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PROSPECTUS

ETHOS FUND

a Luxembourg mutual investment fund

Subscriptions can only be accepted on the basis of the prospectus (hereafter the “**Prospectus**”) accompanied by the current Key Information Document (the “**KID**”), the latest annual report (if any), as well as by the latest semi-annual report, if published after the latest annual report. These reports form part of the Prospectus.

No information other than that contained in the Prospectus, in the KID, in the periodic financial reports or in any other document mentioned in the Prospectus and which may be consulted by the public may be given in connection with this offer.

The investment in the Fund is only appropriate for investors willing to accept the risks thereof. The specific risks related to the investment in each Sub-fund of the Fund are described in Part B of this Prospectus.

December 2023

ETHOS FUND

The Management Company is:

FundRock Management Company S.A.

33, rue de Gasperich
L-5826 Hesperange
Grand Duchy of Luxembourg

The Board of Directors of the Management Company is:

Mr. Michel Marcel Vareika (Chairman)

Independent Non-Executive Director

Mr. Frank de Boer

Executive Director

Mr. Karl Fuhrer

Executive Director

Mrs. Carmel Mc Govern

Independent Non-Executive Director

Mr. David Rhydderch

Non-Executive Director

The Conducting Officers of the Management Company are:

Mr. Franck Caramelle

Conducting Officer in charge of Investment Management and Administration of UCIs

Mr. Frank de Boer

Conducting Officer in charge of Accounting and Branches functions

Mr. Karl Fuhrer

Conducting Officer in charge of Marketing

Mr. Khalil Haddad

Conducting Officer in charge of Valuation

Mr. Emmanuel Nantas

Conducting Officer in charge of Compliance and AML/CFT

Mr. Marc-Oliver Scharwath

Conducting Officer in charge of IT

Mr. Hugues Sebenne

Conducting Officer in charge of Risk Management

The independent authorised auditor of the Fund is:

PricewaterhouseCoopers, société coopérative

2, rue Gerhard Mercator
L-2182 Luxembourg
Grand Duchy of Luxembourg

The independent authorised auditor of the Management Company is:

Deloitte Audit S.à r.l.

20, Boulevard de Kockelscheuer
L-1821 Luxembourg
Grand Duchy of Luxembourg

The Administrator, including Transfer and Registrar Agent is:

UI efa S.A.
2, rue d'Alsace
L-1122 Luxembourg
Grand Duchy of Luxembourg

The Depositary and Paying Agent is:

Skandinaviska Enskilda Banken AB (publ) — Luxembourg Branch
4, rue Peternelchen
L-2370 Howald
Grand Duchy of Luxembourg

The Paying Agent in Sweden is:

Skandinaviska Enskilda Banken AB (publ)
Kungsträdgårdsgatan 8
S-10640 Stockholm
Kingdom of Sweden

The Investment Manager is:

Robeco Institutional Asset Management B.V.
Weena 850, 3014 DA Rotterdam
P.O. Box 973, 3000 AZ Rotterdam
The Netherlands

The Sub-Investment Manager is:

Robeco Schweiz AG
Josefstrasse 218
CH-8005 Zürich
Switzerland

The Distributor is:

Skandinaviska Enskilda Banken AB (publ)
Kungsträdgårdsgatan 8
S-10640 Stockholm
Kingdom of Sweden

No one may refer to information other than that appearing in the Prospectus and in the documents referred to therein.

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Prospectus

PART A – GENERAL INFORMATION RELATING TO THE FUND

FORMATION - LEGAL STATUS

ETHOS FUND (the “**Fund**”) is an umbrella mutual investment fund governed by Part I of the Luxembourg law of December 17, 2010 relating to undertakings for collective investment, as may be amended from time to time (the “**Law**”). The Fund is set up in accordance with management regulations signed in Luxembourg on 26 April 2011 (the “**Management Regulations**”) which entered into force on the same day.

The Management Regulations are deposited with the “*Registre de Commerce et des Sociétés*”, where they may be inspected and copies obtained. A notice of the deposit of the lastly amended Management Regulations was published in the *Recueil Electronique des Sociétés et Associations*, official gazette of the Grand Duchy of Luxembourg (the “RESA”) on 28 February 2019. The Fund is registered with the *Registre de Commerce et des Sociétés* under number K 18.

The Fund’s assets are the undivided joint property of the unitholders and are separate from the assets of the management company, FundRock Management Company S.A. (the “**Management Company**”).

The main objective of the Fund is to provide active and professional management, to diversify investment risks and satisfy investors seeking longer-term capital growth. As in the case of any investment, the Management Company cannot guarantee future performance and there can be no certainty that the investment objectives of the Fund will be achieved.

The Fund’s units are only suitable for investors willing to accept the risks laid down hereafter. Prospective investors should carefully consider their portfolio objectives, their need for liquidity and to minimise the risk of losses in evaluating an investment in the Fund.

No investor should invest in the Fund more than such investor can afford to lose. The Fund does not purport to constitute a complete investment program, but rather only to serve as a diversification alternative intