem Umtausch muss jeweils der Mindestumtauschwert gemäss der Auflistung oben („Mindestzeichnungsbetrag“) gegeben sein. Andere Anteile können nur von „institutionellen Investoren“ gemäss der Definition oben in Anteile "C1 / C2" umgetauscht werden.

Im Übrigen gelten für Anträge auf Umtäusche von Anteilen die gleichen Modalitäten wie für Rücknahmen von Anteilen, und es finden die Bestimmungen des Allgemeinen Teils des Prospekts Anwendung.

## 10. REDEMPTION OF SHARES

The Shares in the MOMentum FUNDS will be redeemed on any Valuation Day by application to the Principal Paying Agent in Luxembourg as mentioned in the General Part of the Prospectus (or, as the case may be, at local distributors and paying agents appointed in particular distribution countries).

All requests for redemptions in Shares in **ARTEMIDE** received by the Principal Paying Agent on a Valuation Day no later than 15:00 a.m. Luxembourg local time (cut-off time), will be handled at the Redemption Price, which will be calculated on the next Valuation Day. Redemption requests received after this time will be handled at the Redemption Price of the Valuation Day after the next Valuation Day.

All requests for redemptions in Shares in **LYRA** received by the Principal Paying Agent on a Valuation Day no later than 15:00 a.m. Luxembourg local time (cut-off time), will be handled at the Redemption Price determined on the sixth (6th) Luxembourg Banking Day following the Valuation Day (Valuation Day). Redemption requests received after this time will be handled at the Redemption Price of the seventh (7th) Luxembourg banking day following the Valuation Day.

The Redemption Price is based on the net asset value of the shares on the applicable Valuation day and is rounded off to two (2) decimal places. Where no selling fee has been levied on the issue of Shares, a redemption fee of a maximum of 3% of the net asset value may be levied instead.

The total amount of the redemption of Shares in the MOMentum FUNDS must be credited within three (3) Luxembourg banking days of the applicable Valuation day.

## 11. SWITCHING OF SHARES

Shares of the MOMentum FUNDS may be converted into Shares of other active Subfonds of the Company into which such conversion is permitted against payment of a conversion fee not exceeding 2% of the Net Asset Value of the aforementioned Shares. No conversion fee will be charged for a conversion into Shares of any other Subfund described in this Special Part.

The minimum switching amount as set out in the list above ("Minimum Subscription Amount") must be given for each switching of shares. Other Shares may only be converted into "C1 / C2" Shares by "Institutional Investors" as defined above.

Apart from that, for requests for the switching of Shares, the same modalities as for the redemptions of Shares shall apply, as well as the provisions of the General Part of the Prospectus.

**12. ÜBERSICHT ÜBER DIE ANTEILSKATEGORIEN**

Die folgende Tabelle bietet einen schematischen Überblick über die wichtigsten Eigenschaften der einzelnen Subfonds bzw. Anteilskategorien. Sie ersetzt nicht die Lektüre des Prospekts.

**12. OVERVIEW OF THE SHARE CATEGORIES**

The following table offers a schematic overview of the most important characteristics of the Subfunds or Share categories. It is not a substitute for reading the Prospectus.

| Bezeichnung des Subfonds/<br>Subfund Name | Anteile /<br>Shares | ISIN-Code    | Datum der<br>Aktivierung/<br>Date of activation | Währung/<br>Currency | Mindestzeichnungsbetrag                |   | Verwaltungsgebühr/<br>(max.)<br>Management Fee<br>(max.) |
|---|---------------------|--------------|---|----------------------|--|---|--|
|   |                     |              |   |                      | Erstzeichnung/<br>Initial Subscription | Folgezeichnung/<br>Subsequent<br>Subscription |  |
| ARTEMIDE                                  | „B1“                | LU0515666294 | 30.09.2010                                      | EUR                  | EUR 25'000                             | --  | 1.75%  |
|   | „B2“                | TBD          | TBD   | EUR                  | EUR 25'000                             | --  | 1.50%  |
|   | „C1“                | LU0515666377 | 30.09.2010                                      | EUR                  | EUR 250'000                            | --  | 1.25%  |
|   | „C2“                | TBD          | TBD   | EUR                  | EUR 250'000                            | --  | 1.00%  |
|   | „E“                 | LU0515666534 | offen/open                                      | EUR                  | EUR 25'000                             | --  | 2.25%  |
| LYRA                                      | „B1“                | LU1012189707 | 28.02.2014                                      | EUR                  | --                                     | --  | 2.50%  |
|   | „B2“                | TBD          | TBD   | EUR                  | --                                     | --  | 2.00%  |
|   | „C1“                | LU1012189889 | 28.02.2014                                      | EUR                  | EUR 100'000                            | --  | 2.00%  |
|   | „C2“                | TBD          | TBD   | EUR                  | EUR 100'000                            | --  | 1.50%  |
|   | „E“                 | LU1012189962 | offen/open                                      | EUR                  | --                                     | --  | 2.75%  |

**12. VORVERTRAGLICHE INFORMATIONEN ZU DEN IN ARTIKEL 8 ABSÄTZE 1, 2 UND 2A DER VERORDNUNG (EU) 2019/2088 UND ARTIKEL 6 ABSATZ 1 DER VERORDNUNG (EU) 2020/852 GENANNTEN FINANZPRODUKTEN**

**12. ANNEX - 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**

ANNEX II

Template 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: Multilabel SICAV - LYRA

Legal entity identifier: 5493000KLSOFQR7DLD27

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.



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

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

The Investment Manager uses the "double-materiality" approach in its investment process, which takes into account ESG aspects in addition to financial information. The Investment Manager intends to align the financial product with objectives 2 (zero hunger), 3 (good health and well-being), 6 (clean water and sanitation), 7 (affordable and clean energy), 9 (industry, innovation and infrastructure), 11 (sustainable cities and communities), 12 (responsible consumption and production), 13 (climate action), 14 (life below water) and 15 (life on land) of the 17 Sustainable Development Goals of the United Nations (UN SDGs), with its forward-looking mindset that encourages investment in ESG-enabling and ESG-improving activities. In addition, the Investment Manager will aim to align the financial product with one or more of the existing environmental objectives of Regulation (EU) 2019/2088 (EU Taxonomy).

- ***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 analyses the ESG parameters of the target companies and monitors both the expected short-term ESG progress and progress rate (in relation to ESG-compliant activities) and the ability to contribute to the achievement of the objectives (in relation to ESG-enabling activities) with a forward-looking approach that complements historical data.

When identifying investments that enable the financial product to promote environmental or social characteristics, the Investment Manager will analyse the sustainability of the business models of the companies in which the financial product invests in the context of secular, transformative trends to achieve positive results for society and the environment and above-average and consistent returns for its investors.

- ***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

**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.

|  |  |
|--|--|
|  | <i>How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:</i> |
|  | N/A  |

*The EU Taxonomy sets out a "do no 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.*



|  |  |
|--|--|
|  | <b>Does this financial product consider principal adverse impacts on sustainability factors?</b> |
|  | <input type="checkbox"/> Yes   |
|  | <input checked="" type="checkbox"/> No   |



|  |   |
|--|---|
|  | <b>What investment strategy does this financial product follow?</b>   |
|  | <p>The Company's investment objective in relation to LYRA is to achieve an above-average capital increase over the long term while limiting risk through adequate diversification. To this end, the Company invests the assets of the financial product in equities and other equity securities and equity rights of companies listed on a European or non-European stock exchange. It also invests in fixed and variable-interest securities, debt securities or asset rights and other interest-bearing investments (including money market instruments and convertible and option bonds). The Company also invests in units of other UCITS or UCIs (target funds) and in sight deposits and deposits repayable on demand. Derivative financial instruments (derivatives) can be used in the financial product, both for the purpose of hedging and efficient portfolio management, as well as for the purpose of active investment in securities and money market instruments and for currency hedging. In addition, the financial product may also hold liquid funds to an unlimited extent for the purpose of managing liquidity or maintaining capital.</p> |
|  | <ul style="list-style-type: none"> <li><b><i>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?</i></b></li> </ul>   |
|  | <p>The Investment Manager analyses the ESG parameters of the target companies and monitors both the expected short-term ESG progress and progress rate (in relation to ESG-compliant activities) as well as the ability to contribute to the achievement</p>  |

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

of the 17 UN Sustainable Development Goals (UN SDGs). When identifying investments that enable the financial product to promote environmental or social characteristics, the Investment Manager will analyse the sustainability of the business models of the companies in which the financial product invests in the context of secular, transformative trends.

A sustainability assessment of all risks and opportunities is carried out at regular intervals. The Investment Manager shall apply a revenue-based (or CapEx or OpEx-related) screening of the invested companies to determine whether they:

- make a significant contribution to at least one of the selected UN SDGs and/or to one of the six environmental objectives of the EU Taxonomy;
- in the case of a contribution to one of the six environmental objectives of the EU Taxonomy, do not materially affect any of the other five objectives of the EU Taxonomy (in accordance with what is known as the "Do no significant harm" principle or DNSH principle); and
- comply with the minimum level of protection (in accordance with what are known as the "minimum social safeguards", e.g. OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights).

The Investment Manager—limited to the long positions of the financial product—excludes all investments in the following controversial sectors: adult entertainment, alcohol, gambling and controversial weapons. These mandatory exclusion rules are enforced both pre-trade and post-trade, and the exclusion criteria are reviewed regularly. In addition to the excluded controversial sectors, the investment committee of the Investment Manager may exclude other sectors which it considers to have the same or similar negative effects as the four sectors listed.

The Investment Manager will exercise its responsibility with regard to the sustainability and participation of investors in accordance with international best practices and on the basis of the provisions of the amended Directive 2007/36/EC. The Investment Manager undertakes to integrate ESG criteria in its dialogue with selected companies in which it invests and thus also assesses the good governance practices of the target companies to ensure that they apply appropriate procedures, in particular with regard to sound management structures, relations with employees, remuneration of staff and compliance with tax rules. In particular, the Investment Manager discusses company-specific issues with the top management of the invested companies, including strategy, capital structure, financial and non-financial risks, and strategic ESG considerations. This is to ensure that they meet expectations for solid ESG performance and compliance with international standards.

The Investment Manager regularly monitors compliance with social and/or environmental characteristics through internal assessments of the investment team and third-party sustainability rating providers.




|  |   |
|--|---|
|  | <ul style="list-style-type: none"> <li>• <b>What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?</b></li> </ul> |
|--|---|

|  |     |
|--|-----|
|  | N/A |
|--|-----|

|  |  |
|--|--|
| <p><b>Good governance</b> practices include sound management structures, employee relations, remuneration of staff and tax compliance.</p> | <ul style="list-style-type: none"> <li>• <b>What is the policy to assess good governance practices of the investee companies?</b></li> </ul> |
|--|--|

|  |  |
|--|--|
|  | <p>The Investment Manager shall also assess the good governance practices of the target companies to ensure that the companies apply the appropriate practices, in particular with regard to sound management structures, relationships with employees, remuneration of staff and compliance with tax rules.</p> |
|--|--|

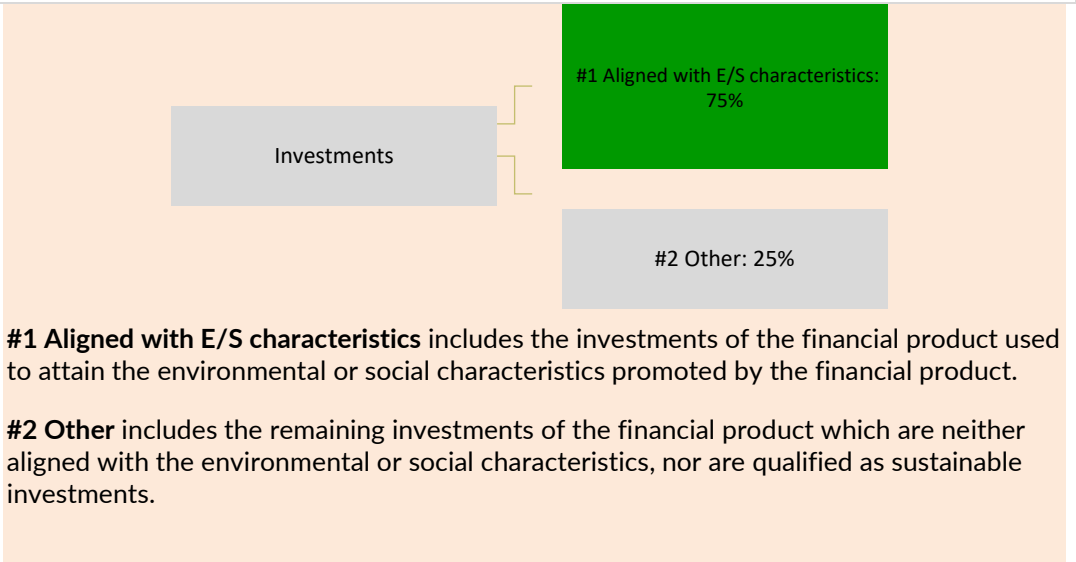
|  |   |
|--|---|
|  | <b>What is the asset allocation planned for this financial product?</b> |
|--|---|

|   |  |
|---|--|
| <p><b>Asset allocation</b> describes the share of investments in specific assets.</p>  | <p>To achieve its investment goal, this financial product invests in both long and short positions. The calculation of the financial product's asset allocation with respect to environmental or social characteristics is based solely on long positions, but the ratio of long/short positions may vary.</p> |
|---|--|

|  |  |
|--|--|
|  | <p>According to the most recent asset allocation of the financial product, approximately 75% of the investments in the financial product are long positions, the majority of which are also aligned with E/S characteristics. However, investors are cautioned that the ratio of long/short positions may vary and thus may have an impact on the orientation toward environmental and social characteristics.</p> |
|--|--|


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.



|  |  |
|--|--|
|  | <ul style="list-style-type: none"> <li>• <b>How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?</b></li> </ul> |
|--|--|

|  |     |
|--|-----|
|  | N/A |
|--|-----|

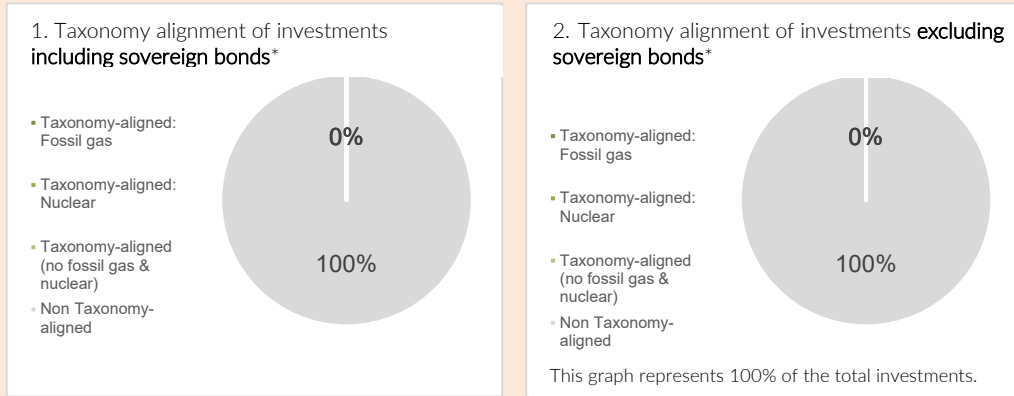
|  |  |
|--|--|
|  |  |
|  <p>To comply with the EU Taxonomy, the criteria for <b>fossil gas</b> include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For <b>nuclear energy</b>, the criteria include comprehensive safety and waste management rules.</p> | <p><b>To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?</b></p> <p>The percentage rate of the Subfund's investments that are compliant with the EU Taxonomy is 0%.</p> <ul style="list-style-type: none"> <li>• <b><i>Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy<sup>1</sup>?</i></b></li> </ul> |

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

Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("limiting climate change mitigation") and do not significantly harm any EU Taxonomy objective – see explanatory note in the left-hand

|  |  |  |
|--|--|--|
|  | <input type="checkbox"/> Yes:          |  |
|  | <input type="checkbox"/> In fossil gas | <input type="checkbox"/> In nuclear energy |
|  | <input checked="" type="checkbox"/> 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.

|  |  |
|--|--|
|  | <ul style="list-style-type: none"> <li>• <b>What is the minimum share of investments in transitional and enabling activities?</b></li> </ul>                                       |
|  | N/A  |
| <p>are sustainable investments with an environmental objective that do not take into account the criteria for environmentally sustainable economic activities under the EU Taxonomy.</p> | <p><b>What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?</b></p>                                      |
|  | N/A  |
|  | <p><b>What is the minimum share of socially sustainable investments?</b></p>   |
|  | N/A  |
| <p><b>What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?</b></p>  |  |
|  | The Company's investment objective in relation to LYRA is to achieve an above-average capital increase over the long term while limiting risk through adequate diversification. To |

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.

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

|   |  |
|---|--|
|   | <p>this end, the Company invests the assets of the financial product in equities and other equity securities and equity rights of companies listed on a European or non-European stock exchange. It also invests in fixed and variable-interest securities, debt securities or asset rights and other interest-bearing investments (including money market instruments and convertible and option bonds). The Company also invests in units of other UCITS or UCIs (target funds) and in sight deposits and deposits repayable on demand. Derivative financial instruments (derivatives) can be used in the financial product, both for the purpose of hedging and efficient portfolio management, as well as for the purpose of active investment in securities and money market instruments and for currency hedging. In addition, the financial product may also hold liquid funds to an unlimited extent for the purpose of managing liquidity or maintaining capital. These investments have no minimum environmental or social safeguards.</p> |
|    | <p><b>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?</b></p>  |
|   | <p>No index has been identified as a reference benchmark for the achievement of the environmental or social characteristics advertised in the financial product.</p>   |
|   | <ul style="list-style-type: none"> <li>• <b><i>How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?</i></b></li> </ul>  |
|   | <p>N/A</p>   |
|   | <ul style="list-style-type: none"> <li>• <b><i>How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?</i></b></li> </ul>   |
|   | <p>N/A</p>   |
|   | <ul style="list-style-type: none"> <li>• <b><i>How does the designated index differ from a relevant broad market index?</i></b></li> </ul>   |
|   | <p>N/A</p>   |
|   | <ul style="list-style-type: none"> <li>• <b><i>Where can the methodology used for the calculation of the designated index be found?</i></b></li> </ul>   |
|   | <p>N/A</p>   |
|  | <p><b>Where can I find more product-specific information online?</b></p> <p><b>More product-specific information can be found on the website:</b></p>  |
|   | <p><a href="https://mominvest.com/wp-content/uploads/2022/02/Sustainability-Policy_IT.pdf">https://mominvest.com/wp-content/uploads/2022/02/Sustainability-Policy_IT.pdf</a></p>   |

**MULTILABEL SICAV**

# **EMCORE GLOBAL CONVERT BOND FUND**

**SPECIAL PART D: 15 NOVEMBER 2024**

This Special Part of the Prospectus supplements the General Part with regard to the EMCORE GLOBAL CONVERT BOND FUND.

The provisions below must be read in conjunction with the General Part of the Prospectus.

**TABLE OF CONTENTS: SPECIAL PART D**

|   |   |
|---|---|
| 1. Initial issue of Shares .....          | 3 |
| 2. Investment objectives and policy.....  | 3 |
| 3. Risk information .....                 | 4 |
| 4. Investor profile .....                 | 4 |
| 5. The Investment Manager.....            | 4 |
| 6. Description of Shares .....            | 5 |
| 7. Dividend policy .....                  | 5 |
| 8. Fees and costs .....                   | 6 |
| 9. Issue of Shares.....                   | 6 |
| 10. Redemption of Shares.....             | 8 |
| 11. Switching of Shares .....             | 8 |
| 12. Overview of the Share Categories..... | 8 |

## 1. INITIAL ISSUE OF SHARES

The MULTILABEL SICAV – EMCORE GLOBAL CONVERT BOND FUND ("EMCORE GLOBAL CONVERT BOND FUND" or the "Subfund") was launched on 18 January 2018 through the incorporation of GAM MULTIBOND – GLOBAL CONVERT BOND into EMCORE GLOBAL CONVERT BOND FUND.

The initial Issue Price of shares in the Subfund was equal to the net asset value of GAM MULTIBOND – GLOBAL CONVERT BOND on 18 January 2018, which can be verified on the Internet at: [fundsdata.carnegroup.com](https://fundsdata.carnegroup.com).

## 2. INVESTMENT OBJECTIVES AND POLICY

### 2.1 General information

The Company's investment objective with reference to Multilabel SICAV – EMCORE GLOBAL CONVERT BOND FUND is to achieve an above-average return over the long term while diversifying risk by investing in fixed-interest or floating-rate securities, including at least two-thirds of its assets in convertible and warrant bonds denominated in the currency of a recognised country or in EUR and issued or guaranteed by issuers from recognised countries.

The Company may also invest up to a maximum of one-third of the assets of EMCORE GLOBAL CONVERT BOND FUND in debt securities and claims issued by issuers from a recognised country. In addition, up to a maximum of 10% of the assets of the Subfund may be held in shares or other equity securities and equity rights resulting from the conversion of debt securities or claims as well as the restructuring of the issuers.

Additional liquid assets may amount to up to 20% of the total assets of EMCORE GLOBAL CONVERT BOND FUND. These additional liquid assets are limited to sight deposits, such as cash, held in the EMCORE GLOBAL CONVERT BOND FUND current bank accounts and available at all times. The 20% limit may only be exceeded temporarily for an absolutely necessary period if circumstances so require due to exceptionally unfavourable market conditions (e.g. wars, terrorist attacks, health crises or other similar events), and if such an excess is justified taking into account the best interests of the investors.

EMCORE GLOBAL CONVERT BOND FUND may invest in liquid assets for liquidity purposes, i.e. in money market instruments as defined in section 5 of the General Part as well as in money market funds and overnight deposits.

EMCORE GLOBAL CONVERT BOND FUND is denominated in EUR. The investments may be denominated in EUR or in other currencies. Foreign currency risks may be fully or partially hedged against the accounting currency. Depreciation caused by exchange rate fluctuations cannot be ruled out.

To measure performance, EMCORE GLOBAL CONVERT BOND FUND is compared against the Refinitiv Global Focus Invest Reference Index. Grade Hedged in the currency of the respective Share Category or hedged Share Category.

### 2.2 Further investment guidelines

The investments made by EMCORE GLOBAL CONVERT BOND FUND in debt securities and claims must meet the following credit rating requirements:

- The minimum credit rating is BBB (investment grade, Moody's or similar). This requirement also applies to the use of derivatives, with the exception of derivatives used for hedging purposes.
- If investments have been downgraded and no longer satisfy the aforementioned rating requirements, they must be divested within six months in the interests of the investors of the respective Subfund.
- If an investment is rated differently by two rating agencies, the lower of the two ratings is decisive. If there are three or more ratings, the worst of the two best ratings will be used.

### 2.3 Securities financing transactions

At the time of preparation of this Prospectus, EMCORE GLOBAL CONVERT BOND FUND does not invest in any repurchase agreements pursuant to Regulation (EU) 2015/2365 on transparency of securities financing transactions and of reuse and amending Regulation (EU) No 648/2012. Should this change in future, the Prospectus will be amended accordingly at the time of the next submission.

## 3. RISK INFORMATION

**EMCORE GLOBAL CONVERT BOND FUND may make significant investments in securities from issuers that do not exhibit good creditworthiness based on market assessments. Securities of this nature bring the risk of above-average volatility compared to investment-grade bonds, and in individual cases the complete loss of the funds invested cannot be ruled out.** Careful monitoring and a wide diversification of the issuers are used to reduce such risks.

### Information regarding sustainability risks

The market value of the Subfund's underlying investments is subject to the sustainability risks described in the General Part.

The Subfund has been determined to have a sustainability risk rating of moderate.

The sustainability risk assessment is integrated into the investment decisions of the Investment Manager and will be carried out regularly throughout the lifetime of such investments.

For the purposes of assessing sustainability risk, the Investment Manager may use any available sustainability information, such as publicly available reports from invested companies, other publicly available data (e.g. credit ratings) and data produced and published by external data providers.

The investments underlying this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

## 4. INVESTOR PROFILE

EMCORE GLOBAL CONVERT BOND FUND is suitable for investors who have experience with volatile investments, an in-depth knowledge of the capital markets and who wish to participate in the performance of the capital markets in order to pursue their specific investment objectives. Investors have to expect fluctuations in value, which can also temporarily lead to increased losses in value. The Subfund may be used as a supplementary investment within a widely diversified portfolio.

## 5. THE INVESTMENT MANAGER

The Company and the Management Company have appointed Emcore Asset Management AG, Schochenmühlestrasse 6, 6340 Baar, Switzerland, as the Investment Manager for EMCORE GLOBAL CONVERT BOND FUND.

Emcore Asset Management AG is a Swiss joint stock company established under Swiss law and is approved by the Swiss Financial Market Supervisory Authority FINMA as a manager of collective investment schemes under the Swiss Financial Institutions Act (*Finanzinstitutsgesetz*). Emcore Asset Management AG provides asset management and consultancy services as well as related activities for institutional, professional and private clients, including collective investment schemes.

The EMCORE Group has been providing discretionary investment management and consultancy services to investment companies, pension funds, insurance companies, investment foundations and other investors since 1998.



## 6. DESCRIPTION OF SHARES

After the initial issue date, the Company may issue shares of EMCORE GLOBAL CONVERT BOND FUND in the following categories:

| Share Category | Description   |
|----------------|---|
| A Shares       | distributing  |
| B Shares       | accumulating  |
| C Shares       | accumulating for institutional investors*)                              |
| Ca Shares      | distributing for institutional investors*)                              |
| E Shares       | accumulating for specific distributors*)                                |
| I Shares       | accumulating for certain distributors and for institutional investors*) |
| Ia Shares      | distributing for certain distributors and for institutional investors*) |
| R Shares       | accumulating for specific distribution companies*)                      |
| Ra Shares      | distributing for specific distribution companies*)                      |

\*) as defined below

**C and Ca Shares** are issued only to "institutional investors" within the meaning of Article 174 of the Law of 2010, i.e. in principle to companies that are legal entities or have a comparable form and that hold these Shares either as part of their own business assets or within the context of a mandate relationship for institutional investors in the aforementioned sense, or companies that sell the Shares exclusively to the latter or use them in their own name and for the account of third parties in the context of asset management mandates (see "Issue of Shares", "Application procedure" and "Fees and costs" for minimum subscription details).

**E Shares** are issued exclusively to distributors domiciled in Italy and Spain and to certain other distributors in other distribution markets, provided the Board of Directors of the Company has decided for the latter on a special authorisation for the distribution of E Shares. No other distributors are allowed to acquire E Shares.

**I and Ia Shares** are issued exclusively to distributors, provided that investors satisfy the requirements for an institutional investor within the meaning of Article 174 of the Law of 2010, and in certain other limited circumstances, such as to companies or company pension funds, insurance companies, registered charitable or non-profit organisations that hold these Shares either as part of their own business assets or within the context of a mandate relationship for institutional investors in the aforementioned sense, which are ultimately at the discretion of the Management Company (see "Issue of Shares", "Application Procedure" and "Fees and costs" for minimum subscription details).

**R and Ra Shares** are available only to certain distributors who have separate fee agreements in place with their customers and at the sole discretion of the Management Company.

The respective available Share Categories can be obtained from the principal administrative agent or from the information agent or distributor.

Shareholders are advised that complete protection cannot be guaranteed. Furthermore, no guarantee can be given that shareholders of the hedged Share Categories will not be exposed to influences of currencies other than the currency of the Share Category concerned.

Shares will be issued in the respective accounting currency as well as—if different—in USD, EUR, CHF or GBP.

## 7. DIVIDEND POLICY

The following provisions apply to EMCORE GLOBAL CONVERT BOND FUND in addition to the provisions set out in the General Part:

Annual distributions for the distributing A, Ca, Ia and Ra Shares take place, in principle, within one month from the fixing of the dividend in the currency of the Subfund or Share Category concerned.

Dividends on distributing registered Shares are paid to the shareholders entered in the Company's book of registered shareholders. Further details with regard to dividends for distributing bearer Shares are outlined in the section 6 "Description of Shares".

## 8. FEES AND COSTS

### A) Management Fee

For the management and advisory services relating to the securities portfolio and related administrative services as well as for distribution services, an annual maximum Management Fee based on the net asset value of EMCORE GLOBAL CONVERT BOND FUND will be charged to the Subfund, as set out below:

| Share Category       | Max. Management Fee <sup>***</sup> ) p.a. as % of net asset value |
|----------------------|---|
| A/B                  | 1.50%   |
| C/Ca <sup>**</sup> ) | 1.10%   |
| E <sup>*</sup> )     | 1.50%   |
| I/Ia <sup>**</sup> ) | 0.80%   |
| R/Ra <sup>**</sup> ) | 1.50%   |

<sup>\*</sup>) An additional distribution fee of up to a maximum of 0.50% p.a. is included in the Management Fee.

<sup>\*\*</sup>) In connection with the distribution, offering or holding of C, Ca, I, Ia, R or Ra Shares, no commission will be paid to the distributors for any additional distribution services.

<sup>\*\*\*</sup>) This percentage rate represents a maximum rate. The effective rate applied in each instance will be stated in the annual and semi-annual reports of the Company.

### B) Servicing Fee and additional charges

The remuneration for the Management Company, the Custodian Bank, the Central Administration, the Principal Paying Agent and the Registrar and Transfer Agent is paid separately and amounts to not more than 0.30% p.a. for all Share Categories.

Furthermore, the Company pays out of the net asset value of the Subfund the costs described in the "Fees and costs" section of the General Part.

## 9. ISSUE OF SHARES

### A) General

On expiry of the initial subscription period, the Shares in EMCORE GLOBAL CONVERT BOND FUND are issued on each Valuation Day.

The Issue Price is based on the net asset value of the Shares on the applicable Valuation Day in each case and shall be rounded to two decimal places.

Pursuant to the provisions contained in the General Part of the Prospectus, a selling fee of up to 3% may be added.

In the case of large orders, the distributor may waive in full or in part the selling fee to which they are entitled.

No Share coupons or Share certificates will be delivered.

The Company reserves the right to reject applications or to accept them only in part or to request further information and/or documents. If an application is rejected in whole or in part, the subscription amount or the corresponding balance will be transferred back to the applicant.

**B) Payments**

The total subscription amount must be credited to one of the accounts detailed in the General Part on a value basis in the currency of the relevant Share Category during the period of the initial issue, within a maximum of four (4) banking days in Luxembourg of the end of the initial offer period, or thereafter within a maximum of four (4) banking days in Luxembourg or, in accordance with any national provisions, after the relevant Valuation Day. The Company or the Management Company are automatically authorised to subsequently reject and reverse-process applications for which the subscription amount is not received within the specified time-limit.

**C) Minimum subscription amount**

The following minimum subscription amounts apply to initial subscription to certain Share Categories:

| <b>Share Category</b>                            | <b>Minimum subscription amount per Subfund in EUR or the equivalent amount in the currency of the Share Category concerned</b> |
|--|--|
| C/Ca Shares (Shares for institutional investors) | EUR 500,000  |
| I/Ia Shares (Shares for institutional investors) | EUR 25,000,000   |

The Company's Board of Directors may, at its own discretion, accept initial subscription applications for an amount lower than the stated minimum subscription amount. Subsequent subscriptions of Shares are not subject to a minimum subscription amount.

**D) Application procedure**

Investors may subscribe to Shares in the Subfund at any time with the Registrar and Transfer Agent or Principal Paying Agent in Luxembourg named in the General Part of the Prospectus (or, as applicable, with appointed local distributors or paying agents in individual distribution countries). The exact identity of the applicant, the name of the Subfund to be subscribed and the Share Category to be subscribed must be stated.

All subscriptions for Shares of the Subfund received by the Registrar and Transfer Agent on a Valuation Day by no later than 15:00 Luxembourg local time (cut-off time) will be handled at the Issue Price determined on the following Valuation Day. Subscription requests received by the Registrar and Transfer Agent after this time will be handled at the Issue Price of the Valuation Day after the following Valuation Day.

**Application and confirmation**

- (a) In the case of joint applicants, the Company is authorised to accept instructions relating to voting rights, transfers and redemptions from the first-named applicant in the application and, where the Shares are distributing Shares, to make payment to the first-named applicant in the application unless it receives instructions to the contrary.
- (b) A legal entity must submit its application under its own name or through an authorised member of the Company, whose authority must be demonstrated.
- (c) If an application or confirmation is signed by a person with power of attorney, the power of attorney must be included with the application.
- (d) Notwithstanding (a), (b) and (c), an application may be accepted if it is signed by a bank or on behalf of or apparently on behalf of another natural person or legal entity.
- (e) If an application is received in which it is not clear whether the application is for distributing or accumulating Shares, the Company will automatically issue accumulating Shares.
- (f) Additional information for investors in Italy: If not excluded by local provisions, subscription of Shares may also be validated by means other than by a signed subscription form. This may be done by an intermediary providing investment services under a written contract, in the name and on behalf of the investor, or in its own name and for the account of the investor.

## 10. REDEMPTION OF SHARES

Shares will be redeemed on each Valuation Day upon application to the Registrar and Transfer Agent or Principal Paying Agent in Luxembourg named in the General Part of the Prospectus (or, as applicable, to appointed local distributors or paying agents in individual distribution countries).

All redemption requests for Shares of the Subfund received by the Registrar and Transfer Agent on a Valuation Day by no later than 15:00 Luxembourg local time (cut-off time) will be handled at the redemption price determined on the following Valuation Day. Requests received by the Registrar and Transfer Agent after this time will be handled at the redemption price of the Valuation Day after the following Valuation Day.

The price of each Share submitted for redemption ("Redemption Price") is based on the net asset value per Share that is valid on the Valuation Day, with the Redemption Price being rounded to two decimal places. In order to allow the Redemption Price to be calculated on the Valuation Day, the Company must have received the redemption application.

Payments are normally made in the currency of the Subfund or in the reference currency of the relevant Share Category within five (5) banking days in Luxembourg of the relevant Valuation Day.

If no selling fee has been charged (no-load), the distributor may charge a redemption fee of up to a maximum of 2% of the relevant net asset value per Share.

## 11. SWITCHING OF SHARES

Shares of the Subfund may be switched for Shares in other Subfunds of the Company for which such a switch is permitted.

Other Shares may only be switched if the shareholder fulfils all the conditions required for the subscription of such Shares, as described above.

For each switch, the minimum switching amount as listed above ("Minimum subscription amount") must be stated. Pursuant to the provisions contained in the General Part, a switching fee of up to 1% may be added.

Furthermore, the same modalities apply to requests for the switching of Shares as to redemptions of Shares, and the provisions of the General Part of the Prospectus are applicable.

## 12. OVERVIEW OF THE SHARE CATEGORIES

The table below provides a general overview of the most important features of the individual Subfunds and the individual Share Categories. It does not serve as a substitute for reading the Prospectus.

| <u>Shares</u> | <u>ISIN code</u> | <u>Activation date</u> | <u>Currency</u> | <u>Appropriation of profit</u> | <u>Minimum subscription amount for initial subscription</u> | <u>Management Fee (max.) p.a.</u> |
|---------------|------------------|------------------------|-----------------|--------------------------------|---|-----------------------------------|
| A             | LU1698023600     | 19/01/2018             | EUR             | distributing                   | --  | 1.50%                             |
| A-CHF         | LU1698024830     | 19/01/2018             | CHF             | distributing                   | --  | 1.50%                             |
| A-USD         | LU1698024327     | 19/01/2018             | USD             | distributing                   | --  | 1.50%                             |
| B             | LU1698023949     | 19/01/2018             | EUR             | accumulating                   | --  | 1.50%                             |
| B-CHF         | LU1698024913     | 19/01/2018             | CHF             | accumulating                   | --  | 1.50%                             |
| B-USD         | LU1698024590     | 19/01/2018             | USD             | accumulating                   | --  | 1.50%                             |

EMCORE GLOBAL CONVERT BOND FUND

|       |              |            |     |              |   |       |
|-------|--------------|------------|-----|--------------|---|-------|
| C     | LU1698024160 | 19/01/2018 | EUR | accumulating | EUR 500,000   | 1.10% |
| C-CHF | LU1698025050 | 19/01/2018 | CHF | accumulating | The equivalent value in CHF<br>of<br>EUR 500,000    | 1.10% |
| C-USD | LU1698024673 | 19/01/2018 | USD | accumulating | The equivalent value in<br>USD of<br>EUR 500,000    | 1.10% |
| E     | LU1698024244 | 19/01/2018 | EUR | accumulating | --  | 1.50% |
| E-USD | LU1698024756 | 19/01/2018 | USD | accumulating | --  | 1.50% |
| I     | open         | open       | EUR | accumulating | EUR 25,000,000                                      | 0.80% |
| I-CHF | LU1698025134 | 19/01/2018 | CHF | accumulating | The equivalent value in CHF<br>of<br>EUR 25,000,000 | 0.80% |
| I-USD | open         | open       | USD | accumulating | The equivalent value in<br>USD of<br>EUR 25,000,000 | 0.80% |
| R-CHF | LU1698025217 | 19/01/2018 | CHF | accumulating | --  | 1.50% |

**MULTILABEL SICAV**

# **HYBRID BONDS FUND ABS SELECTION FUND**

Two Subfunds of the SICAV under Luxembourg law MULTILABEL SICAV launched by GAM  
(Luxembourg) S.A., Luxembourg for CROSSINVEST SA, Lugano, Switzerland

**SPECIAL PART E: 1 JANUARY 2023**

This Special Part of the Prospectus supplements the General Part with regard to the HYBRID BONDS FUND and ABS SELECTION FUND. Where reference is made in this document collectively to these Subfunds, they will be referred to hereinafter as the "**CROSSINVEST FUNDS**" or "**the Subfunds**".

The provisions below must be read in conjunction with the General Part of the Prospectus.

**TABLE OF CONTENTS: SPECIAL PART E**

|  |    |
|--|----|
| 1. Initial issue of Shares .....   | 3  |
| 2. Investment objectives and policy.....   | 3  |
| 2.1 Investment objectives and policy of HYBRID BONDS FUND.....   | 3  |
| 2.2 Investment objectives and policy of ABS SELECTION FUND .....                                       | 4  |
| 3. Risk information .....  | 5  |
| Information regarding investments in derivatives .....   | 5  |
| Information regarding HYBRID BONDS FUND .....  | 5  |
| Information regarding sustainability risks .....   | 5  |
| Information regarding ABS SELECTION FUND .....   | 5  |
| 4. Investor profile .....  | 6  |
| 5. The Investment Manager.....   | 6  |
| 6. Description of Shares .....   | 7  |
| 7. Dividend policy .....   | 7  |
| 8. Fees and costs .....  | 7  |
| 9. Transaction and valuation frequency; Order Day and Valuation Day for the net asset value (NAV)..... | 14 |
| 10. Issue of Shares.....   | 14 |
| 11. Redemption of Shares.....  | 15 |
| 12. Switching of Shares.....   | 15 |
| 13. Overview of the Subfunds and Share Categories .....  | 16 |

## 1. INITIAL ISSUE OF SHARES

The Shares in the CROSSINVEST FUNDS were first offered for subscription as set out below.

The stated initial Issue Price is per Share, plus a selling fee in favour of the distributor of up to a maximum of 5% of the Issue Price.

| Subfund               | Subscription period | Issue Price |
|-----------------------|---------------------|-------------|
| 1. HYBRID BONDS FUND  | 15–20/12/2011       | EUR 100     |
| 2. ABS SELECTION FUND | 29/09/–06/10/2014   | EUR 100     |

## 2. INVESTMENT OBJECTIVES AND POLICY

### 2.1 INVESTMENT OBJECTIVES AND POLICY OF HYBRID BONDS FUND

The Company's investment objective with reference to HYBRID BONDS FUND is to achieve capital growth over the long term while diversifying risk. For this purpose, the Company invests the assets of the Subfund in the following types of assets:

- (i) At least two-thirds of the Subfund's assets consist of fixed-interest and floating-rate securities plus debt securities or claims, including contingent convertible capital bonds (CoCo bonds), enhanced capital notes (ECN) that can be converted into equity (shares) depending on certain events relating to the required minimum capital, as well as hybrid bonds, subordinated bonds and money market instruments, in all freely convertible currencies issued or guaranteed by issuers from recognised countries;
- (ii) Up to a total of 20% of the Subfund's assets in shares and other equity securities and equity rights of companies worldwide;
- (iii) Sight deposits and deposits repayable on demand;
- (iv) Units of other UCITS or UCIs, including ETF (referred to collectively as target funds) within the meaning of and subject to the limitations set out in section 5 of the General Part, which in turn invest in assets under (i), (ii) and (iii) (a maximum of 10% of the assets in total);

In addition, up to 10% of the Subfund's assets may be invested in other investments as described in section 5 of the General Part of the Prospectus. Asset-backed securities (ABS) and mortgage-backed securities (MBS) are not utilised in the Subfund.

Additional liquid assets may amount to up to 20% of the total assets of HYBRID BONDS FUND. These additional liquid assets are limited to sight deposits, such as cash, held in the HYBRID BONDS FUND current bank accounts and available at all times. The 20% limit may only be exceeded temporarily for an absolutely necessary period if circumstances so require due to exceptionally unfavourable market conditions (e.g. wars, terrorist attacks, health crises or other similar events), and if such an excess is justified taking into account the best interests of the investors.

HYBRID BONDS FUND may invest in liquid assets for liquidity purposes, i.e. in money market instruments as defined in section 5 of the General Part as well as in money market funds and overnight deposits.

With regard to the Subfund, derivative financial instruments (derivatives) may be employed on a larger scale for the purpose of hedging and efficient portfolio management as well as for active investment in securities and active currency allocation. The range of possible derivatives includes both exchange-traded and OTC instruments and, in particular, call and put options, futures, forwards, warrants, contracts for difference and swaps (including credit default swaps [CDS] [*and, from 1 January 2019, total return swaps*]) on securities, interest and currencies as well as on other derivative financial instruments and on financial indices.

HYBRID BONDS FUND is denominated in EUR. The investments may be denominated in EUR or in other currencies. Foreign currency risks may be fully or partially hedged against the EUR. A depreciation caused by exchange rate fluctuations cannot be ruled out.



## 2.2 INVESTMENT OBJECTIVES AND POLICY OF ABS SELECTION FUND

The Company's investment objective with reference to ABS SELECTION FUND is to achieve a positive absolute return on investment regardless of market conditions through a combination of capital growth and income.

This objective is to be achieved by investing at least 51% of the Subfund's total assets in the following asset-backed investment classes(ABS):

- (i) Stock, consisting of holdings in assets of securitised exposures, comprising mainly leases, credit card agreements, consumer loans and receivables from public debtors and from other types of credit (ABS in the narrower sense);
- (ii) Stock issued with reference to mortgage claims (mortgage-backed securities; MBS), divided in each instance into private (RMBS) and commercial (CMBS) real estate;
- (iii) Stock comprising ABS, i.e. divided into tranches that correlate with various separate collateral cashflows (collateralised obligations). These are divided in particular into collateralised mortgage obligations (CMO), collateralised loan obligations (CLO) and collateralised debt obligations (CDO).

The stock described may be fixed-interest or floating-rate, denominated in all currencies and issued or guaranteed by any type of issuer (government, supranational organisation, financial institution, enterprise in general etc.). In particular, leveraged ABS can be used.

In implementing the investment policy, the Company will utilise only investments that are permitted pursuant to Article 41 paragraph 1 of the 2010 Law and the regulations and regulatory circulars issued for this purpose.

The Subfund may also invest in the following assets:

- (i) Fixed-interest and floating-rate securities plus debt securities or claims, including contingent convertible capital bonds (CoCo bonds), enhanced capital notes (ECN) that can be converted into equity (shares) depending on certain events relating to the required minimum capital, as well as hybrid bonds, subordinated bonds and money market instruments, in all freely convertible currencies issued or guaranteed by issuers from recognised countries;
- (ii) Shares and other equity securities or equity rights of companies worldwide;
- (iii) Sight deposits and deposits repayable on demand;
- (iv) Units of other UCITS or UCIs, including ETF (referred to collectively as target funds) within the meaning of and subject to the restrictions of section 5 of the General Part (a maximum of 10% of the assets in total).

In addition, up to 10% of the Subfund's assets may be invested in other investments as described in section 5 of the General Part of the Prospectus.

Ancillary liquid assets may amount to up to 20% of the total assets of the Subfund. These ancillary liquid assets are limited to sight deposits, such as cash, held in the Subfund's current bank accounts and available at all times. The 20% limit may only be exceeded temporarily for an absolutely necessary period if circumstances so require due to exceptionally unfavourable market conditions (e.g. wars, terrorist attacks, health crises or other similar events), and if such an excess is justified taking into account the best interests of the investors.

The Subfund may invest in liquid assets for liquidity purposes, i.e. in money market instruments as defined in section 5 of the General Part as well as in money market funds and overnight deposits. For the purpose of hedging or efficient portfolio management, the Subfund may also utilise derivative financial instruments, e.g. futures, forwards, options, credit default swaps, [from 1 January 2019: total return swaps] and other derivatives on interest rates, loans and currencies.

ABS SELECTION FUND is denominated in EUR. The investments may be denominated in EUR or in other currencies. Foreign currency risks may be fully or partially hedged against the EUR. A depreciation caused by exchange rate fluctuations cannot be ruled out.

### 3. RISK INFORMATION

The Company endeavours to achieve the investment objectives of the Company in respect of each individual Subfund. However, no guarantee can be given that the investment objectives will actually be achieved. As a result, the net asset value of the shares may become greater or smaller, and different levels of positive as well as negative income may be earned.

#### INFORMATION REGARDING INVESTMENTS IN DERIVATIVES

Investments in derivatives often involve higher risks than direct investments in securities. Potential risks can arise, for example, from complexity, non-linearity, leverage, high volatility, low liquidity, limited scope to determine value or counterparty risk. If a derivative is embedded in a security, this must also be taken into account when applying the investment restrictions and for risk monitoring.

#### INFORMATION REGARDING HYBRID BONDS FUND

The Subfund may make significant investments in securities from issuers that do not exhibit good creditworthiness based on market assessments. Securities of this nature bring the risk of above-average volatility compared to investment-grade bonds, and in individual cases the complete loss of the funds invested cannot be ruled out. Careful monitoring and a wide diversification of the issuers are used to reduce such risks.

#### INFORMATION REGARDING SUSTAINABILITY RISKS

The market value of the Subfund's underlying investments is subject to the sustainability risks described in the General Part. The Subfund is considered to have a high sustainability risk rating that could have a significant impact on the value of the portfolio. The sustainability risk assessment is integrated into the investment decisions of the Investment Manager and will be carried out regularly throughout the lifetime of such investments.

For the purposes of assessing sustainability risk, the Investment Manager may use any available sustainability information, such as publicly available reports from invested companies, other publicly available data (e.g. credit ratings) and data produced and published by external data providers.

The investments underlying this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

#### INFORMATION REGARDING ABS SELECTION FUND

##### ***Risks associated with ABS, MBS and CDO***

The liquidity of the individual ABS, MBS and CDO in which the Subfund invests may be limited for a portion of the investments. As a result, the Subfund may redeem such positions with substantial difficulty and, as the case may be, at a disadvantageous price compared to its intrinsic value. This effect is aggravated by the fact that the ABS, MBS and CDO can, under certain circumstances, have a very long expiry period.

For certain ABS, MBS and CDO, there is also a risk of premature repayment (prepayment risk) or repayment after the due date (extension risk).

The intrinsic value of the collateral pool (credit pool) underlying the ABS, MBS and CDO is subject to credit risks, liquidity risks and interest rate risks, and generally oscillates depending on the interest rate level, the general economic situation, the creditworthiness of the debtor and similar factors. A deterioration of these factors may increase the number of delayed payments or declarations of insolvency on the part of the debtors, and, consequently, may lead to the non-reimbursement of the collaterals underlying the ABS, MBS and CDO.

##### ***Issuer risk***

In the case of securities of issuers that, according to market assessment, do not have good credit ratings (non investment grade) and promise a higher yield compared to government bonds, above-average volatility must be expected and in individual cases the complete loss of the funds invested cannot be ruled out.

***Risks associated with credit default swap (CDS) transactions***

The purchase of CDS protection allows the Subfund, on payment of a premium, to protect itself against the risk of default by an issuer. In the event of default by an issuer, settlement can be effected in cash or in kind. In the case of a cash settlement, the purchaser of the CDS protection receives the difference between the nominal value and the attainable redemption amount from the seller of the CDS protection. Where settlement is made in kind, the purchaser of the CDS protection receives the full nominal value from the seller of the CDS protection and in exchange delivers to it the security that is the subject of the default, or an exchange will be made from a basket of securities. The detailed composition of the basket of securities will be determined at the time the CDS contract is concluded. The events that constitute a default and the terms of delivery of bonds and debt certificates will also be defined in the CDS contract. The Subfund can, if necessary, resell the CDS protection or restore the credit risk by purchasing call options.

Upon the sale of CDS protection, the Subfund incurs a credit risk comparable to the purchase of a bond issued by the same issuer at the same nominal value. In either case, the risk in the event of issuer default is in the amount of the difference between the nominal value and the attainable redemption amount.

Aside from the general counterparty risk, upon conclusion of CDS transactions there is also in particular a risk of the counterparty being unable to establish one of the payment obligations it must fulfil. Counterparties must therefore be carefully selected when using CDS, and the risk associated with a counterparty must be limited and closely monitored.

***Information regarding sustainability risks***

The market value of the Subfund's underlying investments is subject to the sustainability risks described in the General Part.

The Subfund has been determined to have a sustainability risk rating of moderate.

The sustainability risk assessment is integrated into the investment decisions of the Investment Manager and will be carried out regularly throughout the lifetime of such investments.

For the purposes of assessing sustainability risk, the Investment Manager may use any available sustainability information, such as publicly available reports from invested companies, other publicly available data (e.g. credit ratings) and data produced and published by external data providers.

The investments underlying this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

## **4. INVESTOR PROFILE**

The Subfunds are suitable for investors who have experience with volatile investments, an in-depth knowledge of the capital markets and who wish to participate in the performance of the capital markets in order to pursue their specific investment objectives. Investors have to expect fluctuations in value, which can also temporarily lead to increased losses in value. The Subfunds may be used as a supplementary investment within a widely diversified portfolio.

## **5. THE INVESTMENT MANAGER**

CROSSINVEST SA, Corso Elvezia 33, CH-6900 Lugano.

CROSSINVEST SA was founded in 1985 as a joint stock company under Swiss law. It is an asset manager for collective investment schemes within the meaning of the Swiss Collective Investment Schemes Act (CISA) and as such is supervised by the Swiss Financial Market Supervisory Authority (FINMA).

The Investment Manager is authorised, while taking into account the investment objectives, investment policy and investment limits of the Company and the CROSSINVEST FUNDS, to make investments directly for the CROSSINVEST FUNDS under the ultimate supervision of the Management Company and/or Board of Directors or the auditor(s) appointed by the Management Company. The Investment Manager may, with the consent of the Management Company, engage the assistance of Investment Advisers.

## 6. DESCRIPTION OF SHARES

After the initial issue date, the Company may issue Shares of the CROSSINVEST FUNDS in the following categories:

- B Shares: accumulating;
- C Shares: accumulating for institutional investors, as described below;
- D Shares: accumulating for specific investors, as described below;
- E Shares: accumulating for specific distributors, as described below.

Shares can be offered both in the accounting currency (EUR) and in USD and CHF. The respective available Share Categories can be obtained from the principal administrative agent or from the information agent or distributor.

Only registered Shares will be issued.

**C Shares** are issued only to "institutional investors" within the meaning of Article 174 of the 2010 Law, i.e. in principle to companies that are legal entities or have a comparable form and that hold these Shares either as part of their own business assets or within the context of a mandate relationship for institutional investors in the aforementioned sense, or companies that sell the Shares exclusively to the latter or use them in their own name and for the account of third parties in the context of asset management mandates.

**D Shares** are issued exclusively to investors who have signed an asset management or investment advisory agreement with CROSSINVEST SA.

**E Shares** are issued exclusively to distributors or investors domiciled in Italy and to certain other distributors or investors in other distribution markets, provided the Board of Directors of the Company has decided for the latter on a special authorisation for the distribution of E Shares. The list of countries in which E Shares are issued is available from the Management Company. No other distributors or investors are allowed to acquire E Shares.

## 7. DIVIDEND POLICY

The Company currently has no plans to issue distributing Shares.

## 8. FEES AND COSTS

### A) Management Fee

For the management and advisory services relating to the securities portfolio and other related administrative services as well as for distribution services, an annual maximum Management Fee based on the net asset value of the relevant Subfund will be charged to the relevant Subfund, as set out below:

| Subfunds           | Max. Management Fee p.a. as % of net asset value |       |       |       |       |
|--------------------|--|-------|-------|-------|-------|
|                    | Shares   | B     | C     | D     | E     |
| HYBRID BONDS FUND  |  | 2.00% | 1.00% | 1.50% | 1.80% |
| ABS SELECTION FUND |  | 1.90% | 1.00% | 1.60% | n/a   |

In connection with the distribution, offering or holding of **C** Shares, no commission will be paid to the distributors for any additional distribution services.

An additional distribution fee of a maximum of 0.70% p.a. may be charged for **E** Shares.

Furthermore, the Company pays out of the net asset value of the Subfund the costs described in the "Fees and costs" section of the General Part, in particular the Servicing Fee.

**B) Performance Fee**

Within the scope of the application of the principles outlined below, the Investment Manager is also entitled to an annual asset management Performance Fee based on the increase in the net asset value of the relevant Share Category.

The Performance Reference Period corresponds to the entire term of the Subfund (except in the case of special events such as a merger or a change of Investment Manager).

The Performance Fee is subject to a High Water Mark (first condition) and a Reference Index (second condition).

The entitlement to the Performance Fee arises only if the net asset value per Share on the last Valuation Day of the financial year is above the High Water Mark ("**Outperformance against the High Water Mark**", expressed as a percentage). In addition, and in order to protect the interests of the investors, the percentage return per Share since the start of the financial year must exceed that of the Reference Index ("**Outperformance against the Reference Index**", expressed as a percentage). Both conditions must be met cumulatively.

When the Subfund or, where applicable, the relevant Share Category is launched, the High Water Mark is identical to the initial Issue Price. If the net asset value per Share on the last Valuation Day of a financial year exceeds the previous High Water Mark and a Performance Fee becomes relevant, the High Water Mark for the new financial year will be set as the net asset value less the Performance Fee per Share on the last Valuation Day of the financial year. In all other cases, the High Water Mark remains unchanged.

The Performance Fee is calculated and reset on each Valuation Day and each Performance Fee reset at the end of the financial year will take effect at the end of the financial year and will be paid to the Investment Manager. The Performance Fee will be calculated net of all costs associated with the Subfund. Any underperformance or loss incurred during the Performance Reference Period against the High Water Mark must be recovered before any Performance Fee becomes payable again.

The basis for calculation of the Performance Fee for each Share Category is "**daily Outperformance**", which is the lower of "**Outperformance of the Share Category**" and "**daily performance of the Share Category**".

"**Outperformance of the Share Category**" is the lower of outperformance against the High Water Mark and outperformance against the Reference Index.

"**daily performance of the Share Category**" (expressed as a percentage) is the difference between the daily return of the Share Category and the daily return of the Reference Index on a Valuation Day, where:

- The daily return of the Share Category (expressed as a percentage) is the net asset value per Share on the Valuation Day divided by the net asset value per Share after deduction of the Performance Fee on the previous Valuation Day;
- The daily return of the Reference Index (expressed as a percentage) is derived from calculation of the return of the Reference Index (interest rate) applicable for the Valuation day.

The Performance Fee amount is calculated by multiplying the "daily Outperformance" by the reference net asset value and the percentage of the Performance Fee for each Share Category (as shown in the table below).

The reference net asset value on a Valuation Day is the net asset value per Share after deduction of the Performance Fee on the previous Valuation Day multiplied by the number of Shares in circulation on that day in each Share Category.

Consequently, Shares subscribed to during the accounting year are not automatically taken into account in the Performance Fee accumulated during the period prior to subscription. In addition, in the case of Shares that are redeemed on a Valuation Day during the financial year (net outflows), the existing Performance Fee received in the period prior to the redemption is not reduced solely by the effect of the redemption.

The mechanism described above ensures the possibility of equilibrium between investors and the Investment Manager in the event of capital movements.

The Performance Fee amount will be recalculated on each Valuation Day in compliance with the conditions set out above and a reserve will be set aside for the relevant Share Category. The recalculated amount of the Performance Fee will be compared on each Valuation Day with the amount set aside on the previous Valuation Day. The amount set aside on the previous day will be adjusted downwards or upwards according to the calculated difference

## CROSSINVEST FUNDS

between the recalculated amount and the amount previously set aside. The accumulated Performance Fee must never be negative.

### ACCOUNTING POLICY:

A cumulative positive provision is deducted from the calculation of the net asset value per Share (daily adjustment method).

Consequently, the "net asset value per Share" for a given Valuation Day will include the cumulative accrued Performance Fee from the previous Valuation Day (if any), but will not include the Performance Fee accrued on such Valuation Day (the latter being equal to the "net asset value per Share after deduction of the Performance Fee").

The Performance Fee calculated in accordance with the foregoing will be paid to the Investment Manager of the Subfund within four months of the end of the Company's financial year.

| Subfunds           | Performance Fee | Reference Index            |
|--------------------|-----------------|----------------------------|
| HYBRID BONDS FUND  | Max. 20% p.a    | Euribor 3 months + 150 bps |
| ABS SELECTION FUND | Max. 10% p.a.   | Euribor 3 months           |

**The Euribor 3 months is a benchmark pursuant to the Regulation (EU) 2016/1011 (EU Benchmark Regulation).** The benchmark is provided by an administrator (**European Money Markets Institute; EMMI**) located in the EU and is entered in the Register under Article 36 of the EU Benchmark Regulation. The Company has implemented a solid written plan setting out the measures it would take in the event that a benchmark materially changes or ceases to be provided. The relevant GAM Group policies are available on [www.funds.gam.com](http://www.funds.gam.com).

### Calculation example 1

In the following example, the High Water Mark (**HWM**) and the Reference Index at valuation point A are set at 100.00 and 0.80% respectively. Valuation point C is the end of the financial year. The Performance Fee percentage is 10%.

The gross asset value corresponds to the total net assets excluding accrued Performance Fee and crystallised Performance Fee.

The assets before deduction of the Performance Fee correspond to the total net assets without accrued Performance Fee.

| Valuation Point | Number of Outstanding Shares | Gross Asset Value | Assets before deduction of the Performance Fee | Net asset value per Share before deduction of the Performance Fee | HWM    | Reference Index | Accrued Performance Fee | Net asset value per Share after deduction of the Performance Fee |
|-----------------|------------------------------|-------------------|--|---|--------|-----------------|-------------------------|--|
| A               | 1,000.00                     | 100,000.00        | 100,000.00                                     | 100.00  | 100.00 | 0.80%           | 0.00                    | 100.00   |
| B               | 1,000.00                     | 100,400.00        | 100,400.00                                     | 100.40  | 100.00 | 1.00%           | 39.72                   | 100.36   |
| C               | 1,000.00                     | 100,500.00        | 100,460.28*                                    | 100.46  | 100.00 | 0.90%           | 49.47                   | 100.45   |

\* An accrued Performance Fee of 39.72 from valuation point B will be deducted.

An investor buys 1,000.00 Shares and the number of Shares outstanding at valuation point A is 1,000.00.

### **Valuation point B**

#### **1 - Entitlement to a Performance Fee and Outperformance of the Share Category**

At valuation point B, the entitlement to a Performance Fee is assessed. The net asset value per Share is 100.40.

| Outperformance over the HWM   | Outperformance over the Reference Index  | Outperformance of the Share Category  |
|---|--|---|
| <i>(Net asset value per Share divided by HWM) - 1</i><br>$(100.40/100.00) - 1 = 0.40\%$ | <i>Net asset value per Share divided by the net asset value per Share adjusted to the Reference Index since the start of the financial year</i><br><br><i>The daily growth of the Reference Index is (Reference Index/previous Reference Index)</i><br>$((1+Reference\ Index)^{(1/360)}-1) \times 1\ day$<br>$(1+1.00\%)^{(1/360)} \times 1\ day = 0.0028\%$ | <i>Minimum (Outperformance over the HWM, Outperformance over the Reference Index)</i><br>Minimum (0.40%, 0.3972%) |

MULTILABEL SICAV: SPECIAL PART E

|   |   |  |
|---|---|--|
|   | <p><i>Net asset value per Share adjusted to the Reference Index since the start of the financial year</i><br/> <math>(1+0.0028\%) \times 100.00 = 100.0028</math></p> <p><i>Outperformance against the Reference Index is the net asset value per Share divided by the net asset value per Share adjusted to the Reference Index</i><br/> <math>(100.40/100.0028)-1 = 0.3972\%</math></p> |  |
| The Outperformance over the HWM is 0.40%. | The Outperformance over the Reference Index is 0.3972%.   | The Outperformance of the Share Category is 0.3972%. |

At valuation point B, the conditions are met with an Outperformance over the HWM and an Outperformance over the Reference Index. A Performance Fee may apply.

**2 - Calculation of the daily performance of the Share Category**

At valuation point B, the components are calculated for the net asset value per Share and the change in the Reference Index (daily return as a percentage).

|  |  |  |
|--|--|--|
| Daily return of the Share Category   | Daily return of the Reference Index  | Daily performance of the Share Category  |
| <i>Performance of the net asset value per Share against the previous net asset value per Share after deduction of the Performance Fee</i> $(100.40/100.00) - 1 = 0.40\%$ | <i>Daily increase in the Reference Index (Reference Index/previous Reference Index) <math>((1+Reference\ Index)^{(1/360)}-1) \times 1\ day</math></i><br>$(1+1.00\%)^{(1/360)} \times 1\ day = 0.0028\%$ | <i>Difference between the daily return of the Share Category and the daily return of the Reference Index</i><br>$0.40\% - 0.0028\% = 0.3972\%$ |
| The daily return of the Share Category is 0.40%.   | The daily return of the Reference Index is 0.0028%.  | The daily performance of the Share Category is 0.3972%.  |

**3 - Daily Outperformance, reference net asset value, accrual of Performance Fee and accrued Performance Fee**

At valuation point B, the daily Outperformance is determined in order to calculate the accrued Performance Fee.

|   |  |  |
|---|--|--|
| Daily Outperformance  | Reference net asset value  | Accrual of the Performance Fee   |
| <i>Minimum (Outperformance of the Share Category, daily performance of the Share Category)</i><br>Minimum (0.3972%,0.3972%) | <i>Previous net asset value per Share after deduction of the Performance Fee multiplied by the current number of outstanding Shares</i><br>$100.00 \times 1,000.00\ Shares = 100,000.00$ | <i>Daily Outperformance multiplied by the reference net asset value and the percentage rate of the Performance Fee</i><br>$0.3972\% - \times 100,000.00 \times 10\% = 39.72$ |
| The daily Outperformance is 0.3972%.  | The reference net asset value is 100,000.00  | The accrued Performance Fee is 39.72   |

|   |   |
|---|---|
| Accrued Performance Fee   | Net asset value per Share after deduction of the Performance Fee  |
| <i>The accrued Performance Fee from the previous Valuation Day, adjusted to the accrued Performance Fee</i><br>$0.00 + 39.72 = 39.72$ | <i>Gross asset value after deduction of the accrued Performance Fee and division of the whole by the number of outstanding Shares</i><br>$(100,400.00-39.72) / 1,000.00\ Shares = 100.3603$ |
| The accrued Performance Fee is 39.72  | The final net asset value per Share is 100.3603   |

**Valuation point C**

**1 - Entitlement to a Performance Fee and Outperformance of the Share Category**

At valuation point C, the entitlement to a Performance Fee is assessed. The net asset value per Share is 100.46.

|  |  |  |
|--|--|--|
| Outperformance over the HWM  | Outperformance over the Reference Index  | Outperformance of the Share Category   |
| <i>(Net asset value per Share divided by HWM) -1</i><br>$(100.46/100.00) - 1 = 0.46\%$ | <i>Net asset value per Share divided by the net asset value per Share adjusted to the Reference Index since the start of the financial year</i><br><br><i>The daily increase in the Reference Index is (Reference Index/previous Reference Index) <math>((1+Reference\ Index)^{(1/360)}-1) \times 1\ day</math></i><br>$(1+0.90\%)^{(1/360)} \times 1\ day = 0.0025\%$<br><br><i>Net asset value per Share adjusted to the Reference Index since the start of the financial year</i> $(1+0.0025\%) \times 100.0028 = 100.0053$ | <i>Minimum (Outperformance over the HWM, Outperformance over the Reference Index)</i><br>Minimum (0.46%,0.4550%) |

## CROSSINVEST FUNDS

|   |  |  |
|---|--|--|
|   | <p><i>Outperformance over the Reference Index represents the net asset value per Share divided by the net asset value per Share adjusted to the Reference Index</i></p> $(100.46/100.0053)-1 = 0.4550\%$ |  |
| The Outperformance over the HWM is 0.46%. | The Outperformance over the Reference Index is 0.4550%.  | The Outperformance of the Share Category is 0.4550%. |

At valuation point B, the conditions are met with an Outperformance over the HWM and an Outperformance over the Reference Index. A Performance Fee may apply.

### 2 - Calculation of the daily performance of the Share Category

At valuation point C, the components are calculated for the net asset value per Share and the change in the Reference Index (daily return as a percentage).

| Daily return of the Share Category   | Daily return of the Reference Index   | Daily performance of the Share Category  |
|--|---|--|
| <i>Performance of the net asset value per Share against the previous net asset value per Share after deduction of the Performance Fee</i> $(100.46/100.36) - 1 = 0.0996\%$ . | <i>Daily increase in the Reference Index (Reference Index/previous Reference Index) <math>((1+Reference Index)^{(1/360)}-1) \times 1 \text{ day}</math></i><br>$(1+0.90\%)^{(1/360)} \times 1 \text{ day} = 0.0025\%$ | <i>Difference between the daily return of the Share Category and the daily return of the Reference Index</i><br>$0.0996\% - 0.0025\% = 0.0972\%$ |
| The daily return of the Share Category is 0.0996%.   | The daily return of the Reference Index is 0.0025%.   | The daily performance of the Share Category is 0.0972%.  |

### 3 - Daily Outperformance, reference net asset value, accrual of Performance Fee and accrued Performance Fee

At valuation point C, the daily Outperformance is determined in order to calculate the accrued Performance Fee.

| Daily Outperformance  | Reference net asset value   | Accrual of the Performance Fee  |
|---|---|---|
| <i>Minimum (Outperformance of the Share Category, daily performance of the Share Category)</i><br>Minimum (0.4550%,0.0972%) | <i>Previous net asset value per Share after deduction of the Performance Fee multiplied by the current number of outstanding Shares</i><br>$100.36 \times 1,000.00 \text{ Shares} = 100,360.28$ | <i>Daily outperformance multiplied by the reference net asset value and the percentage rate of the Performance Fee</i><br>$0.0972\% \times 100,360.28 \times 10\% = 9.75$ |
| The daily Outperformance is 0.0972%.  | The reference net asset value is 100,360.28.  | The accrued Performance Fee is 9.75   |

| Accrued Performance Fee   | Net asset value per Share after deduction of the Performance Fee   |
|---|--|
| <i>The accrued Performance Fee from the previous Valuation Day, adjusted to the accrued Performance Fee</i><br>$39.72 + (9.75) = 49.47$ | <i>Gross asset value after deduction of the accrued Performance Fee and division of the whole by the number of outstanding Shares</i><br>$(100,500.00-49.47) / 1,000.00 \text{ Shares} = 100.4505$ |
| The accrued Performance Fee is 49.47  | The final net asset value per Share is 100.4505  |

The net asset value per Share after deduction of the Performance Fee is 100.4505.

A Performance Fee of 49.47 is crystallised.

The HWM for the next financial year is 100.4505.

#### Calculation example 2

In the following example, the HWM and the Reference Index are established at valuation point A as 100.00 or 0.20% (with an additional spread of 1.50% for the Reference Index).

Valuation point C is the end of the financial year. The Performance Fee percentage is 20%.

The gross asset value corresponds to the total net assets excluding accrued Performance Fee and crystallised Performance Fee.

The assets before deduction of the Performance Fee correspond to the total net assets without accrued Performance Fee.

| Valuation Point | Number of Outstanding Shares | Gross Asset Value | Assets before deduction of the Performance Fee | Net asset value per Share before deduction of the Performance Fee | HWM    | Reference Index | Spread | Accrued Performance Fee | Net asset value per Share after deduction of the Performance Fee |
|-----------------|------------------------------|-------------------|--|---|--------|-----------------|--------|-------------------------|--|
| A               | 1,000.00                     | 100,000.00        | 100,000.00                                     | 100.00  | 100.00 | 0.20%           | 1.50%  | 0.00                    | 100.00   |
| B               | 1,000.00                     | 100,200.00        | 100,200.00                                     | 100.20  | 100.00 | 0.25%           | 1.50%  | 39.05                   | 100.16   |



MULTILABEL SICAV: SPECIAL PART E

|   |          |            |             |        |        |       |       |       |        |
|---|----------|------------|-------------|--------|--------|-------|-------|-------|--------|
| C | 1,500.00 | 150,300.00 | 150,260.95* | 100.17 | 100.00 | 0.20% | 1.50% | 41.57 | 100.17 |
|---|----------|------------|-------------|--------|--------|-------|-------|-------|--------|

\* An accrued Performance Fee of 39.05 from valuation point B will be deducted.

An investor buys 1,000.00 Shares and the number of Shares outstanding at valuation point A is 1,000.00.

**Valuation point B**

**1 - Entitlement to a Performance Fee and class Outperformance**

At valuation point B, the entitlement to a Performance Fee is assessed. The net asset value per Share is 100.20.

| Outperformance over the HWM  | Outperformance over the Reference Index  | Outperformance of the Share Category   |
|--|--|--|
| <i>(Net asset value per Share divided by HWM) -1</i><br>(100.20/100.00) -1 = 0.20% | <i>Net asset value per Share divided by the net asset value per Share adjusted to the Reference Index since the start of the financial year</i><br><br><i>The daily increase in the Reference Index is ((1+ Reference Index + spread)^(1/360)-1) x 1 day</i><br>(1+0.25%+1.50%)^(1/360) x 1 Tag = 0.0048%<br><br><i>Net asset value per Share adjusted to the Reference Index since the start of the financial year(1+0.0048%) x 100.00 = 100.0048</i><br><br><i>Outperformance against the Reference Index is the net asset value per Share divided by the net asset value per Share adjusted to the Reference Index</i><br>(100.20/100.0048)-1 = 0.1952% | <i>Minimum (Outperformance over the HWM, Outperformance over the Reference Index)</i><br>Minimum (0.20%,0.1952%) |
| The Outperformance over the HWM is 0.20%.  | The Outperformance over the Reference Index is 0.1952%.  | The Outperformance of the Share Category is 0.1952%.   |

At valuation point B, the conditions are met with an Outperformance over the HWM and an Outperformance over the Reference Index. A Performance Fee may apply.

|  |   |   |
|--|---|---|
| The daily return of the Share Category is 0.20%. | The daily return of the Reference Index is 0.0048%. | The daily performance of the Share Category is 0.1952%. |
|--|---|---|

**2 - Calculation of the daily performance of the Share Category**

At valuation point B, the components are calculated for the net asset value per Share and the change in the Reference Index (daily return as a percentage).

| Daily return of the Share Category   | Daily return of the Reference Index   | Daily performance of the Share Category   |
|--|---|---|
| <i>Performance of the net asset value per Share against the previous net asset value per Share after deduction of the Performance Fee</i> (100.20/100.00) -1 = 0.20% | <i>Daily increase in the Reference Index (Reference Index/previous Reference Index) ((1+Reference Index + spread)^(1/360)-1) x 1 day</i><br>(1+0.25%+1.50%)^(1/360) x 1 day = 0.0048% | <i>Difference between the daily return of the Share Category and the daily return of the Reference Index</i><br>0.20% - 0.0048% = 0.1952% |

**3 - Daily Outperformance, reference net asset value, accrual of Performance Fee and accrued Performance Fee**

At valuation point C, the daily Outperformance is determined in order to calculate the accrued Performance Fee.

| Daily Outperformance  | Reference net asset value  | Accrued Performance Fee  |
|---|--|--|
| <i>Minimum (Outperformance of the Share Category, daily performance of the Share Category)</i><br>Minimum (0.1952%,0.1952%) | <i>Previous net asset value per Share after deduction of the Performance Fee multiplied by the current number of outstanding Shares</i><br>100.00 x 1,000.00 Shares = 100,000.00 | <i>Daily outperformance multiplied by the reference net asset value and the percentage rate of the Performance Fee</i><br>0.1952% x 100,000.00 x 20% = 39.05 |
| The daily Outperformance is 0.1952%.  | The reference net asset value is 100,000.00  | The accrued Performance Fee is 39.05   |

| Accrued Performance Fee   | Net asset value per Share after deduction of the Performance Fee  |
|---|---|
| <i>The accrued Performance Fee from the previous Valuation Day, adjusted to the accrued Performance Fee</i><br>0.00 + 39.05 = 39.05 | <i>Gross asset value after deduction of the accrued Performance Fee and division of the whole by the number of outstanding Shares</i> |

## CROSSINVEST FUNDS

|                                      |   |
|--------------------------------------|---|
|                                      | $(100,200.00 - 39.05) / 1,000.00 \text{ Shares} = 100.1609$ |
| The accrued Performance Fee is 39.05 | The final net asset value per Share is 100.1609             |

An investor buys 500.00 Shares and the number of Shares outstanding at valuation point C is 1500.00.

### Valuation point C

#### 1 - Entitlement to a Performance Fee and class Outperformance

At valuation point C, the entitlement to a Performance Fee is assessed. The net asset value per Share is 100.17.

| Outperformance over the HWM  | Outperformance over the Reference Index   | Outperformance of the Share Category  |
|--|---|---|
| <i>(Net asset value per Share divided by HWM) -1</i><br>$(100.17/100.00) - 1 = 0.17\%$ | <i>Net asset value per Share divided by the net asset value per Share adjusted to the Reference Index since the start of the financial year</i><br><br><i>The daily growth of the Reference Index is (Reference Index/previous Reference Index) <math>((1 + \text{Reference Index} + \text{spread})^{(1/360)} - 1) \times 1 \text{ day}</math></i><br>$(1 + 0.20\% + 1.50\%)^{(1/360)} \times 1 \text{ day} = 0.0046\%$<br><br><i>Net asset value per Share adjusted to the Reference Index since the start of the financial year <math>(1 + 0.0046\%) \times 100.0048 = 100.0094</math></i><br><br><i>Outperformance against the Reference Index is the net asset value per Share divided by the net asset value per Share adjusted to the Reference Index <math>(100.17/100.0094) - 1 = 0.1646\%</math></i> | <i>Minimum (Outperformance over the HWM, Outperformance over the Reference Index)</i><br>Minimum (0.17%, 0.1646%) |
| The Outperformance over the HWM is 0.17%.  | The Outperformance over the Reference Index is 0.1646%.   | The Outperformance of the Share Category is 0.1646%.  |

At valuation point C, the conditions are met with an Outperformance over the HWM and an Outperformance over the Reference Index. A Performance Fee may apply.

#### 2 - Calculation of the daily performance of the Share Category

At valuation point B, the components are calculated for the net asset value per Share and the change in the Reference Index (daily return as a percentage).

| Daily return of the Share Category   | Daily return of the Reference Index   | Daily performance of the Share Category  |
|--|---|--|
| <i>Performance of the net asset value per Share against the previous net asset value per Share after deduction of the Performance Fee <math>(100.17/100.16) - 1 = 0.0130\%</math>.</i> | <i>Daily increase in the Reference Index (Reference Index/previous Reference Index) <math>((1 + \text{Reference Index} + \text{spread})^{(1/360)} - 1) \times 1 \text{ day}</math></i><br>$(1 + 0.20\% + 1.50\%)^{(1/360)} \times 1 \text{ day} = 0.0046\%$ | <i>Difference between the daily return of the Share Category and the daily return of the Reference Index</i><br>$0.0130\% - 0.0046\% = 0.0084\%$ |
| The daily return of the Share Category is 0.0130%.   | The daily return of the Reference Index is 0.0046%.   | The daily performance of the Share Category is 0.0084%.  |

#### 3 - Daily Outperformance, reference net asset value, accrual of Performance Fee and accrued Performance Fee

At valuation point C, the daily Outperformance is determined in order to calculate the accrued Performance Fee.

| Daily Outperformance   | Reference net asset value   | Accrual of the Performance Fee  |
|--|---|---|
| <i>Minimum (Outperformance of the Share Category, daily performance of the Share Category)</i><br>Minimum (0.1646%, 0.0084%) | <i>Previous net asset value per Share after deduction of the Performance Fee multiplied by the current number of outstanding Shares</i><br>$100.16 \times 1,500.00 \text{ Shares} = 150,241.43$ | <i>Daily outperformance multiplied by the reference net asset value and the percentage rate of the Performance Fee</i><br>$0.0084\% \times 150,241.43 \times 20\% = 2.52$ |
| The daily Outperformance is 0.0084%.   | The reference net asset value is 150,241.43.  | The accrued Performance Fee is 39.05  |

|   |  |
|---|--|
| Accrued Performance Fee   | Net asset value per Share after deduction of the Performance Fee   |
| <i>The accrued Performance Fee from the previous Valuation Day, adjusted to the accrued Performance Fee</i><br>39.05 + 2.52 = 41.57 | <i>Gross asset value after deduction of the accrued Performance Fee and division of the whole by the number of outstanding Shares</i><br>(150,300.00-41.57) / 1,500.00 Shares = 100.1723 |
| The accrued Performance Fee is 41.57  | The final net asset value per Share is 100.1723  |

The net asset value per Share after deduction of the Performance Fee is 100.1722.

A Performance Fee of 41.57 is crystallised.

The HWM for the next financial year is 100.1723.

## 9. TRANSACTION AND VALUATION FREQUENCY; ORDER DAY AND VALUATION DAY FOR THE NET ASSET VALUE (NAV)

### HYBRID BONDS FUND

The issue and redemption of Shares in the Subfund takes place on each banking day in Luxembourg.

The NAV of the Subfund is calculated on a daily basis.

The **Order Day (D-1)**, i.e. the closing date for acceptance of subscription and redemption applications to be settled on a specific Valuation Day, is each banking day in Luxembourg.

The **Valuation Day (D)** of the Subfund is each banking day in Luxembourg.

### ABS SELECTION FUND

The issue and redemption of Shares in the Subfund takes place once per week.

The NAV of the Subfund will be calculated weekly no more than three (3) banking days in Luxembourg after the Valuation Day (as defined in the paragraph below) (**NAV Calculation Date**). In addition, for the purposes of more efficient calculation and settlement of fees and for transparency and reporting purposes, an extraordinary NAV will be calculated on the last Luxembourg banking day of each month. The extraordinary NAV will not be used as the basis for the issue or redemption of Shares unless this extraordinary Valuation Day coincides with the ordinary Valuation Day.

The **Order Day (D-5)**, i.e. the closing date for acceptance of subscription and redemption applications to be settled on a specific Valuation Day, is **Monday** of each week. If the Monday in question is not a banking day in Luxembourg, the previous banking day in Luxembourg will be considered the Order Day.

**The Valuation Day (D) of the Subfund is Monday of each week.** If the Monday in question is not a banking day in Luxembourg, the next day of that week that is a banking day in Luxembourg will be considered the Valuation Date.

## 10. ISSUE OF SHARES

### A) General

After expiry of the initial subscription period, the Shares of the CROSSINVEST FUNDS will be issued on each Valuation Day. The Issue Price is based on the net asset value of the Shares on the applicable Valuation Day in each case and shall be rounded to two decimal places.

Pursuant to the provisions contained in the General Part of the Prospectus, a selling fee of up to 5% may be added.

### B) Minimum subscription amount

Subscriptions of B, D, and E Shares are not subject to a minimum subscription amount.

The minimum subscription amount for initial subscription for C Shares is EUR 500,000 for ABS SELECTION FUND and EUR 1,000,000 for HYBRID BONDS FUND, or the corresponding equivalent in the currency of the relevant Share Category. The Company's Board of Directors may, at its own discretion, accept initial subscription applications for an amount lower than the stated minimum subscription amount. Subsequent subscriptions of C Shares are not subject to a minimum subscription amount.

**C) Application procedure**

Investors may at any time subscribe to Shares of the CROSSINVEST FUNDS directly through the Principal Paying Agent in Luxembourg named in the General Part of the Prospectus (or at local distributors or paying agents appointed in individual distribution countries, if applicable). The exact identity of the applicant, the name of the Subfund to be subscribed and the Share Category to be subscribed must be stated.

All subscriptions for Shares of the CROSSINVEST FUNDS received by the Company on an Order Day by no later than 15:00 Luxembourg local time (cut-off time) will be handled at the Issue Price calculated on the next Valuation Day. Subscriptions received after this time will be made at the Issue Price of the Valuation Day after the following Valuation Day.

The total amount of the subscription for Shares of **HYBRID BONDS FUND** must be transferred to the account described in the General Part of this Prospectus no more than three (3) banking days after the applicable Valuation Day.

The total amount of the subscription for Shares of **ABS SELECTION FUND** must be transferred to the account described in the General Part of this Prospectus on the **Thursday (D-2)** before the relevant Valuation Day. If the Thursday in question is not a banking day in Luxembourg, the previous banking day in Luxembourg will be considered the Valuation Date.

Share coupons or certificates will not be delivered.

The Company reserves the right to reject applications or to accept them only in part or to request further information and/or documents. If an application is rejected in whole or in part, the subscription amount or the corresponding balance will be transferred back to the applicant.

## **11. REDEMPTION OF SHARES**

Shares of the CROSSINVEST FUNDS will be redeemed on any Valuation Day by application to the Principal Paying Agent in Luxembourg named in the General Part of the Prospectus (or to appointed local distributors or paying agents in individual distribution countries, as applicable).

All requests for redemptions for Shares of the CROSSINVEST FUNDS received by the Company on an Order Day by no later than 15:00 Luxembourg local time (cut-off time) will be handled at the Redemption Price calculated on the next Valuation Day. Redemption requests received after this time will be handled at the Redemption Price of the Valuation Day after the next Valuation Day.

The Redemption Price is based on the net asset value of the Shares on the Valuation Day applicable in each case and is rounded to two decimal places.

Payments related to the redemption of Shares of **HYBRID BONDS FUND** will be made no more than three (3) banking days after the Valuation Day.

Payments related to the redemption of Shares of **ABS SELECTION FUND** will be made no more than three (3) banking days after the applicable NAV Calculation Date.

If no selling fee has been charged for the issue of Shares, a redemption fee of up to 3% may be added to E Shares pursuant to the provisions contained in the General Part.

## **12. SWITCHING OF SHARES**

Shares of the CROSSINVEST FUNDS may be switched for Shares of other active Subfunds of the Company for which such a switch is permitted in return for payment of a switching fee of up to 2% of the net asset value of the

aforesaid Shares. No switching fee will be charged for any switch to Shares of another Subfund described in this Special Part.

For each switch, the minimum switching value as specified above ("minimum subscription amount") must be applied. Other Shares may only be switched by certain investors as defined above for C and/or D and/or E Shares. The Company's Board of Directors may, at its discretion, accept initial switching applications for an amount lower than the stated minimum switching amount.

Furthermore, the same modalities apply to requests for the switching of Shares as to redemptions of Shares, and the provisions of the General Part of the Prospectus are applicable.

### 13. OVERVIEW OF THE SUBFUNDS AND SHARE CATEGORIES

The table below provides a general overview of the most important features of the individual Share Categories. It does not serve as a substitute for reading the Prospectus.

| <u>Name of the Subfund</u> | <u>Shares</u> | <u>ISIN code</u> | <u>Activation date</u> | <u>Currency</u> | <u>Minimum subscription amount</u><br><u>Initial subscription</u> | <u>Management Fee (max.)</u> |
|----------------------------|---------------|------------------|------------------------|-----------------|---|------------------------------|
| <b>HYBRID BONDS FUND</b>   | B             | LU0693173246     | 20 December 2011       | EUR             | --  | 2.00%                        |
|                            | B-USD         | LU0693174723     | 20 December 2011       | USD             | --  | 2.00%                        |
|                            | B-CHF         | LU1331740362     | 11 January 2016        | CHF             | --  | 2.00%                        |
|                            | C             | LU0693173832     | 20 December 2011       | EUR             | EUR 1,000,000   | 1.00%                        |
|                            | C-USD         | LU0693174996     | 20 December 2011       | USD             | EUR 1,000,000*)   | 1.00%                        |
|                            | C-CHF         | LU1331740446     | 11 January 2016        | CHF             | EUR 1,000,000*)   | 1.00%                        |
|                            | D             | LU0693174210     | 20 December 2011       | EUR             | --  | 1.50%                        |
|                            | D-USD         | LU0693175530     | 20 December 2011       | USD             | --  | 1.50%                        |
|                            | D-CHF         | LU1331741097     | 11 January 2016        | CHF             | --  | 1.50%                        |
|                            | E-EUR         | LU2056536274     | 14 October 2019        | EUR             | --  | 2.50%                        |
| <b>ABS SELECTION FUND</b>  | B             | LU1074473932     | 13 October 2014        | EUR             | --  | 1.90%                        |
|                            | C             | LU1074474153     | 13 October 2014        | EUR             | EUR 500,000   | 1.00%                        |
|                            | D             | LU1074474401     | 13 October 2014        | EUR             | --  | 1.60%                        |

\*) or equivalent in the currency of the Share Category

## MULTILABEL SICAV

# ETICA ESG CONSERVATIVE ALLOCATION ETICA ESG DYNAMIC ALLOCATION ETICA ESG GLOBAL EQUITY

Drei durch die GAM (LUXEMBOURG) S.A., Luxemburg, im Auftrag der ETICA SGR S.p.A., Mailand, aufgelegte Subfonds der SICAV luxemburgischen Rechts MULTILABEL SICAV.

Three Subfunds of the SICAV under Luxembourg law MULTILABEL SICAV, established on behalf of ETICA SGR S.p.A., Milan, by GAM (LUXEMBOURG) S.A., Luxembourg.

### BESONDERER TEIL K:

**20. JULI 2023**

### SPECIAL PART K:

**20 JULY 2023**

Dieser Besondere Prospektteil ergänzt den Allgemeinen Teil mit Bezug auf die Subfonds ETICA ESG CONSERVATIVE ALLOCATION, ETICA ESG DYNAMIC ALLOCATION und ETICA ESG GLOBAL EQUITY (die „**ETICA FUNDS**“ bzw. die „**Subfonds**“).

Die nachfolgenden Bestimmungen müssen in Verbindung mit dem Allgemeinen Prospektteil gelesen werden.

Die hier enthaltenen Angaben auf Englisch (rechte Spalte) sind nach bestem Wissen und Gewissen der Gesellschaft eine treue Übersetzung der deutschen Originalfassung (linke Spalte). Im Falle von Widersprüchen gilt die Fassung in deutscher Sprache.

This Special Part of the Prospectus supplements the General Part with regard to the Subfunds ETICA ESG CONSERVATIVE ALLOCATION, ETICA ESG DYNAMIC ALLOCATION and ETICA ESG GLOBAL EQUITY (the „**ETICA FUNDS**“ or the „**Subfonds**“).

The provisions below must be read in conjunction with the General Part of the Prospectus.

The information contained herein in English (right column) is, to the Company's best knowledge and belief, a true translation of the German original version (left column). In the event of contradictions, the German-language version shall prevail.

## 1. Erstausgabe der Anteile

Die Anteile der Subfonds werden erstmals wie folgt zur Zeichnung ausgegeben. Der angegebene Erstausgabepreis versteht sich pro Anteil. Eine Verkaufsgebühr wird nicht erhoben.

## 1. Initial Issue of Shares

The Shares of Subfunds will be issued for subscription for the first time as follows. The indicated initial issue price is per Share. A selling fee will not be levied.

| Subfonds / Subfunds               | Erstausgabedatum /<br>Initial issue date | Erstausgabepreis /<br>Initial issue price |
|-----------------------------------|--|---|
| ETICA ESG CONSERVATIVE ALLOCATION | 19.12.2019                               | EUR 100                                   |
| ETICA ESG DYNAMIC ALLOCATION      | 19.12.2019                               | EUR 100                                   |
| ETICA ESG GLOBAL EQUITY           | 19.12.2019                               | EUR 100                                   |

## 2. Anlageziele und Anlagepolitik

### 2.1 Anlageziele und Anlagepolitik des ETICA ESG CONSERVATIVE ALLOCATION

Der Subfonds ist ein Anleihenfonds, der eine schrittweise Erhöhung des investierten Kapitals nach sozialen und ökologischen Grundsätzen, mit einem mittelfristigen Zeithorizont und einem mittleren Risiko anstrebt.

Zu diesem Zwecke können für den Subfonds im Rahmen der Anlagegrenzen des Allgemeinen Teils dieses Prospekts folgende Anlagen getätigt werden.

#### Verzinsliche Anlagen

Mindestens 80% des Vermögens des Subfonds werden in fest oder variabel verzinsliche Wertpapiere („Anleihen“) und Geldmarktinstrumente investiert, die überwiegend gemäss mindestens einer anerkannten in der EU domizilierten Rating-Agentur der Kreditqualität „Investment Grade“ entsprechen müssen und überwiegend an regulierten Märkte in der Eurozone gehandelt werden.

Die Anlage in Geldmarktinstrumente ist auf 30% des Vermögens des Subfonds beschränkt.

Maximal 10% der Anlagen des Subfonds können Unternehmensanleihen sein.

Die Restlaufzeit des Teilportfolios „Verzinsliche Anlagen“ variiert zwischen zwei und acht Jahren.

#### Aktien

Höchstens 20% des Vermögens des Subfonds werden in Aktien oder andere Beteiligungspapiere („Aktien“) investiert, die überwiegend an regulierten Märkten Europas, Nordamerikas oder Japans gehandelt werden.

## 2. Investment Objectives and Policy

### 2.1 Investment Objective and Policy of the ETICA ESG CONSERVATIVE ALLOCATION

The Subfund is a bond fund that aims to achieve a gradual increase in the capital invested in accordance with social and environmental principles, with a medium-term time horizon and a medium level of risk.

To this end, the following investments may be made for the subfund within the limits of the investment limits in the General Part of this Prospectus.

#### Interest Bearing Investments

At least 80% of the Subfund's assets will be invested in fixed-interest or floating-rate securities („Bonds“) and money market instruments which predominantly must have an „Investment Grade“ credit quality, according to at least one recognised credit rating agency domiciled in the EU, and which are predominantly traded on regulated markets in the Eurozone.

The investment in money market instruments is limited to 30% of the Subfund's assets.

A maximum of 10% of the Subfund's assets may be corporate bonds.

The duration of the sub-portfolio „Interest Bearing Investments“ varies between two and eight years.

#### Equity

No more than 20% of the Subfund's assets will be invested in shares and other equity securities („Equity“) which are predominantly traded on regulated markets in Europe, North America or Japan.

Es kann in Aktien von Emittenten jeglicher Kapitalisierung und jeglicher Wirtschaftszweige investiert werden.

**Sonstige Anlagevorschriften**

Zusätzliche flüssige Mittel können bis zu 20% des Gesamtvermögens des Subfonds betragen. Diese zusätzlichen flüssigen Mittel beschränken sich auf Sichteinlagen, wie z.B. Barmittel, die auf den laufenden Bankkonten des Subfonds gehalten werden und jederzeit verfügbar sind. Die 20%-Grenze darf nur dann vorübergehend für einen unbedingt notwendigen Zeitraum überschritten werden, wenn die Umstände dies aufgrund außergewöhnlich ungünstiger Marktbedingungen erfordern (z.B. Kriege, Terroranschläge, Gesundheitskrisen oder andere ähnliche Ereignisse) und wenn eine solche Überschreitung unter Berücksichtigung der besten Interessen der Anleger gerechtfertigt ist.

Der Subfonds kann zu Liquiditätszwecken in flüssige Mittel investieren, d.h. in Geldmarktinstrumente gemäß der Definition in Abschnitt 5 des Allgemeinen Teils sowie Geldmarktfonds und täglich rückzahlbare Einlagen..

**Fondswährung und Anlagewährungen**

Der Subfonds lautet auf Euro (EUR). Die Anlagen können auf EUR oder auf andere Währungen lauten. Fremdwährungsrisiken können ganz oder teilweise mittels Devisentermingeschäften oder Devisenoptionen gegenüber dem EUR abgesichert werden. Ein Wertverlust aufgrund von Währungskurs-schwankungen kann nicht ausgeschlossen werden.

Mindestens 50% der Anlagen des Subfonds müssen auf EUR lauten.

**2.2 Anlageziele und Anlagepolitik des ETICA ESG DYNAMIC ALLOCATION**

Der Subfonds ist ein Mischfonds, der eine moderate Erhöhung des investierten Kapitals nach sozialen und ökologischen Grundsätzen, mit einem mittel- bis langfristigen Zeithorizont und einem mittleren bis erhöhtem Risiko anstrebt.

Zu diesem Zwecke können für den Subfonds im Rahmen der Anlagegrenzen des Allgemeinen Teils dieses Prospekts folgende Anlagen getätigt werden.

**Aktien**

Bis zu 70% des Vermögens des Subfonds werden in Aktien oder andere Beteiligungspapiere („Aktien“) investiert, die überwiegend an regulierten Märkten Europas, Nordamerikas oder Japans gehandelt werden.

Investments may be made in Equity of issuers of any level of capitalisation and any from any economic sectors.

**Other Investment Rules**

Ancillary liquid assets may amount to up to 20% of the total assets of the Subfund. Such ancillary liquid assets shall be limited to bank deposits at sight, such as cash held in the Subfund’s current bank accounts and accessible at any time. The 20% limit may only be breached temporarily for a period of time strictly necessary when, because of exceptionally unfavorable market conditions, circumstances so require (circumstances such as wars, terrorist attacks, health crises or other similar events) and where such breach is justified having regard to the best interests of the investors.

The Subfund can invest for treasury purposes in liquid assets, meaning money market instruments as defined in section 5 of the General Part as well as money market funds and deposits repayable on demand.

**Fund Currency and Investment Currencies**

The Subfund is denominated in Euro (EUR). The currency of investment may be EUR or other currencies. Foreign currency risks may be fully or partially hedged against the EUR by using currency forwards or currency options. A depreciation caused by exchange-rate fluctuations cannot be ruled out.

At least 50% of the Subfund’s investments must be denominated in EUR.

**2.2 Investment Objective and Policy of the ETICA ESG DYNAMIC ALLOCATION**

The Subfund is a balanced fund that aims to achieve a moderate increase in the capital invested in accordance with social and environmental principles, with a medium to long term time horizon and a medium to high level of risk.

To this end, the following investments may be made for the subfund within the limits of the investment limits in the General Part of this Prospectus.

**Equity**

Up to 70% of the Subfund’s assets will be invested in shares and other equity securities (“Equity“) which are predominantly traded on regulated markets in Europe, North America or Japan.



Es kann in Aktien von Emittenten jeglicher Kapitalisierung und jeglicher Wirtschaftszweige investiert werden.

#### **Verzinsliche Anlagen**

Mindestens 30% des Vermögens des Subfonds wird in fest oder variabel verzinsliche Wertpapiere („Anleihen“) und Geldmarktinstrumente investiert, die überwiegend gemäss mindestens einer anerkannten in der EU domizilierten Rating-Agentur der Kreditqualität „Investment Grade“ entsprechen müssen und überwiegend an regulierten Märkte in der Eurozone gehandelt werden.

Die Anlage in Geldmarktinstrumente ist auf 20% des Vermögens des Subfonds beschränkt.

Maximal 10% der Anlagen des Subfonds können Unternehmensanleihen sein.

Die Restlaufzeit des Teilportfolios „Verzinsliche Anlagen“ variiert zwischen drei und neun Jahren.

#### **Sonstige Anlagevorschriften**

Zusätzliche flüssige Mittel können bis zu 20% des Gesamtvermögens des Subfonds betragen. Diese zusätzlichen flüssigen Mittel beschränken sich auf Sichteinlagen, wie z.B. Barmittel, die auf den laufenden Bankkonten des Subfonds gehalten werden und jederzeit verfügbar sind. Die 20%-Grenze darf nur dann vorübergehend für einen unbedingt notwendigen Zeitraum überschritten werden, wenn die Umstände dies aufgrund außergewöhnlich ungünstiger Marktbedingungen erfordern (z.B. Kriege, Terroranschläge, Gesundheitskrisen oder andere ähnliche Ereignisse) und wenn eine solche Überschreitung unter Berücksichtigung der besten Interessen der Anleger gerechtfertigt ist.

Der Subfonds kann zu Liquiditätszwecken in flüssige Mittel investieren, d.h. in Geldmarktinstrumente gemäß der Definition in Abschnitt 5 des Allgemeinen Teils sowie Geldmarktfonds und täglich rückzahlbare Einlagen.

#### **Fondswährung und Anlagewährungen**

Der Subfonds lautet auf Euro (EUR). Die Anlagen können auf EUR oder auf andere Währungen lauten. Fremdwährungsrisiken können ganz oder teilweise mittels Devisentermingeschäften oder Devisenoptionen gegenüber dem EUR abgesichert werden. Ein Wertverlust aufgrund von Währungskurs-schwankungen kann nicht ausgeschlossen werden.

Bis zu 100% der Anlagen des Subfonds können auf andere Währungen als auf EUR lauten.

Investments may be made in Equity of issuers of any level of capitalisation and any from any economic sectors.

#### **Interest Bearing Investments**

At least 30% of the Subfund's assets will be invested in fixed-interest or floating-rate securities (“Bonds”) and money market instruments which predominantly must have an “Investment Grade” credit quality, according to at least one recognised credit rating agency domiciled in the EU, and which are predominantly traded on regulated markets in the Eurozone.

The investment in money market instruments is limited to 20% of the Subfund's assets.

A maximum of 10% of the Subfund's assets may be corporate bonds.

The duration of the sub-portfolio “Interest Bearing Investments” varies between three and nine years.

#### **Other Investment Rules**

Ancillary liquid assets may amount to up to 20% of the total assets of the Subfund. Such ancillary liquid assets shall be limited to bank deposits at sight, such as cash held in the Subfund's current bank accounts and accessible at any time. The 20% limit may only be breached temporarily for a period of time strictly necessary when, because of exceptionally unfavorable market conditions, circumstances so require (circumstances such as wars, terrorist attacks, health crises or other similar events) and where such breach is justified having regard to the best interests of the investors.

The Subfund can invest for treasury purposes in liquid assets, meaning money market instruments as defined in section 5 of the General Part as well as money market funds and deposits repayable on demand.

#### **Fund Currency and Investment Currencies**

The Subfund is denominated in Euro (EUR). The currency of investment may be EUR or other currencies. Foreign currency risks may be fully or partially hedged against the EUR by using currency forwards or currency options. A depreciation caused by exchange-rate fluctuations cannot be ruled out.

Up to 100% of the Subfund's investments may be denominated in other currencies than EUR.

### **2.3 Anlageziele und Anlagepolitik des ETICA ESG GLOBAL EQUITY**

Der Subfonds ist ein Aktienfonds, der eine wesentliche Erhöhung des investierten Kapitals nach sozialen und ökologischen Grundsätzen, mit einem langfristigen Zeithorizont und einem erhöhtem Risiko anstrebt.

Zu diesem Zwecke können für den Subfonds im Rahmen der Anlagegrenzen des Allgemeinen Teils dieses Prospekts folgende Anlagen getätigt werden.

#### **Aktien**

Mindestens 70% des Vermögens des Subfonds werden in Aktien oder andere Beteiligungspapiere („Aktien“) investiert, die überwiegend an regulierten Märkten Europas, Nordamerikas und der Pazifikregion (inklusive Japan) gehandelt werden.

Es kann in Aktien von Emittenten jeglicher Kapitalisierung und jeglicher Wirtschaftszweige investiert werden.

#### **Verzinsliche Anlagen**

Höchstens 30% des Vermögens des Subfonds können in fest oder variabel verzinsliche Wertpapiere („Anleihen“) und Geldmarktinstrumente investiert werden, die überwiegend gemäss mindestens einer anerkannten in der EU domizilierten Rating-Agentur der Kreditqualität „Investment Grade“ entsprechen müssen.

#### **Sonstige Anlagevorschriften**

Zusätzliche flüssige Mittel können bis zu 20% des Gesamtvermögens des Subfonds betragen. Diese zusätzlichen flüssigen Mittel beschränken sich auf Sichteinlagen, wie z.B. Barmittel, die auf den laufenden Bankkonten des Subfonds gehalten werden und jederzeit verfügbar sind. Die 20%-Grenze darf nur dann vorübergehend für einen unbedingt notwendigen Zeitraum überschritten werden, wenn die Umstände dies aufgrund außergewöhnlich ungünstiger Marktbedingungen erfordern (z.B. Kriege, Terroranschläge, Gesundheitskrisen oder andere ähnliche Ereignisse) und wenn eine solche Überschreitung unter Berücksichtigung der besten Interessen der Anleger gerechtfertigt ist.

Der Subfonds kann zu Liquiditätszwecken in flüssige Mittel investieren, d.h. in Geldmarktinstrumente gemäß der Definition in Abschnitt 5 des Allgemeinen Teils sowie Geldmarktfonds und täglich rückzahlbare Einlagen.

#### **Fondswährung und Anlagewährungen**

Der Subfonds lautet auf Euro (EUR). Die Anlagen können auf EUR oder auf andere Währungen lauten. Fremdwährungsrisiken können ganz oder teilweise

### **2.3 Investment Objective and Policy of the ETICA ESG GLOBAL EQUITY**

The Subfund is an equity fund that aims to achieve a significant increase in the capital invested in accordance with social and environmental principles, with a long term time horizon and a high level of risk.

To this end, the following investments may be made for the subfund within the limits of the investment limits in the General Part of this Prospectus.

#### **Equity**

At least 70% of the Subfund's assets will be invested in shares and other equity securities ("Equity") which are predominantly traded on regulated markets in Europe, North America and the Pacific Region (inclusive Japan).

Investments may be made in Equity of issuers of any level of capitalisation and any from any economic sectors.

#### **Interest Bearing Investments**

At maximum 30% of the Subfund's assets may be invested in fixed-interest or floating-rate securities ("Bonds") and money market instruments which predominantly must have an "Investment Grade" credit quality, according to at least one recognised credit rating agency domiciled in the EU.

#### **Other Investment Rules**

Ancillary liquid assets may amount to up to 20% of the total assets of the Subfund. Such ancillary liquid assets shall be limited to bank deposits at sight, such as cash held in the Subfund's current bank accounts and accessible at any time. The 20% limit may only be breached temporarily for a period of time strictly necessary when, because of exceptionally unfavorable market conditions, circumstances so require (circumstances such as wars, terrorist attacks, health crises or other similar events) and where such breach is justified having regard to the best interests of the investors.

The Subfund can invest for treasury purposes in liquid assets, meaning money market instruments as defined in section 5 of the General Part as well as money market funds and deposits repayable on demand.

#### **Fund Currency and Investment Currencies**

The Subfund is denominated in Euro (EUR). The currency of investment may be EUR or other currencies. Foreign currency risks may be fully or partially hedged

mittels Devisentermingeschäften oder Devisenoptionen gegenüber dem EUR abgesichert werden. Ein Wertverlust aufgrund von Währungskurs-schwankungen kann nicht ausgeschlossen werden.

Bis zu 100% der Anlagen des Subfonds können auf andere Währungen als auf EUR lauten.

## 2.4 Gemeinsame Bestimmungen

### Soziale Verantwortung

Der Anlageverwalter wird das Vermögen der Subfonds in Finanzinstrumenten von Emittenten anlegen, die nach Ansicht des Anlageverwalters zum Zeitpunkt der Anlage ein ausgezeichnetes Profil im Hinblick auf soziale und ökologische Verantwortung aufweisen.

Ziffer 2.5 unten enthält eine detailliertere Beschreibung der Merkmale der sozialen Verantwortung der Subfonds.

**Darüber hinaus sind weitere Angaben in Bezug auf die von den Subfonds geförderten ökologischen und sozialen Kriterien in dem jeweiligen Anhang zu diesem Besonderen Teil K aufgeführt.**

### Zielfonds

Anlagen der ETICA FUNDS können auch indirekt mittels Aktien und/oder Anteilen anderer offener OGAW und/oder OGA (Zielfonds) erfolgen, jedoch höchstens im Umfang von maximal 10% des Vermögens des jeweiligen Subfonds.

### Emerging Markets Anlagen

Anlagen von Emittenten aus sog. Emerging Market-Ländern und/oder in Währungen von Emerging Market-Ländern können nur für maximal 10% des Vermögens des Subfonds erworben werden.

### Derivate

Derivative Finanzinstrumente (Derivate), insbesondere Forwards, Futures und Optionen, werden ausschliesslich zur effektiven Portfolioverwaltung und/oder zu Absicherungszwecken eingesetzt.

### Keine Wertpapierfinanzierungsgeschäfte

Für die Subfonds werden keine Wertpapierleihgeschäfte, keine Wertpapier-Pensionsgeschäfte und keine Anlagen in *Total Return Swaps* oder *Contracts for Difference (CFDs)* getätigt.

against the EUR by using currency forwards or currency options. A depreciation caused by exchange-rate fluctuations cannot be ruled out.

Up to 100% of the Subfund's investments may be denominated in other currencies than EUR.

## 2.4 Common Provisions

### Social Responsibility

The Investment Manager undertakes to invest the Subfunds' assets in financial instruments from issuers which the Investment Manager deems, at the time of investment, to have an excellent profile in terms of social and environmental responsibility.

Section 2.5 below contains a more detailed description of the social responsibility characteristics of the Subfunds.

**In addition, further details in relation to the environmental and social characteristics promoted by the Subfunds are set out in the respective Annex to this Special Part K.**

### Target Funds

Investments by the ETICA FUNDS may also be made indirectly by shares and/or units of other open ended UCITS and/or UCI (target funds), however, at the maximum up to 10% of the assets of the respective Subfund.

### Emerging Market Investments

Investments of issuers from emerging market countries and/or in currencies of emerging market countries may only be acquired for a maximum of 10% of the Subfund's assets.

### Derivatives

Derivative financial instruments (Derivatives), particularly forwards, futures and options, will exclusively be deployed for effective portfolio management and/or for hedging purposes.

### No Securities Financing Transactions

No securities lending transactions, securities repurchase agreements or investments in total return swaps or contracts for difference (CFDs) are made for the Subfunds.

## 2.5 Merkmale der sozialen Verantwortung der Subfonds

Der Anlageverwalter wird das Vermögen der Subfonds in Finanzinstrumenten von Emittenten (Unternehmen und Regierungen) anlegen, die zum Zeitpunkt der Anlage ein ausgezeichnetes Profil der Verantwortung für Umwelt, Soziales und Governance aufweisen. Um die Sozialverantwortungsprofil zu bestimmen, kann der Anlageverwalter auf Informationen von spezialisierten Unternehmen und interne Analysen zurückgreifen.

### Ethische Kriterien für die Auswahl von Gesellschaften

Bezüglich der von Unternehmen ausgegebenen Finanzinstrumenten, seien es Aktien oder Anleihen, wird der Grad der Beteiligung der Emittenten an bestimmten umstrittenen Sektoren oder Praktiken sorgfältig bewertet. Dazu gehören: nichtmedizinische Tierversuche, Rüstungsindustrie, Glücksspiel, Gentechnik, Management von Kernkraftwerken, Produktion von Pestiziden und Tabak. Die Beurteilung erfolgt dann durch eine Analyse der Massnahmen des Emittenten in den folgenden Bereichen:

**Umwelt:** z.B. Trends der wichtigsten Leistungsindikatoren in Bezug auf Abfallwirtschaft, Energieverbrauch und CO<sub>2</sub>-Emissionen, Verpflichtung zur Verringerung des Wasserverbrauchs und der Umweltauswirkungen im Zusammenhang mit der Verwendung und Entsorgung von Produkten und/oder Dienstleistungen, Umweltstrategie und Ökodesign; Verfahren und Massnahmen zur Gewährleistung eines soliden Umweltmanagements;

**Governance:** z.B. die Präsenz unabhängiger Direktoren und Frauen im Verwaltungsrat, Transparenz bei der Vergütung von Führungskräften, die Aufmerksamkeit, die der Verwaltungsrat sozialen und ökologischen Fragen widmet, Richtlinien zur Unterstützung der Korruptionsprävention, CSR-Risiken, die von der Revision und der internen Kontrolle des Unternehmens analysiert werden;

**Sozial:** z.B. Gesundheit und Sicherheit am Arbeitsplatz, Massnahmen zur Unterstützung (i) von Nichtdiskriminierung und Förderung der Vielfalt am Arbeitsplatz, (ii) des Aufbaus verantwortungsvoller vertraglicher Beziehungen zu Kunden, (iii) der Einbeziehung sozialer Faktoren in das Supply Chain Management, verantwortungsvolles Management von Umstrukturierungen;

### Ethische Kriterien für die Auswahl von Regierungen

In Bezug auf Anleihen, die von Regierungen ausgegeben oder garantiert werden, sind Länder, die die

## 2.5 Social Responsibility Characteristics of the Subfonds

The Investment Manager undertakes to the Subfonds' assets in financial instruments from issuers (companies and governments) which, at the time of investment, have an excellent profile of environmental, social and governance responsibility. To determine the level of responsibility of issuers, the Investment Manager may make use of information provided by specialized companies and internal analysis.

### Ethical Criteria for Selecting Companies

Relative to financial instruments issued by companies, whether equity or bonds, the level of involvement the issuers have in certain controversial sectors or practices is carefully evaluated. These include: non-medical testing on animals, the arms industry, gambling, genetic engineering, management of nuclear power plants, production of pesticides and tobacco. Assessment is then done by analyzing the issuer's actions in the following areas:

**Environment:** e.g. trends of key performance indicators related to waste management, energy consumption and CO<sub>2</sub> emissions, commitment to reduce water consumption and the environmental impacts related to the use and disposal of products and/or services, environmental strategy and eco-design; processes and measures put in place to ensure sound environmental management;

**Governance:** e.g. the presence of independent directors and of women on the Board, transparency in remuneration of managers, the attention the Board pays to social and environmental issues, policies in support of the prevention of corruption, CSR risks analysed by the Audit and Internal Control functions of the company;

**Social:** e.g. workplace health and safety, policies in support of (i) non-discrimination and promotion of diversity in the workplace, (ii) the establishment of responsible contractual relations with customers, (iii) integrating social factors into supply chain management; responsible management of restructurings;

### Ethical Criteria for Selecting Governments

Relative to bonds issued or guaranteed by governments, countries that apply the death penalty, or are considered

Todesstrafe anwenden oder nur als "teilweise frei" oder "nicht frei" aufgrund von Bürgerrechten, Pressefreiheit und politischen Rechten gelten, ausgeschlossen. The Analysemethode berücksichtigt sodann die folgenden Bereiche;

**Umwelt:** z.B. Teilnahme an internationalen Umweltübereinkommen, Waldfläche (% der Landfläche), CO2-Emissionen (kg pro X USD des BIP), Menge an Siedlungsabfällen, Einsatz von Düngemitteln, Schutz der marinen Biodiversität;

**Sozial:** z.B. wirtschaftlicher Ungleichheitsindex, Arbeitslosenquote, öffentliche Ausgaben für Gesundheit und Bildung, Kindersterblichkeit, Auswirkungen der Geschlechterdiversität auf die Wirtschaft eines Landes;

**Governance:** z.B. Teilnahme an internationalen Übereinkommen zur Verhütung von Diskriminierung, zum Schutz der Menschenrechte und der Arbeitnehmerrechte, politische Beteiligung, Regulierungsqualität, wahrgenommene Korruption.

only "partially free" or "not free" based on civil rights, press freedom and political rights are excluded. The analysis methodology then considers the following areas;

**Environment:** e.g. participation in international environmental conventions, forest area (% of land area), CO2 emissions (kg per X USD of GDP), amount of municipal waste, use of fertilizers, protection of marine biodiversity;

**Social:** e.g. economic inequality index, unemployment rate, public spending on health and education, infant mortality, impact of gender diversity on a country's economy;

**Governance:** e.g. participation in international conventions on the prevention of discrimination, for human rights protection and on labour rights, political participation level, regulatory quality, perceived corruption.

## 2.6 Weitere Offenlegungen zu Nachhaltigkeit

Im Anschluss an die Verordnung (EU) 2019/2088 des Europäischen Parlaments und des Rates vom 27. November 2019 über nachhaltigkeitsbezogene Offenlegungspflichten im Finanzdienstleistungssektor müssen bestimmte zusätzliche Angaben in Bezug auf die von den Subfonds geförderten ökologischen und/oder sozialen Merkmale gemacht werden, welche in Abschnitt 2.5 oben dargelegt sind.

Bei der Identifizierung von Anlagen, die es den Subfonds ermöglichen, ökologische oder soziale Merkmale zu fördern, wendet der Anlageverwalter die folgenden Strategien an:

- negatives Screening, das darauf abzielt, alle Emittenten auszuschließen, die die vom Anlageverwalter festgelegten internen ESG-Kriterien nicht erfüllen;
- positives Screening, bei dem ein ESG-Gesamtscore für jeden Emittenten ermittelt wird und das darauf abzielt, die Emittenten mit dem besten ESG-Profil innerhalb ihres Sektors nach einem "Best-in-Class"-Ansatz auszuwählen. Die Emittenten, die das negative Screening bestehen, werden anhand spezifischer und mehrerer ESG-Kriterien analysiert, und nur solche Emittenten mit der höchsten ESG-Bewertung werden als Teil des Portfolios der Subfonds ausgewählt.

## 2.6 Further disclosures on sustainability

Further to the 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, certain additional disclosures must be made with respect to the environmental and/or social characteristics promoted by the Subfunds which are set out in section 2.5 above.

In identifying investments which allow the Subfunds to promote environmental or social characteristics, the Investment Manager adopts the following strategies:

- negative screening, aimed at excluding all issuers that do not fulfil the internal ESG criteria set by the Investment Manager;
- positive screening, which determines an overall ESG score for each issuer and which is aimed at selecting the issuers with the best ESG profile within their sector according to a "best-in-class" approach. The issuers that pass the negative screening are analysed against specific and several ESG criteria and only such issuers with the highest ESG score are selected as part of the Subfunds' portfolio.

Die Analyse wird um spezifische Erkenntnisse ergänzt, die die Gegebenheiten im Zusammenhang mit aktuellen Ereignissen und weitere Informationen über die Dialogaktivitäten mit den Emittenten oder den Grad des Reputationsrisikos bei ESG-Themen berücksichtigen.

Schließlich wird die Bewertung potenzieller Emittenten durch eine spezifische Nachhaltigkeitsrisikokennzahl ergänzt, die in die Analyse integriert wird.

In Bezug auf **staatliche Emittenten** werden ein negatives und ein positives Screening angewandt, wobei eine Eintrittsschwelle festgelegt wird, ab der nur solche Emittenten mit dem höchsten ESG-Score ausgewählt werden.

Die Emittenten werden auf der Grundlage von Informationen wie der Art der ausgeübten Tätigkeit, ihrer Anteilseigner und möglicher ESG-Kontroversen analysiert.

Die Auswahl der Emittenten erfolgt auf der Grundlage von Daten und Informationen, die von Unternehmen zur Verfügung gestellt werden, die auf die Analyse der Nachhaltigkeit von Emittenten spezialisiert sind, gemäß einer proprietären Methodik, die durch die international eingetragene Marke ESG eticApproach® repräsentiert wird.

Der Anlageverwalter bewertet auch die Governance-Praktiken der Emittenten durch spezifische Indikatoren, die beim Negativ- und Positiv-Screening von Emittenten verwendet werden, sowie durch Abstimmungen in Aktionärsversammlungen und den laufenden Dialog mit Emittenten, um sich zu vergewissern, dass die jeweiligen Emittenten gute Governance-Praktiken anwenden, insbesondere im Hinblick auf solide Managementstrukturen, Mitarbeiterbeziehungen, Vergütung der Mitarbeiter und Steuerkonformität.

Der Anlageverwalter überwacht die Einhaltung der oben im Abschnitt 2.5 genannten sozialen und/oder ökologischen Merkmale regelmäßig durch Der Anlageverwalter überwacht die Einhaltung der in Abschnitt 2.5 oben beschriebenen sozialen und/oder ökologischen Merkmale regelmäßig durch die regelmäßige Neubewertung der zulässigen Anlageuniversen für die Subfonds (die "Zulässigen Universen"): Bei der Aktualisierung der Zulässigen Universen wird der Analyseprozess, der hauptsächlich auf Ausschlussindikatoren, Bewertungsindikatoren, der Zuweisung eines ESG-Scores und der Anwendung der "Best-in-Class"-Strategie basiert, vollständig überarbeitet. Die Daten zu jedem Emittenten werden daher im Lichte der von den analysierten Unternehmen oder Regierungen verzeichneten Verbesserungen oder Verschlechterungen aktualisiert, die somit bestimmen,

Specific insights are added to the analysis, taking into account the contingencies related to current events and further information concerning the dialogue activities with the issuers or the level of reputational risk on ESG issues.

Finally, the assessment of potential issuers is complemented by a specific sustainability risk measure that is integrated in the analysis.

In relation to **government issuers**, negative screening and positive screening are applied, establishing an entry threshold for selecting only such issuers with the highest ESG Score.

Agencies are analysed on the basis of information such as the type of activity carried out, their shareholders and possible ESG controversies.

The selection of the issuers is carried out on the basis of data and information provided by companies specialized in the analysis of issuers' sustainability, according to a proprietary methodology, represented by the internationally registered trademark ESG eticApproach®.

The Investment Manager also assesses the governance practices of issuers through specific indicators used in issuers negative and positive screening and through voting in shareholders' meetings and ongoing dialogue with issuers in order to satisfy itself that the relevant issuers follow good governance practices, among which sound management structures, employee relations, remuneration of staff and tax compliance.

The Investment Manager monitors compliance with the social and/or environmental characteristics outlined in section 2.5 above on a regular basis through the periodical revaluation of the eligible investment universes for the Subfonds (the "Eligible Universes"): when updating the Eligible Universes, the analysis process which is based mainly on exclusion indicators, evaluation indicators, assignment of an ESG score and application of the "best in class" strategy, is entirely revised. The data related to each issuer, therefore, are updated in the light of the improvements or worsening recorded by the analysed companies or governments which thus determine whether the relevant issuers shall remain or not in the Eligible Universe.

ob die betreffenden Emittenten im Geeigneten Universum bleiben oder nicht.

Die Anlagetätigkeit der Subfonds ist ausschließlich in Bezug auf die Emittenten, die zu den Zulässigen Universen gehören, zulässig: Jede andere Anlage ist nicht zulässig.

Die regelmäßige Überwachung der von den Subfonds geförderten sozialen und/oder ökologischen Merkmale wird auch durch regelmäßige Dialogaktivitäten mit den jeweiligen Emittenten sichergestellt.

Die im Analyseprozess verwendeten Nachhaltigkeitsindikatoren werden regelmäßig aktualisiert und auf der Website des Anlageverwalters in ihrer neuesten, von seinem Verwaltungsrat auf Vorschlag seines Ethikausschusses genehmigten Fassung veröffentlicht.

### 3. Risikohinweise

Die Gesellschaft ist bemüht, die Anlageziele der Subfonds zu erreichen. Es kann jedoch keine Garantie abgegeben werden, dass die Anlageziele tatsächlich erreicht werden. Folglich kann der Nettoinventarwert der Anteile grösser oder kleiner werden, und es können unterschiedlich hohe positive bzw. auch negative Erträge anfallen.

#### Hinweise betreffend Nachhaltigkeitsrisiken

Der Marktwert der zugrunde liegenden Anlagen der Subfonds unterliegt Nachhaltigkeitsrisiken, wie im Abschnitt 7 "Nachhaltigkeit" des Allgemeinen Teils des Prospekts beschrieben. Die Subfonds gelten als anfällig für:

- ETICA ESG CONSERVATIVE ALLOCATION: geringes Nachhaltigkeitsrisiko
- ETICA ESG DYNAMIC ALLOCATION: mittleres Nachhaltigkeitsrisiko
- ETICA ESG GLOBAL EQUITY: hohes Nachhaltigkeitsrisiko

Die Subfonds setzen eine breite Auswahl an verschiedenen Instrumenten und Techniken ein, um ihr Anlageziel zu erreichen. Die Nachhaltigkeitsrisiken werden je nach Zusammensetzung des Portfolios von Zeit zu Zeit variieren.

Der Anlageverwalter integriert und verwaltet Nachhaltigkeitsrisiken, indem er ein unternehmenseigenes ESG-Risikomessinstrument verwendet, das auf dem Konzept der Entropie beruht, die Metrik ESG-Risiko ("R\_ESG"): Da Entropie ein Maß

The investment activities of the Subfonds are permitted exclusively with respect to the issuers belonging to the Eligible Universes: any other investment is not permitted.

The regular monitoring of the social and/or environmental characteristics promoted by the Subfonds is also ensured through regular dialogue activities with the relevant issuers.

The sustainability indicators used in the analysis process are periodically updated and published on the Investment Manager's website in their latest version approved by its board of directors on the proposal of its Ethics Committee.

### 3. Risk Disclosure

The Company endeavours to achieve the investment objectives of the Company in respect of the Subfonds. However, no guarantee can be given that the investment objectives will actually be achieved. Hence the net asset value of the Shares may increase or decrease, and different levels of positive as well as negative income may be earned.

#### Information on Sustainability risks

The market value of underlying investments of the Subfonds are subject to sustainability risks as described in the section 7 "Sustainability" of the General Part of the Prospectus. The Subfonds are considered to be subject to:

- ETICA ESG CONSERVATIVE ALLOCATION: low sustainability risk
- ETICA ESG DYNAMIC ALLOCATION: medium sustainability risk
- ETICA ESG GLOBAL EQUITY: high sustainability risk

The Subfonds employ a wide selection of different instruments and techniques in order to meet their investment objective. The sustainability risks will vary depending on the composition of the portfolio from time to time.

The Investment Manager integrates and manages sustainability risks by using a proprietary ESG risk measurement tool that relies on the concept of entropy, the metrics ESG Risk ("R\_ESG"): because entropy is a

für Unsicherheit ist, eignet sie sich gut zur Risikobewertung.

Für jeden der Subfonds repräsentiert R\_ESG die Unordnung und Zufälligkeit aufgrund der Konfigurationen des Portfolios in Risikoklassen, basierend auf dem proprietären ESG-Score der einzelnen Emittenten im Portfolio. Das Nachhaltigkeitsrisiko steigt, wenn ein Subfonds hauptsächlich in Klassen mit niedrigen Scores investiert und sinkt, wenn höhere Bereiche stärker vertreten sind.

Der Risikomanager des Anlageverwalters berechnet den R\_ESG auf monatlicher Basis, wobei die Ergebnisse jeden Monat in der Sitzung des Investment Committees des Anlageverwalters besprochen werden.

Der Anlageverwalter integriert Nachhaltigkeitsrisiken in seine Anlageentscheidungen in Bezug auf die Subfonds, indem er einen ESG-Filter in den Konstruktionsprozess des investierbaren Universums einbezieht: Basierend auf der Berechnung des oben zitierten R\_ESG für einen potenziellen Satz von Emittenten bestimmt der ESG-Filter, welche Firmen ausgeschlossen werden müssen, wenn ihr Beitrag zum gesamten R\_ESG über einem bestimmten vordefinierten Schwellenwert liegt.

Dieser Ansatz ermöglicht es, das Nachhaltigkeitsrisiko des Portfolios zu überwachen und im Allgemeinen ein stabiles Niveau der Nachhaltigkeitsrisiken beizubehalten, um die Anleger vor riskanten Sprüngen zu schützen.

Der Anlageverwalter bewertet die Auswirkungen von Nachhaltigkeitsrisiken auf die Renditen der Subfonds, indem er die um das ESG-Risiko bereinigten YTD-Performances berechnet: Die Year-to-date-Performance jedes Subfonds wird an sein durchschnittliches R\_ESG angepasst, um die Anfälligkeit des Subfonds für Nachhaltigkeitsrisiken gegenüber den realisierten Renditen zu bewerten.

Diese Ergebnisse werden monatlich in den Sitzungen des Investment Committees des Anlageverwalters besprochen.

Dieses Finanzprodukt fördert ökologische Merkmale. Daher muss gemäß Artikel 6 der Verordnung (EU) 2020/852 (die "**Taxonomie-Verordnung**") angegeben werden, dass der Grundsatz „Vermeidung erheblicher Beeinträchtigungen“ nur bei denjenigen dem Finanzprodukt zugrunde liegenden Investitionen Anwendung findet, die die EU-Kriterien für ökologisch nachhaltige Wirtschaftsaktivitäten berücksichtigen, und dass die dem verbleibenden Teil dieses Finanzprodukts zugrunde liegenden Investitionen die EU-Kriterien für ökologisch nachhaltige Wirtschaftsaktivitäten nicht berücksichtigen.

measure of uncertainty, it is well suited for risk assessment.

For each of the Subfunds, R\_ESG represents the disorder and randomness due to the portfolio's configurations in risk classes based on the proprietary ESG score of each issuer in the portfolio. Sustainability risk increases if a Subfund invests primarily in classes with low scores and decreases when higher ranges are more populated.

The Investment Manager's Risk manager calculates the R\_ESG on a monthly basis, the results of which are discussed every month at the Investment Manager's Investment Committee meeting.

The Investment Manager integrates sustainability risks into its investment decisions with respect to the Subfunds by including an ESG filter in the construction process of the investible universe: based on the calculation of the above quoted R\_ESG for a potential set of issuers, the ESG filter determines which firms have to be excluded if their contribution to the total R\_ESG is above a specific pre-defined threshold.

This approach allows to monitor the portfolio's sustainability risk and, generally speaking, to maintain a stable level of sustainability risks to protect investors against risky jumps.

The Investment Manager assesses the impacts of sustainability risks on the returns of the Subfunds by calculating the YTD ESG Risk adjusted performances: the year-to-date performance of each Subfund is adjusted to its average R\_ESG, in order to evaluate the Subfund's exposure to sustainability risks versus the realized returns.

These results are discussed on a monthly basis in the Investment Manager's Investment Committee meetings.

This financial product promotes environmental characteristics. As such, it is required as per Article 6 of the Regulation (EU) 2020/852 (the "**Taxonomy Regulation**") to state that 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.

It should however be noted that notwithstanding the above, this financial product does not take into account



Es wird jedoch darauf hingewiesen, dass dieses Finanzprodukt ungeachtet der Ausführungen oben die EU-Kriterien für ökologisch nachhaltige Wirtschaftstätigkeiten im Sinne der Taxonomie-Verordnung nicht berücksichtigt und die Anpassung des Portfolios an die Taxonomie-Verordnung nicht berechnet wird. Daher gilt für keine der Anlagen dieses Finanzprodukts der Grundsatz „Vermeidung erheblicher Beeinträchtigungen“.

#### 4. ANLEGERPROFIL

Jeder dieser Subfonds eignet sich für Investoren, die Erfahrung mit volatilen Anlagen haben, über solide Kenntnisse der Kapitalmärkte verfügen und die an der Entwicklung der Kapitalmärkte teilhaben wollen, um ihre spezifischen Anlageziele zu verfolgen.

In einem breit diversifizierten Gesamtportfolio kann jeder dieser Subfonds als Basisanlage eingesetzt werden.

##### ETICA ESG CONSERVATIVE ALLOCATION

Der Subfonds richtet sich an Anleger mit einem mittelfristigen Anlagehorizont und einer mittleren Risikobereitschaft.

Investoren haben mit Wertschwankungen zu rechnen, die temporär auch zu erhöhten Wertverlusten führen können.

##### ETICA ESG DYNAMIC ALLOCATION

Der Subfonds richtet sich an Anleger mit einem mittel- bis langfristigen Anlagehorizont und einer mittleren bis hohen Risikobereitschaft.

Investoren haben mit Wertschwankungen zu rechnen, die temporär auch zu hohen Wertverlusten führen können.

##### ETICA ESG GLOBAL EQUITY

Der Subfonds richtet sich an Anleger mit einem langfristigen Zeithorizont und einer hohen Risikobereitschaft.

Investoren haben mit Wertschwankungen zu rechnen, die temporär auch zu sehr hohen Wertverlusten führen können.

#### 5. Anlageverwalter

##### Anlageverwalter

**ETICA SGR S.p.A.**, Via Napo Torriani 29, I-20124 Mailand (die „Anlageverwalterin“)

Die Anlagenverwalter wurde 2000 als Aktiengesellschaft italienischen Rechts gegründet. Sie hält seit 2002 eine Lizenz der *Banca d'Italia* als *Società di Gestione del*

the EU criteria for environmentally sustainable economic activities within the meaning of the Taxonomy Regulation and its portfolio alignment with such Taxonomy Regulation is not calculated. Therefore, the “do not significant harm” principle does not apply to any of the investments of this financial product.

#### 4. INVESTOR PROFILE

Each of these Subfunds is suitable for investors who have experience with volatile investments, have sound knowledge of the capital markets and wish to participate in the performance of the capital markets so as to pursue their specific investment objectives.

In a broadly diversified overall portfolio, each of these Subfunds may be used as a basic investment.

##### ETICA ESG CONSERVATIVE ALLOCATION

The Subfund is intended for investors who invest with a medium-term investment horizon with a medium level risk appetite.

Investors must expect fluctuations in the value of the investment, which may temporarily even lead to substantial loss of value.

##### ETICA ESG DYNAMIC ALLOCATION

The Subfund is intended for investors who invest with a medium to long term investment horizon and with a medium to high level risk appetite.

Investors must expect fluctuations in the value of the investments, which may temporarily even lead to high losses in value.

##### ETICA ESG GLOBAL EQUITY

The Subfund is intended for investors who invest with a long term time horizon and a with a high level of risk appetite.

Investors must expect fluctuations in the value of the investments, which may temporarily even lead to very high losses in value.

#### 5. Investment Manager

##### Investment Manager

**ETICA SGR S.p.A.**, Via Napo Torriani 29, I-20124 Milan (the “Investment Manager”)

The Investment Manager was established in 2000 as a public limited company under Italian law. Since 2002, it holds a license from the *Banca d'Italia* as a *Società di*

*Risparmio* (SGR) und ist unter der Nummer 32 im Register der SGR der *Banca d'Italia* eingetragen. Ihre Aktivitäten umfassen die Vermögensverwaltung für italienische und ausländische OGAW bzw. OGA. Die ETICA SGR untersteht der Leitung und Koordination der Banca Popolare Etica, der Muttergesellschaft der Banca Etica Gruppe.

Die Anlagerverwalterin hat folgende Untereinlageverwalterin ernannt, welche sie bei ihrer Tätigkeit unterstützt und mit den Aufgaben der Titelauswahl und der Ausführung betraut ist:

**ANIMA SGR S.p.A.**, Corso Garibaldi, 99, I-20121 Mailand (der „**Untereinlageverwalter**“)

Die Untereinlagenverwalterin wurde 1984 als Aktiengesellschaft italienischen Rechts gegründet. Sie hält seit 1998 eine Lizenz der *Banca d'Italia* als *Società di Gestione del Risparmio* (SGR) und ist unter der Nummer 8 im Register der SGR der *Banca d'Italia* eingetragen. Ihre Aktivitäten umfassen die Vermögensverwaltung für italienische und ausländische OGAW bzw. OGA. Die ANIMA SGR untersteht der Leitung und Koordination ihrer einzigen Aktionärin, der ANIMA HOLDING S.p.A..

Die Anlageverwalterin und die Untereinlageverwalterin sind unter Berücksichtigung der Anlageziele, -politik und -grenzen der Gesellschaft bzw. der Subfonds und unter der ultimativen Kontrolle der Verwaltungsgesellschaft bzw. des Verwaltungsrats oder der/den von der Verwaltungsgesellschaft bestellten Kontrollstelle/n berechtigt, für den Subfonds unmittelbar Anlagen zu tätigen.

## 6. Beschreibung der Anteile

Nach dem Erstausgabedatum kann die Gesellschaft Anteile der Subfonds in folgenden Kategorien ausgeben:

- B-Anteile: thesaurierend;
- Bg-Anteile: thesaurierend, mit freiwilliger Zuwendung, wie nachfolgend definiert;
- C-Anteile: thesaurierend, für „institutionelle Investoren“, wie nachfolgend definiert;
- Cg-Anteile: thesaurierend, für „institutionelle Investoren“ und mit freiwilliger Zuwendung, beides wie nachfolgend definiert;
- S-Anteile: thesaurierend, für bestimmte „institutionelle Investoren“, wie nachfolgend definiert.

Es werden nur Anteile in Namensform ausgegeben.

*Gestione del Risparmio* (SGR) and is registered under number 32 in the Registry of SGR of the *Banca d'Italia*. Its activities comprise asset management services for Italian and foreign UCITS and UCI. ETICA SGR is subject to the direction and coordination of Banca Popolare Etica, parent company of the Banca Etica Group.

The Investment Manager has appointed the following sub-investment manager who supports the investment manager in its activities, with responsibilities for title selection and execution:

**ANIMA SGR S.p.A.**, Corso Garibaldi, 99, I-20121 Milan (the „**Sub-Investment Manager**“)

The Sub-Investment Manager was established in 1984 as a public limited company under Italian law. Since 1998, it holds a license from the *Banca d'Italia* as a *Società di Gestione del Risparmio* (SGR) and is registered under number 8 in the Registry of SGR of the *Banca d'Italia*. Its activities comprise asset management services for Italian and foreign UCITS and UCI. ANIMA SGR is subject to the direction and coordination of its single shareholder ANIMA HOLDING S.p.A..

The Investment Manager and the Sub-Investment Manager are authorised to make investments directly for the Subfund, taking into account the investment objectives, policy and limits of the Company or the Subfund, as applicable, and under the ultimate supervision of the Management Company or the Board of Directors or the auditor(s) appointed by the Management Company.

## 6. Description of Shares

After the initial issue date, the Company may issue Shares in the Subfunds in the following categories:

- B-Shares: accumulating;
- Bg-Shares: accumulating, with voluntary contribution, as described hereafter;
- C-Shares: accumulating, for “institutional investors”, as described hereafter;
- Cg-Shares: accumulating, for “institutional investors” and with voluntary contribution, both as described hereafter;
- S-Shares: accumulating, for determined “institutional investors”, as described hereafter.

Only registered Shares will be issued.

Die Gesellschaft kann Anteile sowohl in der Rechnungswährung (EUR) des jeweiligen Subfonds als auch in anderen Währungen anbieten. Die jeweils verfügbaren Anteilkategorien können bei der Hauptverwaltungsstelle bzw. bei den Informations- oder Vertriebsstellen erfragt werden.

**B- und Bg-Anteile** stehen allen Anlegern offen.

**C- und Cg-Anteile** dürfen nur durch „institutionelle Investoren“ im Sinne von Artikel 174 ff. des Gesetzes von 2010 erworben werden.

**Bg- und Cg-Anteile** sind so ausgestaltet, dass 0.1% der gezeichneten Beträge als freiwillige Zuwendung zur Bildung von Rückstellungen auf einem Spezialkonto beitragen, das bei der BANCA ETICA, Mailand, für Rechnung der ETICA SGR eröffnet wird und sowohl als Garantie für Mikrofinanzprojekte als auch zur finanziellen Unterstützung von Initiativen durch Crowdfunding-Tools verwendet wird.

Die mit der Mikrofinanzierung verbundenen Geschäfte werden von der BANCA ETICA oder von einer anderen von ihr benannten Stelle verwaltet. Projekte, die durch Crowdfunding unterstützt werden, werden von der BANCA ETICA oder von einer anderen von ihr benannten Stelle vorgeschlagen. Anleger werden über diese Projekte im Jahresbericht der Gesellschaft informiert.

**S-Anteile** werden nur an andere, in Italien domizilierte OGA ausgegeben, für welche die ETICA SGR, Mailand, als Verwaltungsgesellschaft fungiert.

## 7. Ausschüttungspolitik

Die Gesellschaft beabsichtigt derzeit nicht, für die ETICA FUNDS ausschüttende Anteile auszugeben.

## 8. Gebühren und Kosten

### Verwaltungsgebühr

Für die Verwaltung und die Beratung in Bezug auf das Wertpapierportfolio sowie für damit verbundene Verwaltungs- und Vertriebsleistungen wird auf der Basis des Nettoinventarwerts („NIW“) der Subfonds eine jährliche maximale Verwaltungsgebühr wie folgt zulasten der Subfonds erhoben:

ETICA ESG CONSERVATIVE ALLOCATION:

- B-/Bg-Anteile: max. 0.90% p.a.
- C/Cg-Anteile: max. 0.30% p.a.

The Company may issue Shares both in the accounting currency (EUR) of the respective Subfund as well as in other currencies. Details of the share categories available at any one time may be requested from the Central administration or the information agents or distributors.

**B- and Bg-Shares** are open to all investors.

**C- and Cg-Shares** may only be acquired by “institutional investors“ within the meaning of Article 174 ff. of the 2010 Law.

**Bg- and Cg-Shares** are designed in a way that 0.1% of the amounts subscribed will, as a voluntary donation, be accrued into a dedicated special account, opened in BANCA ETICA, Milan, on behalf of ETICA SGR, to be used both as a guarantee for microfinance projects and to provide financial support to initiatives through crowdfunding tools.

The operations connected to microfinance are managed by BANCA ETICA or by another entity identified by the latter. Projects supported through crowdfunding are proposed by BANCA ETICA or by another entity identified by the latter. Investors will be informed about these projects in the Company’s annual report.

**S-Shares** will be issued only to other UCI, domiciled in Italy, for which ETICA SGR S.p.A., Milan, acts as management company.

## 7. Dividend Policy

The Company does not intend, for the time being, to issue any distributing shares for the ETICA FUNDS.

## 8. Fees and Costs

### Management Fee

For management and advisory services relating to the securities portfolio as well as for associated administration and distribution services, a maximum annual management fee, calculated on the basis of the Subfunds’ net asset value (“NAV“), will be payable as follows by the Subfunds:

ETICA ESG CONSERVATIVE ALLOCATION:

- B-/Bg-Shares: max. 0.90% p.a.
- C/Cg-Shares: max. 0.30% p.a.

- S-Anteile: max. 0.00% p.a.

**ETICA ESG DYNAMIC ALLOCATION:**

- B-/Bg-Anteile: max. 1.55% p.a.
- C/Cg-Anteile: max. 0.65% p.a.
- S-Anteile: max. 0.00% p.a.

**ETICA ESG GLOBAL EQUITY:**

- B-/Bg-Anteile: max. 1.65% p.a.
- C/Cg-Anteile: max. 0.70% p.a.
- S-Anteile: max. 0.00% p.a.

**Dienstleistungsgebühr**

Die Entschädigung der Verwaltungsgesellschaft, der Depotbank, der Hauptverwaltungs- und Hauptzahlstelle und der Namensregister- und Umschreibungsstelle erfolgt separat zulasten jedes Subfonds und beträgt maximal 0.50% p.a. (Dienstleistungsgebühr). Ungeachtet dessen beträgt der Mindestbetrag der Dienstleistungsgebühr pro Subfonds jährlich maximal EUR 100'000, sofern die Verwaltungsgesellschaft nicht vollständig oder teilweise auf den Mindestbetrag verzichtet.

Die Gesellschaft zahlt ferner aus dem NIW der Subfonds die im Kapitel „Gebühren und Kosten“ des Allgemeinen Teils beschriebenen Kosten.

**Performance Fee**

Für die ETICA-FUNDS wird keine Performance Fee erhoben.

**9. Ausgabe der Anteile**

**Allgemein**

Nach Ablauf der Erstzeichnungsfrist werden Anteile der Subfonds an jedem Bewertungstag ausgegeben. Der Ausgabepreis gründet auf dem NIW der Anteile am jeweils anwendbaren Bewertungstag und wird auf zwei (2) Stellen nach dem Komma gerundet.

Es wird keine Verkaufsgebühr erhoben

**Mindestzeichnungsbetrag**

Bei erstmaliger Zeichnung von Anteilen gilt jeweils der folgende Mindestzeichnungsbetrag:

- B-/Bg-Anteile: EUR 100;
- C-/Cg-Anteile: EUR 100'000;
- S-Anteile: EUR 1'000'000.

Der Verwaltungsrat der Gesellschaft kann nach eigenem Ermessen Erstzeichnungsanträge über einen niedrigeren Betrag als den angegebenen

- S-Shares: max. 0.00% p.a.

**ETICA ESG DYNAMIC ALLOCATION:**

- B-/Bg-Shares: max. 1.55% p.a.
- C/Cg-Shares: max. 0.65% p.a.
- S-Shares: max. 0.00% p.a.

**ETICA ESG GLOBAL EQUITY:**

- B-/Bg-Shares: max. 1.65% p.a.
- C/Cg-Shares: max. 0.70% p.a.
- S-Shares: max. 0.00% p.a.

**Servicing Fee**

The remuneration of the Management Company, the Custodian Bank, the Central Administration and Principal Paying Agent and the Registrar and Transfer Agent is paid separately by each Subfund and amounts to a maximum of 0.50% p.a. (Servicing Fee). Nevertheless, the minimum amount of the Servicing Fee per Subfund amounts to a maximum of EUR 100'000 p.a., as far as the minimum amount has not been waived fully or partially by the Management Company.

In addition, the Company shall pay out of the NAV of the Subfonds the costs described in the section “Fees and costs” of the General Part.

**Performance Fee**

For the ETICA FUNDS, no performance fee will be levied.

**9. Issue of Shares**

**General**

On expiry of the initial subscription period, the Shares in the Subfonds will be issued on each Valuation Day. The Issue Price is based on the NAV of the Shares on the applicable Valuation Day and will be rounded to two (2) decimal places.

No selling fee will be levied

**Minimum Subscription Amount**

At initial subscriptions of Shares, the following minimum subscription amount will apply:

- B-/Bg-Shares: EUR 100;
- C-/Cg-Shares: EUR 100'000;
- S-Shares: EUR 1'000'000.

The Company's Board of Directors may at its own discretion accept initial subscription applications for an amount lower than the stated minimum subscription

Mindestzeichnungsbetrag akzeptieren. Bei Folgezeichnungen ist kein Mindestzeichnungsbetrag vorgesehen.

#### **Antragsverfahren**

Anleger können jederzeit Anteile der Subfonds bei der im Allgemeinen Teil des Prospekts genannten Hauptzahlstelle in Luxemburg (oder bei ggf. in einzelnen Vertriebsländern bestellten lokalen Vertriebs- bzw. Zahlstellen) zeichnen. Dabei ist die genaue Identität des Zeichners, der Name des Subfonds und welche Anteilskategorie gezeichnet wird, anzugeben.

Für alle Zeichnungen von Anteilen der Subfonds, die bei der Hauptzahlstelle an einem Bewertungstag bis spätestens um 15:00 Uhr Luxemburger Zeit (cut-off Zeit) eintreffen, gilt der am darauffolgenden Bewertungstag ermittelte Ausgabepreis. Für nach diesem Zeitpunkt bei der Hauptzahlstelle eintreffende Zeichnungen gilt der Ausgabepreis des übernächsten Bewertungstages.

Der Gesamtbetrag der Zeichnung von Anteilen der Subfonds muss innerhalb von vier (4) Luxemburger Bankarbeitstagen nach dem entsprechenden Bewertungstag auf dem im Allgemeinen Teil dieses Prospekts angegebenen Konto wertmässig gutgeschrieben sein.

Es werden keine Anteilsscheine oder Anteilszertifikate ausgeliefert.

Die Gesellschaft behält sich das Recht vor, Anträge abzulehnen oder nur zum Teil anzunehmen oder ergänzende Informationen und Dokumente zu verlangen. Wird ein Antrag ganz oder teilweise abgelehnt, wird der Zeichnungsbetrag oder der entsprechende Saldo dem Zeichner rücküberwiesen.

#### **10. Rücknahme von Anteilen**

Anteile der Subfonds werden an jedem Bewertungstag durch Antrag an die im Allgemeinen Teil des Prospekts genannten Hauptzahlstelle in Luxemburg (oder an ggf. in einzelnen Vertriebsländern bestellte lokale Vertriebs- bzw. Zahlstellen) zurückgenommen.

Für alle Anträge auf Rücknahmen von Anteilen der Subfonds, die bei der Hauptzahlstelle an einem Bewertungstag bis spätestens um 15:00 Uhr Luxemburger Zeit (cut-off Zeit) eintreffen, gilt der am darauffolgenden Bewertungstag ermittelte Rücknahmepreis. Für nach diesem Zeitpunkt bei der

amount. Further subscriptions of Shares are not subject to a minimum subscription amount.

#### **Application Procedure**

Investors may at any time subscribe Shares in the Subfonds at the Principal Paying Agent in Luxembourg mentioned in the General Part of this Prospectus (or, as the case may be, at local distributors and paying agents appointed in particular distribution countries). The exact identity of the subscriber, the name of the Subfund, and which share category will be subscribed for must be stated.

All subscriptions for Shares in the Subfonds received by the Principal Paying Agent on a Valuation Day no later than 15:00 Luxembourg time (cut-off time), will be handled at the Issue Price, which will be calculated on the next Valuation Day. Subscriptions received by the Principal Paying Agent after this time will be handled at the Issue Price of the Valuation Day after the next Valuation Day.

The total amount of the subscription of Shares in the Subfonds must be credited to the account described in the General Part of this Prospectus within four (4) Luxembourg banking days from the applicable Valuation Day.

Share coupons or certificates will not be delivered.

The Company reserves the right to reject applications or to accept them only in part or to require further information and/or documents. If an application is rejected in full or in part, the subscription amount or the corresponding balance is returned to the applicant.

#### **10. Redemption of Shares**

Shares in the Subfonds will be redeemed on any Valuation Day on application to the Principal Paying Agent in Luxembourg as mentioned in the General Part of the Prospectus (or, as the case may be, at local distributors and paying agents appointed in particular distribution countries).

All requests for redemptions in Shares in the Subfonds received by the Principal Paying Agent on a Valuation Day no later than 15:00 Luxembourg time (cut-off time), will be handled at the Redemption Price, which will be calculated on the next Valuation Day. Redemption requests received by the Principal Paying Agent after

Hauptzahlstelle eintreffende Anträge gilt der Rücknahmepreis des übernächsten Bewertungstages.

Der Rücknahmepreis gründet auf dem NIW der Anteile am jeweils anwendbaren Bewertungstag und wird auf zwei (2) Stellen nach dem Komma gerundet.

Die Zahlung der Rücknahme von Anteilen der Subfonds erfolgt innerhalb von vier (4) Luxemburger Bankarbeitstagen nach dem Bewertungstag.

Es wird keine Rücknahmegebühr erhoben

this time will be handled at the Redemption Price of the Valuation Day after the next Valuation Day.

The Redemption Price will be based on the NAV of the Shares on the applicable Valuation Day and will be rounded to two (2) decimal places.

Payment of the redemption of Shares in the Subfonds will be made within four (4) Luxemburg banking days after the Valuation Day.

No redemption fee will be levied

## 11. Umtausch von Anteilen

Anteile der Subfonds können gegen Zahlung einer Umtauschgebühr von maximal 2% des NIW der vorgenannten Anteile in Anteile von anderen Subfonds der Gesellschaft umgetauscht werden, in welche ein solcher Umtausch gestattet ist. Für einen Umtausch in Anteile, für welche ebenfalls ETICA SGR S.p.A. als Anlageverwalter fungiert, wird keine Umtauschgebühr erhoben.

Bei jedem ersten Umtausch muss jeweils der Mindestumtauschwert gemäss den Angaben oben („Mindestzeichnungsbetrag“) gegeben sein. Andere Anteile können nur in C- oder Cg-Anteile umgetauscht werden, wenn der Anleger sämtliche Voraussetzungen für die Zeichnung dieser Anteile, wie oben beschrieben, erfüllt.

Im übrigen gelten für Anträge auf den Umtausch von Anteilen die gleichen Modalitäten wie für die Rücknahme von Anteilen, und es finden die Bestimmungen des Allgemeinen Prospektteils Anwendung.

## 11. Switching of Shares

Shares in the Subfonds may be switched for shares in other Subfonds of the Company for which such switch is allowed, upon payment of a switching fee of a maximum of 2% of the NAV of said Shares. For a switch into Shares, for which also ETICA SGR acts as investment manager, no switching fee will be levied.

For every first switch, the minimal switching amount pursuant to the indications above (“Minimum Subscription Amount”) must be given. Other shares may be switched in C- or Cg-Shares only, if the investor fulfils all requirements for subscription into such shares, as described above.

Apart from that, for requests for the switching of Shares, the same modalities as for the redemptions of Shares will apply, and the provisions of the General Part of the Prospectus will apply.

## 12. Übersicht über die Anteilkategorien

Die folgende Tabelle bietet einen schematischen Überblick über die wichtigsten Eigenschaften der Subfonds bzw. Anteilkategorien. Sie ersetzt nicht die Lektüre des Prospekts.

## 12. Overview of the Share Categories

The following table offers a schematic overview of the most important characteristics of the individual Subfonds or share categories. It is not a substitute for reading the Prospectus.

| <u>Bezeichnung des Subfonds / Name of the Subfund</u> | <u>Anteile / Shares</u> | <u>Währung / Currency</u> | <u>ISIN-Code</u> | <u>Aktivierung / Activation</u> | <u>Mindestzeichnungsbetrag für die Erstzeichnung/ Minimum Subscription Amount for Initial Subscription</u> | <u>Verwaltungsgebühr (max) Mgmt. Fee (max.)</u> |
|---|-------------------------|---------------------------|------------------|---------------------------------|--|---|
| ETICA ESG CONSERVATIVE ALLOCATION                     | B                       | EUR                       | LU2052489866     | 19.12.2019                      | EUR 100  | 0.90%   |
|   | Bg                      | EUR                       | LU2052489940     | 19.12.2019                      | EUR 100  | 0.90%   |
|   | C                       | EUR                       | LU2052490013     | 19.12.2019                      | EUR 100'000  | 0.30%   |

MULTILABEL SICAV: BESONDERER TEIL K / SPECIAL PART K

|                                     |    |     |              |            |               |       |
|-------------------------------------|----|-----|--------------|------------|---------------|-------|
|                                     | Cg | EUR | LU2052490104 | 19.12.2019 | EUR 100'000   | 0.30% |
|                                     | S  | EUR | LU2052490286 | 19.12.2019 | EUR 1'000'000 | 0.00% |
| <b>ETICA ESG DYNAMIC ALLOCATION</b> | B  | EUR | LU2052490369 | 19.12.2019 | EUR 100       | 1.55% |
|                                     | Bg | EUR | LU2052490443 | 19.12.2019 | EUR 100       | 1.55% |
|                                     | C  | EUR | LU2052490526 | 19.12.2019 | EUR 100'000   | 0.65% |
|                                     | Cg | EUR | LU2052490799 | 19.12.2019 | EUR 100'000   | 0.65% |
|                                     | S  | EUR | LU2052490872 | 19.12.2019 | EUR 1'000'000 | 0.00% |
| <b>ETICA ESG GLOBAL EQUITY</b>      | B  | EUR | LU2052490955 | 19.12.2019 | EUR 100       | 1.65% |
|                                     | Bg | EUR | LU2052491094 | 19.12.2019 | EUR 100       | 1.65% |
|                                     | C  | EUR | LU2052491177 | 19.12.2019 | EUR 100'000   | 0.70% |
|                                     | Cg | EUR | LU2052491250 | 19.12.2019 | EUR 100'000   | 0.70% |
|                                     | S  | EUR | LU2052491334 | 19.12.2019 | EUR 1'000'000 | 0.00% |

## ANNEX II

### Pre-contractual information on financial products referred to in Article 8(1), (2) and (2a) of Regulation (EU) 2019/2088 and Article 6(1) of Regulation (EU) 2020/852

**Name of the product:** Multilabel SICAV - ETICA ESG  
CONSERVATIVE ALLOCATION

**Company Identifier (LEI Code):**  
5493006W5VOP93Y4L605

## Ecological and/or social characteristics

A sustainable investment is an investment in an activity that contributes to the achievement of an environmental or social objective, provided that the investment does not have a significant negative impact on environmental or social objectives and that the companies in which the investment is made follow good governance practices.

### Is this financial product aimed at sustainable investments?

Yes

No

A minimum proportion of **sustainable investments with an environmental objective is** thus made: \_\_\_%

- in economic activities that are classified as environmentally sustainable under the EU taxonomy
- in economic activities that are not classified as environmentally sustainable under the EU taxonomy

A minimum proportion of **sustainable investments with a social objective is** thus made: \_\_\_%

It **advertises environmental/social features** and although it does not target sustainable investments, it includes a minimum of \_\_\_% of sustainable investments.

- With an environmental objective in economic activities that are classified as environmentally sustainable according to the EU taxonomy.
- With an environmental objective in economic activities that are not classified as environmentally sustainable according to the EU taxonomy.
- With a social purpose

Ecological/social features are thus advertised, but **no sustainable investments are made.**

### What environmental and/or social features are being promoted with this financial product?

The Investment Manager's intended investment objective is to increase invested capital in accordance with social and environmental principles. In order to achieve the objective of sustainable investment, the Investment Manager will invest the assets of the Subfund in financial instruments of issuers which, in the opinion of the Investment Manager, have an excellent profile in terms of environmental, social and governance responsibility at the time of investment.

### What sustainability indicators are used to measure the achievement of the individual environmental or social features promoted by this financial product?

In selecting sustainable investments, the Investment Manager's objective is to hold in the Subfund's portfolio only securities of those issuers that present a low ESG risk based on ESG ratings provided to issuers based on data and information from a number of different sources, such as providers specialising in ESG analysis of companies and countries. For more information on providers, please refer to the relevant section on the Investment Manager's website: [www.eticasgr.com](http://www.eticasgr.com).

ESG ratings are assigned to issuers (companies and governments) taking into account various sustainability factors. Ethical criteria are used for the selection of companies and governments as follows:

#### **Ethical criteria for the selection of societies**

With regard to financial instruments issued by companies, be they shares or bonds, the degree of involvement of the issuers in certain controversial sectors or practices is carefully assessed. These include: non-medical animal testing, the arms industry, gambling, genetic engineering, management of nuclear power plants, production of pesticides and tobacco. The assessment is then made through an analysis of the issuer's actions in the following areas:

- **Environment:** e.g. trends in key performance indicators related to waste management, energy consumption and CO2 emissions, commitment to reduce water consumption and environmental impacts related to the use and disposal of products and/or services, environmental strategy and eco-design; procedures and measures to ensure sound environmental management;
- **Governance:** e.g. the presence of independent directors and women on the board of directors, transparency in executive remuneration, the attention paid by the board to social and environmental issues,

The **EU taxonomy** is a classification system used in the Regulation (EU) 2020/852 and includes a list of **environmentally sustainable economic activities**. This Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective could be taxonomy compliant or not



guidelines to support the prevention of corruption, CSR risks analysed by the audit and internal control of the company;

- **Social:** e.g. health and safety at work, measures to support (i) non-discrimination and the promotion of diversity in the workplace, (ii) the development of responsible contractual relationships with customers, (iii) the inclusion of social factors in supply chain management, responsible management of restructuring.

#### **Ethical criteria for the selection of governments**

With respect to bonds issued or guaranteed by governments, countries that apply the death penalty or are only considered "partly free" or "not free" on the basis of civil rights, freedom of the press and political rights are excluded. The method of analysis then considers the following areas:

- **Environment:** e.g. participation in international environmental agreements, forest area (% of land area), CO2 emissions (kg per X USD of GDP), amount of municipal waste, use of fertilisers, protection of marine biodiversity;
- **Social:** e.g. economic inequality index, unemployment rate, public spending on health and education, infant mortality, impact of gender diversity on a country's economy;
- **Governance:** e.g. participation in international conventions to prevent discrimination, protect human rights and workers' rights, political participation, regulatory quality, perceived corruption.

**Sustainability indicators** measure the extent to which the environmental or social characteristics advertised with the financial product are achieved.

#### **What are the objectives of the sustainable investments to be made with the financial product part and how does the sustainable investment contribute to these objectives?**

N/A

#### **To what extent will the sustainable investments to be made with the financial product in part not significantly harm any of the environmental or social sustainable investment objectives?**

N/A

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

N/A

How does sustainable investment comply with the OECD Guidelines for Multinational Enterprises and the United Nations Guiding Principles on Business and Human Rights? More details:

N/A

The EU taxonomy sets out the principle of "avoidance of significant impairment", according to which taxonomy-compliant investments must not significantly impair the objectives of the EU taxonomy, and specific EU criteria are attached.

The principle of "avoidance of significant adverse impacts" shall only apply to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining part of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

All other sustainable investments must also not significantly compromise environmental or social objectives.

#### **Does this financial product take into account the main adverse impacts on sustainability factors?**

- Yes,  
 No

In accordance with Article 7(2) of Regulation (EU) 2019/2088 (SFDR), the Investment Manager declares, as at the date of entry into force of this Annex to the Prospectus, that it does not take into account the main negative impacts of investment decisions on sustainability factors for this financial product due to the lack of accurate and reliable data, including at issuer level. More accurate and comprehensive information will therefore be provided as the information available to the Investment Manager evolves.

#### **What is the investment strategy of this financial product?**

The Subfund is a bond fund that aims to gradually increase the invested capital in accordance with social and ecological principles, with a medium-term time horizon and a medium level of risk.

For this purpose, the following investments in particular may be made for the Subfund.

- Fixed **income investments:** At least 80% of the Subfund's assets will be invested in fixed or floating rate securities ("bonds") and money market instruments, the majority of which must be of investment grade credit

The **main adverse impacts** are the most significant adverse impacts of investment decisions on sustainability factors in the areas of environment, social and employment issues, respect for human rights and combating corruption and bribery.

The **investment strategy** serves as a guide for investment decisions, taking into account certain criteria such as investment objectives or risk tolerance.

quality as determined by at least one recognised rating agency domiciled in the EU and traded mainly on regulated markets in the Eurozone. Investment in money market instruments is limited to 30% of the Subfund's assets. A maximum of 10% of the Subfund's investments may be corporate bonds.

The remaining term of the sub-portfolio "Interest-bearing investments" varies between two and eight years.

- **Equities:** A maximum of 20% of the Subfund's assets will be invested in equities or other equity securities ("Equities") which are predominantly traded on regulated markets in Europe, North America or Japan. Investments may be made in equities of issuers of any capitalisation and of any economic sector.
- **Other investment rules:**
- In addition, the Subfund may hold bank deposits and liquid assets which, in exceptional cases and for the purpose of capital preservation, may amount to up to 100% of the Subfund's assets.

#### **What are the binding elements of the investment strategy used to select investments to meet the advertised environmental or social objectives?**

In identifying investments that will enable the Subfund to achieve the objective of sustainable investment, the Investment Manager has defined the following strategies:

- **negative screening**, which aims to exclude any issuer that does not meet the internal ESG criteria set by the Investment Manager. In particular, the Investment Manager's analytical methodology excludes companies involved in serious human and labour rights abuses, corruption, exploitation of biodiversity or sensitive ecosystems and soil or water pollution, as well as companies involved, inter alia and in various capacities, in armaments and fossil fuels, and states that provide for the death penalty and do not respect civil liberties, the press and political rights;
- **positive screening**, which determines an overall ESG score for each issuer and aims to select the issuers with the best ESG profile within their sector using a best-in-class approach. The issuers that pass the negative screening are analysed against specific and multiple ESG criteria and only those issuers with the highest ESG score are selected as part of the Subfund's portfolio.

The analysis is supplemented by specific findings that take into account the circumstances surrounding current events and further information on dialogue activities with issuers or the level of reputational risk on ESG issues. Finally, the assessment of potential issuers is complemented by a specific sustainability risk metric that is integrated into the analysis.

With regard to sovereign issuers, negative and positive screening is applied, with an entry threshold being set above which only those issuers with the highest ESG score are selected.

Issuers are analysed on the basis of information such as the type of activity carried out, their shareholders and possible ESG controversies.

Issuers are selected on the basis of data and information provided by companies specialising in issuer sustainability analysis, according to a proprietary methodology represented by the internationally registered trademark ESG eticApproach®.

The Investment Manager monitors compliance with the social and/or environmental characteristics described above on a regular basis through the periodic reassessment of the Permitted Investment Universes for the Subfunds (the "Permitted Universes"): When updating the Permitted Universes, the analysis process, which is mainly based on exclusion indicators, valuation indicators, the assignment of an ESG score and the application of the "best-in-class" strategy, is completely revised. The data on each issuer is therefore updated in the light of the improvements or deteriorations recorded by the companies or governments analysed, which thus determine whether or not the issuers in question remain in the Eligible Universe.

The investment activity of the Subfunds is only permitted in relation to the issuers belonging to the Permitted Universes: No other investment is permitted. The Investment Manager has specified in its internal investment guidelines that it will divest from any issuer that no longer meets the criteria for inclusion in the Permitted Universes.

The sustainability indicators used in the analysis process are regularly updated and published on the Investment Manager's website in their latest version approved by its Board of Directors on the proposal of its Ethics Committee.

#### **By what minimum rate will the size of the investments considered prior to the application of this investment strategy be reduced?**

N/A

#### **How are the good governance practices of the companies invested in assessed?**

The Investment Manager also assesses the governance practices of issuers through specific indicators used in negative and positive screening of issuers, voting in shareholder meetings and ongoing dialogue with issuers to satisfy itself that the respective issuers have good governance practices in place, in particular with regard to sound management structures, employee relations, employee remuneration and tax compliance.

Regular monitoring of the social and/or environmental features promoted by the Subfunds is also ensured through regular dialogue activities with the respective issuers.

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

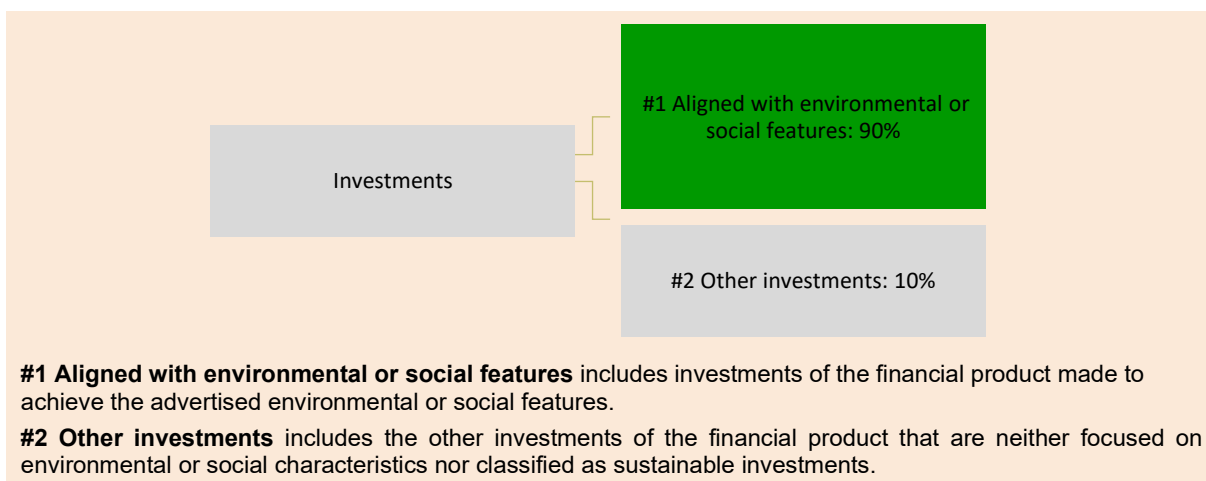
**Good governance practices** include sound **management** structures, employee relations, employee remuneration and tax compliance.

The **asset allocation** indicates the respective share of investments in specific assets.

It is currently planned that 90% of the investments of the financial product will be focused on environmental or social characteristics (#1 below), and 10% on other investments (#2 below).

**To what extent are the environmental or social characteristics advertised with the financial product achieved through the use of derivatives?**

N/A



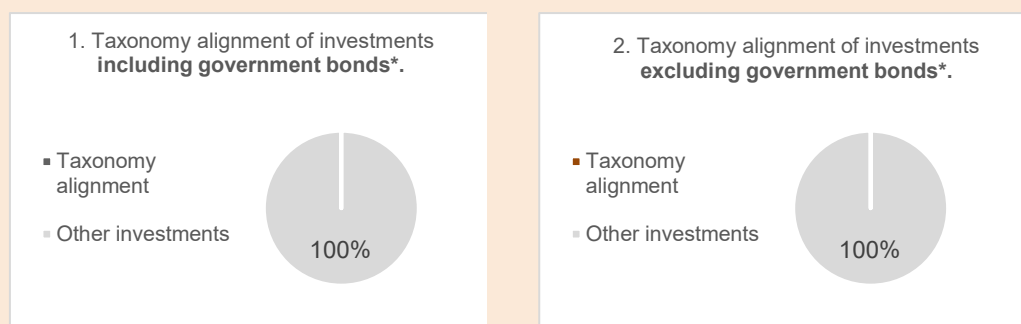
**To what minimum extent are sustainable investments with an environmental objective compliant with EU taxonomy?**

The minimum amount of the Subfund's investments that are compliant with the EU taxonomy is 0%.

**Does the financial product invest in EU tax compliant fossil gas and/or nuclear energy activities <sup>1</sup>?**

- Yes:
  - in fossil gas     in nuclear energy
- No

**In the two charts below, the minimum percentage of investments that are compliant with the EU taxonomy is shown in green. As there is no appropriate method to determine the taxonomy compliance of government bonds<sup>1</sup>, the first chart shows the taxonomy compliance in relation to all investments of the financial product including government bonds, while the second chart shows the taxonomy compliance only in relation to the investments of the financial product that do not include government bonds.**




\* For the purposes of these charts, the term "government bonds" includes all risk positions vis-à-vis sovereigns.

**What is the minimum percentage of investment in transitional and enabling activities?**

N/A

**What is the minimum percentage of sustainable investments with an environmental objective that are not compliant with the EU taxonomy?**

<sup>1</sup> Fossil gas and/or nuclear activities are only EU taxonomy compliant if they contribute to climate change mitigation ("climate change mitigation") and do not significantly affect any EU taxonomy objective - see explanation in the left margin. The full criteria for EU tax compliant economic activities in the area of fossil gas and nuclear energy are set out in Commission Delegated Regulation (EU) 2022/1214.

 are sustainable investments with an environmental objective that **meet the criteria for environmentally sustainable**. Do not take into account economic activities according to the EU taxonomy.

N/A

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

N/A

**Which investments fall under "#2 Other investments", what is their investment purpose and is there a minimum environmental or social protection?**

The category "#2 Other investments" includes investments such as money market instruments and derivatives made for efficient portfolio risk management, liquidity or hedging purposes.

**Has an index been determined as a reference value to determine whether this financial product is aligned with the advertised environmental and/or social characteristics?**

N/A

**Where can I find more product-specific information on the Internet?**

**Further product-specific information is available at: [www.eticasgr.com](http://www.eticasgr.com)**

## ANNEX II

### Pre-contractual information on financial products referred to in Article 8(1), (2) and (2a) of Regulation (EU) 2019/2088 and Article 6(1) of Regulation (EU) 2020/852

Name of the product: Multilabel SICAV - ETICA ESG  
DYNAMIC ALLOCATION

Company Identifier (LEI Code):  
549300X31114N8EHCD17

## Ecological and/or social characteristics

### Is this financial product aimed at sustainable investments?

Yes

No

- A minimum proportion of **sustainable investments with an environmental objective** is thus made: \_\_\_%
- in economic activities that are classified as environmentally sustainable under the EU taxonomy
  - in economic activities that are not classified as environmentally sustainable under the EU taxonomy

- A minimum proportion of **sustainable investments with a social objective** is thus made: \_\_\_%

- It **advertises environmental/social features** and although it does not target sustainable investments, it includes a minimum of \_\_\_% of sustainable investments.
- With an environmental objective in economic activities that are classified as environmentally sustainable according to the EU taxonomy.
  - With an environmental objective in economic activities that are not classified as environmentally sustainable according to the EU taxonomy.
  - With a social purpose
- Ecological/social features are thus advertised, but **no sustainable investments are made.**

A **sustainable investment** is an investment in an activity that contributes to the achievement of an environmental or social objective, provided that the investment does not have a significant negative impact on environmental or social objectives and that the companies in which the investment is made follow good governance practices.

### What environmental and/or social features are being advertised with this financial product?

The Investment Manager's intended investment objective is to increase invested capital in accordance with social and environmental principles. In order to achieve the objective of sustainable investment, the Investment Manager will invest the assets of the Subfund in financial instruments of issuers which, in the opinion of the Investment Manager, have an excellent profile in terms of environmental, social and governance responsibility at the time of investment.

### What sustainability indicators are used to measure the achievement of the individual environmental or social features promoted by this financial product?

In selecting sustainable investments, the Investment Manager's objective is to hold in the Subfund's portfolio only securities of those issuers that present a low ESG risk based on ESG ratings provided to issuers based on data and information from a number of different sources, such as providers specialising in ESG analysis of companies and countries. For more information on providers, please refer to the relevant section on the Investment Manager's website: [www.eticasgr.com](http://www.eticasgr.com).

ESG ratings are assigned to issuers (companies and governments) taking into account various sustainability factors. Ethical criteria are used for the selection of companies and governments as follows:

#### Ethical criteria for the selection of societies

With regard to financial instruments issued by companies, be they shares or bonds, the degree of involvement of the issuers in certain controversial sectors or practices is carefully assessed. These include: non-medical animal testing, the arms industry, gambling, genetic engineering, management of nuclear power plants, production of pesticides and tobacco. The assessment is then made through an analysis of the issuer's actions in the following areas:

- **Environment:** e.g. trends in key performance indicators related to waste management, energy consumption and CO2 emissions, commitment to reduce water consumption and environmental impacts related to the use and disposal of products and/or services, environmental strategy and eco-design; procedures and measures to ensure sound environmental management;
- **Governance:** e.g. the presence of independent directors and women on the board of directors, transparency in executive remuneration, the attention paid by the board to social and environmental

The **EU taxonomy** is a classification system used in the Regulation (EU) 2020/852 and includes a list of **environmentally sustainable economic activities**. This Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective could be taxonomy compliant or not

issues, guidelines to support the prevention of corruption, CSR risks analysed by the audit and internal control of the company;

- **Social:** e.g. health and safety at work, measures to support (i) non-discrimination and the promotion of diversity in the workplace, (ii) the development of responsible contractual relationships with customers, (iii) the inclusion of social factors in supply chain management, responsible management of restructuring.

#### **Ethical criteria for the selection of governments**

With respect to bonds issued or guaranteed by governments, countries that apply the death penalty or are only considered "partly free" or "not free" on the basis of civil rights, freedom of the press and political rights are excluded. The method of analysis then considers the following areas:

- **Environment:** e.g. participation in international environmental agreements, forest area (% of land area), CO2 emissions (kg per X USD of GDP), amount of municipal waste, use of fertilisers, protection of marine biodiversity;
- **Social:** e.g. economic inequality index, unemployment rate, public spending on health and education, infant mortality, impact of gender diversity on a country's economy;
- **Governance:** e.g. participation in international conventions to prevent discrimination, protect human rights and workers' rights, political participation, regulatory quality, perceived corruption.

**Sustainability indicators** measure the extent to which the environmental or social characteristics advertised with the financial product are achieved.

#### **What are the objectives of the sustainable investments to be made with the financial product part and how does the sustainable investment contribute to these objectives?**

N/A

#### **To what extent will the sustainable investments to be made with the financial product in part not significantly harm any of the environmental or social sustainable investment objectives?**

N/A

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

N/A

How does sustainable investment comply with the OECD Guidelines for Multinational Enterprises and the United Nations Guiding Principles on Business and Human Rights? For more information: [

N/A

The EU taxonomy sets out the principle of "avoidance of significant impairment", according to which taxonomy-compliant investments must not significantly impair the objectives of the EU taxonomy, and specific EU criteria are attached.

The principle of "avoidance of significant adverse impacts" shall only apply to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining part of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

All other sustainable investments must also not significantly compromise environmental or social objectives.

#### **Does this financial product take into account the main adverse impacts on sustainability factors?**

Yes,

No

In accordance with Article 7(2) of Regulation (EU) 2019/2088 (SFDR), the Investment Manager declares, as at the date of entry into force of this Annex to the Prospectus, that it does not take into account the main negative impacts of investment decisions on sustainability factors for this financial product due to the lack of accurate and reliable data, including at issuer level. More accurate and comprehensive information will therefore be provided as the information available to the Investment Manager evolves.

#### **What is the investment strategy of this financial product?**

The Subfund is a mixed fund that aims to achieve a moderate increase in invested capital in accordance with social and ecological principles, with a medium to long-term time horizon and a medium to increased risk.

The **main adverse impacts** are the most significant adverse impacts of investment decisions on sustainability factors in the areas of environment, social and employment issues, respect for human rights and combating corruption and bribery.

The **investment strategy** serves as a guide for investment decisions, taking into account certain criteria such as investment objectives or risk tolerance.

For this purpose, the following investments in particular may be made for the Subfund.

- **Equities:** Up to 70% of the Subfund's assets will be invested in equities or other equity securities ("Equities") traded mainly on regulated markets in Europe, North America or Japan. Investments may be made in equities of issuers of any capitalisation and of any economic sector.
- **Fixed income investments:** At least 30% of the Subfund's assets will be invested in fixed or floating rate securities ("bonds") and money market instruments, the majority of which must be of investment grade credit quality as determined by at least one recognised rating agency domiciled in the EU and traded mainly on regulated markets in the Eurozone. Investment in money market instruments is limited to 20% of the Subfund's assets. A maximum of 10% of the Subfund's investments may be corporate bonds.  
The remaining term of the sub-portfolio "Interest-bearing investments" varies between three and nine years.
- **Other investment rules:** In addition, the Subfund may hold up to 40% of its assets in bank deposits or liquid assets.

#### **What are the binding elements of the investment strategy used to select investments to meet the advertised environmental or social objectives?**

In identifying investments that will enable the Subfund to achieve the objective of sustainable investment, the Investment Manager has defined the following strategies:

- **negative screening**, which aims to exclude any issuer that does not meet the internal ESG criteria set by the Investment Manager. In particular, the Investment Manager's analytical methodology excludes companies involved in serious human and labour rights abuses, corruption, exploitation of biodiversity or sensitive ecosystems and soil or water pollution, as well as companies involved, inter alia and in various capacities, in armaments and fossil fuels, and states that provide for the death penalty and do not respect civil liberties, the press and political rights;
- **positive screening**, which determines an overall ESG score for each issuer and aims to select the issuers with the best ESG profile within their sector using a best-in-class approach. The issuers that pass the negative screening are analysed against specific and multiple ESG criteria and only those issuers with the highest ESG score are selected as part of the Subfund's portfolio.

The analysis is supplemented by specific findings that take into account the circumstances surrounding current events and further information on dialogue activities with issuers or the level of reputational risk on ESG issues.

Finally, the assessment of potential issuers is complemented by a specific sustainability risk metric that is integrated into the analysis.

With regard to sovereign issuers, negative and positive screening is applied, with an entry threshold being set above which only those issuers with the highest ESG score are selected.

Issuers are analysed on the basis of information such as the type of activity carried out, their shareholders and possible ESG controversies.

Issuers are selected on the basis of data and information provided by companies specialising in issuer sustainability analysis, according to a proprietary methodology represented by the internationally registered trademark ESG eticApproach®.

The Investment Manager monitors compliance with the social and/or environmental characteristics described above on a regular basis by periodically reassessing the Permitted Investment Universes for the Subfunds (the "Permitted Universes"): When updating the Permitted Universes, the analysis process, which is mainly based on exclusion indicators, valuation indicators, the assignment of an ESG score and the application of the "best-in-class" strategy, is completely revised. The data on each issuer is therefore updated in the light of the improvements or deteriorations recorded by the companies or governments analysed, which thus determine whether or not the issuers in question remain in the Eligible Universe.

The investment activity of the Subfunds is only permitted in relation to the issuers belonging to the Permitted Universes: No other investment is permitted. The Investment Manager has specified in its internal investment guidelines that it will divest from any issuer that no longer meets the criteria for inclusion in the Permitted Universes.

The sustainability indicators used in the analysis process are regularly updated and published on the Investment Manager's website in their latest version approved by its Board of Directors on the proposal of its Ethics Committee.

#### **By what minimum rate will the size of the investments considered prior to the application of this investment strategy be reduced?**

N/A

#### **How are the good governance practices of the companies invested in assessed?**

The Investment Manager also assesses the governance practices of issuers through specific indicators used in negative and positive screening of issuers, voting in shareholder meetings and ongoing dialogue with issuers to satisfy itself that the respective issuers have good governance practices in place, in

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

particular with regard to sound management structures, employee relations, employee remuneration and tax compliance.

Regular monitoring of the social and/or environmental features promoted by the Subfunds is also ensured through regular dialogue activities with the respective issuers.

The **asset allocation** indicates the respective share of investments in specific assets.

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

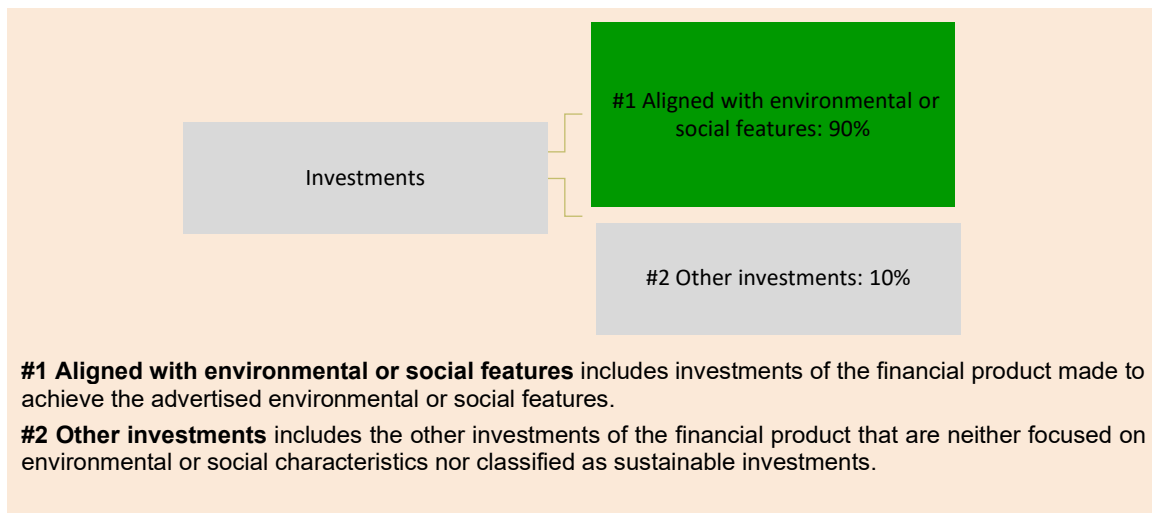
It is currently planned that 90% of the investments of the financial product will be focused on environmental or social characteristics (#1 below), and 10% on other investments (#2 below).

#### To what extent are the environmental or social characteristics advertised with the financial product achieved through the use of derivatives?

N/A

Taxonomy-compliant activities expressed by the share of:

- **Revenues** reflecting the share of income from environmentally friendly activities of the companies in which investments are made.
- **Capital expenditure** (CapEx) showing the green investments of the companies invested in, e.g. for the transition to a green economy
- **Operating expenses** (OpEx) reflecting the environmentally friendly operational activities of the companies in which investments are made.



#### To what minimum extent are sustainable investments with an environmental objective compliant with EU taxonomy?

The minimum amount of the Subfund's investments that are compliant with the EU taxonomy is 0%.

#### Does the financial product invest in EU tax compliant fossil gas and/or nuclear energy activities <sup>1</sup>?

- Yes:
- in fossil gas     in nuclear energy
- No

**In the two charts below, the minimum percentage of investments that are compliant with the EU taxonomy is shown in green. As there is no appropriate method to determine the taxonomy compliance of government bonds<sup>1</sup>, the first chart shows the taxonomy compliance in relation to all investments of the financial product including government bonds, while the second chart shows the taxonomy compliance only in relation to the investments of the financial product that do not include government bonds.**

<sup>1</sup> Fossil gas and/or nuclear activities are only EU taxonomy compliant if they contribute to climate change mitigation ("climate change mitigation") and do not significantly affect any EU taxonomy objective - see explanation in the left margin. The full criteria for EU tax compliant economic activities in the area of fossil gas and nuclear energy are set out in Commission Delegated Regulation (EU) 2022/1214.

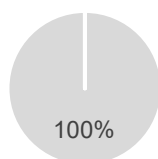




are sustainable investments with an environmental objective that **meet the criteria for environmentally sustainable**. Do not take into account economic activities according to the EU taxonomy.

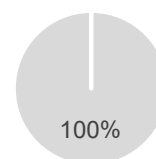
1. Taxonomy alignment of investments including government bonds\*.

- Taxonomy alignment
- Other investments



2. Taxonomy alignment of investments excluding government bonds\*.

- Taxonomy alignment
- Other investments



\* For the purposes of these charts, the term "government bonds" includes all risk positions vis-à-vis sovereigns.

**What is the minimum percentage of investment in transitional and enabling activities?**

N/A

**What is the minimum percentage of sustainable investments with an environmental objective that are not compliant with the EU taxonomy?**

N/A

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

N/A

**Which investments fall under "#2 Other investments", what is their investment purpose and is there a minimum environmental or social protection?**

The category "#2 Other investments" includes investments such as money market instruments and derivatives made for efficient portfolio risk management, liquidity or hedging purposes.

**Has an index been determined as a reference value to determine whether this financial product is aligned with the advertised environmental and/or social characteristics?**

N/A

**Where can I find more product-specific information on the Internet?**

Further product-specific information is available at: [www.eticasgr.com](http://www.eticasgr.com)

## ANNEX II

### Pre-contractual information on financial products referred to in Article 8(1), (2) and (2a) of Regulation (EU) 2019/2088 and Article 6(1) of Regulation (EU) 2020/852

**Name of the product:** Multilabel SICAV - ETICA ESG  
GLOBAL EQUITY

**Company Identifier (LEI Code):**  
5493003YL4T3DLFYX648

## Ecological and/or social characteristics

**A sustainable investment** is an investment in an activity that contributes to the achievement of an environmental or social objective, provided that the investment does not have a significant negative impact on environmental or social objectives and that the companies in which the investment is made follow good governance practices.

### Is this financial product aimed at sustainable investments?

Yes

No

A minimum proportion of **sustainable investments with an environmental objective is** thus made: \_\_\_%

- in economic activities that are classified as environmentally sustainable under the EU taxonomy
- in economic activities that are not classified as environmentally sustainable under the EU taxonomy

A minimum proportion of **sustainable investments with a social objective is** thus made: \_\_\_%

It **advertises environmental/social features** and although it does not target sustainable investments, it includes a minimum of \_\_\_% of sustainable investments.

- With an environmental objective in economic activities that are classified as environmentally sustainable according to the EU taxonomy.
- With an environmental objective in economic activities that are not classified as environmentally sustainable under the EU taxonomy.
- With a social purpose

Ecological/social features are thus advertised, but **no sustainable investments are made.**

### What environmental and/or social features are being promoted with this financial product?

The Investment Manager's intended investment objective is to increase invested capital in accordance with social and environmental principles. In order to achieve the objective of sustainable investment, the Investment Manager will invest the assets of the Subfund in financial instruments of issuers which, in the opinion of the Investment Manager, have an excellent profile in terms of environmental, social and governance responsibility at the time of investment.

### What sustainability indicators are used to measure the achievement of the individual environmental or social features promoted by this financial product?

In selecting sustainable investments, the Investment Manager's objective is to hold in the Subfund's portfolio only securities of those issuers that present a low ESG risk based on ESG ratings provided to issuers based on data and information from a number of different sources, such as providers specialising in ESG analysis of companies and countries. For more information on providers, please refer to the relevant section on the Investment Manager's website: [www.eticasgr.com](http://www.eticasgr.com).

ESG ratings are assigned to issuers (companies and governments) taking into account various sustainability factors. Ethical criteria are used for the selection of companies and governments as follows:

#### Ethical criteria for the selection of societies

With regard to financial instruments issued by companies, be they shares or bonds, the degree of involvement of the issuers in certain controversial sectors or practices is carefully assessed. These include: non-medical animal testing, the arms industry, gambling, genetic engineering, management of nuclear power plants, production of pesticides and tobacco. The assessment is then made through an analysis of the issuer's actions in the following areas:

- **Environment:** e.g. trends in key performance indicators related to waste management, energy consumption and CO2 emissions, commitment to reduce water consumption and environmental impacts related to the use and disposal of products and/or services, environmental strategy and eco-design; procedures and measures to ensure sound environmental management;
- **Governance:** e.g. the presence of independent directors and women on the board, transparency in executive remuneration, the attention paid by the board to social and environmental issues, guidelines to support corruption prevention, CSR risks analysed by the audit and internal control of the company;

The **EU taxonomy** is a classification system used in the Regulation (EU) 2020/852 and includes a list of **environmentally sustainable economic activities**. This Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective could be taxonomy compliant or not

- **Social:** e.g. health and safety at work, measures to support (i) non-discrimination and the promotion of diversity in the workplace, (ii) the development of responsible contractual relationships with customers, (iii) the inclusion of social factors in supply chain management, responsible management of restructuring.

#### **Ethical criteria for the selection of governments**

With respect to bonds issued or guaranteed by governments, countries that apply the death penalty or are only considered "partly free" or "not free" on the basis of civil rights, freedom of the press and political rights are excluded. The method of analysis then considers the following areas:

- **Environment:** e.g. participation in international environmental agreements, forest area (% of land area), CO2 emissions (kg per X USD of GDP), amount of municipal waste, use of fertilisers, protection of marine biodiversity;
- **Social:** e.g. economic inequality index, unemployment rate, public spending on health and education, infant mortality, impact of gender diversity on a country's economy;
- **Governance:** e.g. participation in international conventions to prevent discrimination, protect human rights and workers' rights, political participation, regulatory quality, perceived corruption.

#### **Sustainability**

**indicators** measure the extent to which the environmental or social characteristics advertised with the financial product are achieved.

#### **What are the objectives of the sustainable investments to be made with the financial product part and how does the sustainable investment contribute to these objectives?**

N/A

#### **To what extent will the sustainable investments to be made with the financial product in part not significantly harm any of the environmental or social sustainable investment objectives?**

N/A

#### **How were the indicators for adverse impacts on sustainability factors taken into account?**

N/A

#### **How does sustainable investment comply with the OECD Guidelines for Multinational Enterprises and the United Nations Guiding Principles on Business and Human Rights? More details:**

N/A

The EU taxonomy sets out the principle of "avoidance of significant impairment", according to which taxonomy-compliant investments must not significantly impair the objectives of the EU taxonomy, and specific EU criteria are attached.

The principle of "avoidance of significant adverse impacts" shall only apply to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining part of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

All other sustainable investments must also not significantly compromise environmental or social objectives.

The **main adverse impacts** are the most significant adverse impacts of investment decisions on sustainability factors in the areas of environment, social and employment issues, respect for human rights and combating corruption and bribery.

#### **Does this financial product take into account the main adverse impacts on sustainability factors?**

- Yes,
- No

In accordance with Article 7(2) of Regulation (EU) 2019/2088 (SFDR), the Investment Manager declares, as at the date of entry into force of this Annex to the Prospectus, that it does not take into account the main negative impacts of investment decisions on sustainability factors for this financial product due to the lack of accurate and reliable data, including at issuer level. More accurate and comprehensive information will therefore be provided as the information available to the Investment Manager evolves.

#### **What is the investment strategy of this financial product?**

The Subfund is an equity fund that aims to achieve a substantial increase in invested capital in accordance with social and ecological principles, with a long-term time horizon and increased risk.

For this purpose, the following investments in particular may be made for the Subfund.

- **Equities:** At least 70% of the Subfund's assets will be invested in equities or other equity securities ("Equities") traded primarily on regulated markets in Europe, North America and the Pacific region (including Japan). Investments may be made in equities of issuers of any capitalisation and of any economic sector.

The **investment strategy** serves as a guide for investment decisions, taking into account certain criteria such as investment objectives or risk tolerance.

- **Interest-bearing investments:** A maximum of 30% of the Subfund's assets may be invested in fixed or floating-rate securities ("bonds") and money market instruments, the majority of which must be of "investment grade" credit quality according to at least one recognised rating agency domiciled in the EU.
- **Other investment rules:**
- In addition, the Subfund may hold up to 20% of its assets in bank deposits or liquid assets.

**What are the binding elements of the investment strategy used to select investments to meet the advertised environmental or social objectives?**

In identifying investments that will enable the Subfund to achieve the objective of sustainable investment, the Investment Manager has defined the following strategies:

- **negative screening**, which aims to exclude any issuer that does not meet the internal ESG criteria set by the Investment Manager. In particular, the Investment Manager's analytical methodology excludes companies involved in serious human and labour rights abuses, corruption, exploitation of biodiversity or sensitive ecosystems and soil or water pollution, as well as companies involved, inter alia and in various capacities, in armaments and fossil fuels, and states that provide for the death penalty and do not respect civil liberties, the press and political rights;
- **positive screening**, which determines an overall ESG score for each issuer and aims to select the issuers with the best ESG profile within their sector using a best-in-class approach. The issuers that pass the negative screening are analysed against specific and multiple ESG criteria and only those issuers with the highest ESG score are selected as part of the Subfund's portfolio.

The analysis is supplemented by specific findings that take into account the circumstances surrounding current events and further information on dialogue activities with issuers or the level of reputational risk on ESG issues.

Finally, the assessment of potential issuers is complemented by a specific sustainability risk metric that is integrated into the analysis.

With regard to sovereign issuers, negative and positive screening is applied, with an entry threshold being set above which only those issuers with the highest ESG score are selected.

Issuers are analysed on the basis of information such as the type of activity carried out, their shareholders and possible ESG controversies.

Issuers are selected on the basis of data and information provided by companies specialising in issuer sustainability analysis, according to a proprietary methodology represented by the internationally registered trademark ESG eticApproach®.

The Investment Manager monitors compliance with the social and/or environmental characteristics described above on a regular basis through the periodic reassessment of the permitted investment universes for the Subfunds (the " Permitted Universes"): When updating the Permitted Universes, the analysis process, which is mainly based on exclusion indicators, valuation indicators, the assignment of an ESG score and the application of the "best-in-class" strategy, is completely revised. The data on each issuer is therefore updated in the light of the improvements or deteriorations recorded by the companies or governments analysed, which thus determine whether or not the issuers in question remain in the Eligible Universe.

The investment activity of the Subfunds is only permitted in relation to the issuers belonging to the Permitted Universes: No other investment is permitted. The Investment Manager has specified in its internal investment guidelines that it will divest from any issuer that no longer meets the criteria for inclusion in the Permitted Universes.

The sustainability indicators used in the analysis process are regularly updated and published on the Investment Manager's website in their latest version approved by its Board of Directors on the proposal of its Ethics Committee.

**By what minimum rate is the size of the investments considered before applying this investment strategy reduced?**

N/A

**How are the good governance practices of the companies invested in assessed?**

The Investment Manager also assesses the governance practices of issuers through specific indicators used in negative and positive screening of issuers, voting in shareholder meetings and ongoing dialogue with issuers to satisfy itself that the respective issuers have good governance practices in place, in particular with regard to sound management structures, employee relations, employee remuneration and tax compliance.

Regular monitoring of the social and/or environmental features promoted by the Subfunds is also ensured through regular dialogue activities with the respective issuers.

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

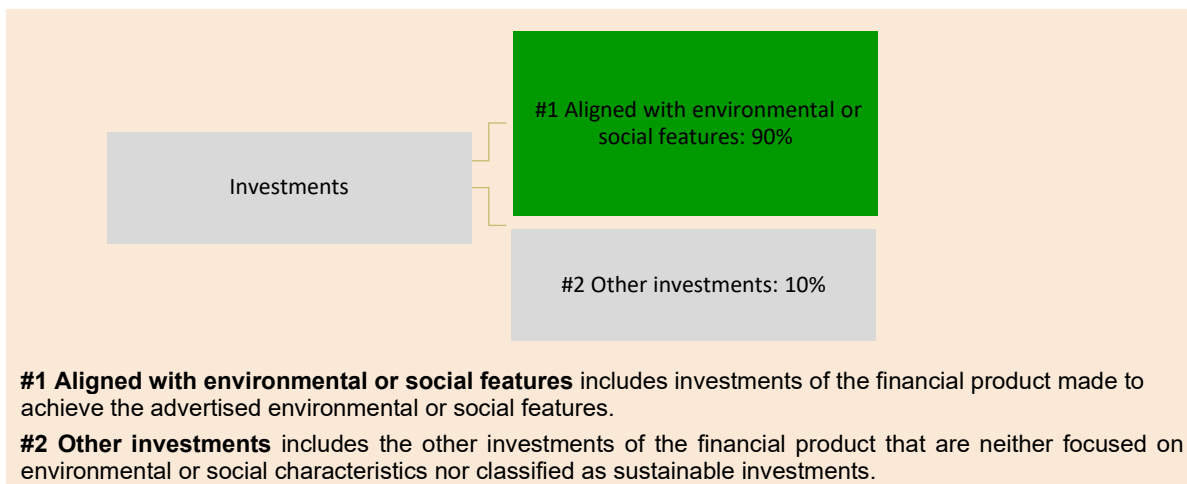
It is currently planned that 90% of the investments of the financial product will be focused on environmental or social characteristics (#1 below), and 10% on other investments (#2 below).

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

The **asset allocation** indicates the respective share of investments in specific assets.

**To what extent are the environmental or social characteristics advertised with the financial product achieved through the use of derivatives?**

N/A



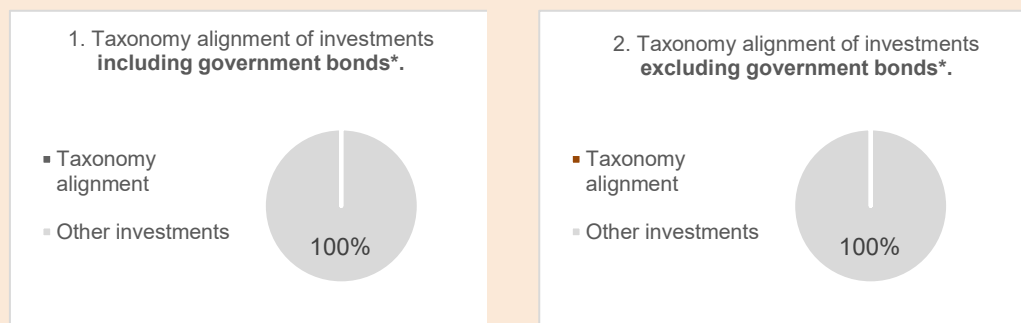
**To what minimum extent are sustainable investments with an environmental objective compliant with EU taxonomy?**

The minimum amount of the Subfund's investments that are compliant with the EU taxonomy is 0%.

**Does the financial product invest in EU tax compliant fossil gas and/or nuclear energy activities <sup>1</sup>?**

- Yes:
- in fossil gas     in nuclear energy
- No

**In the two charts below, the minimum percentage of investments that are compliant with the EU taxonomy is shown in green. As there is no appropriate method to determine the taxonomy compliance of government bonds<sup>1</sup>, the first chart shows the taxonomy compliance in relation to all investments of the financial product including government bonds, while the second chart shows the taxonomy compliance only in relation to the investments of the financial product that do not include government bonds.**



\* For the purposes of these charts, the term "government bonds" includes all risk positions vis-à-vis sovereigns.

**What is the minimum percentage of investment in transitional and enabling activities?**

N/A

**What is the minimum percentage of sustainable investments with an environmental objective that are not compliant with the EU taxonomy?**

N/A

<sup>1</sup> Fossil gas and/or nuclear activities are only EU taxonomy compliant if they contribute to climate change mitigation ("climate change mitigation") and do not significantly affect any EU taxonomy objective - see explanation in the left margin. The full criteria for EU tax compliant economic activities in the area of fossil gas and nuclear energy are set out in Commission Delegated Regulation (EU) 2022/1214.

Taxonomy-compliant activities expressed by the share of:

- **Revenues** reflecting the share of income from environmentally friendly activities of the companies in which investments are made
- **Capital expenditure (CapEx)** showing the green investments of the companies invested in, e.g. for the transition to a green economy
- **Operating expenses (OpEx)** reflecting the environmentally friendly operational activities of the companies in which investments are



are sustainable investments with an environmental objective that **meet the criteria for** environmentally sustainable. Do not take into account economic activities according to the EU taxonomy.

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

N/A

**Which investments fall under "#2 Other investments", what is their investment purpose and is there a minimum environmental or social protection?**

The category "#2 Other investments" includes investments such as money market instruments and derivatives made for efficient portfolio risk management, liquidity or hedging purposes.

**Has an index been determined as a reference value to determine whether this financial product is aligned with the advertised environmental and/or social characteristics?**

N/A

**Where can I find more product-specific information on the Internet?**

Further product-specific information is available at: [www.eticasgr.com](http://www.eticasgr.com)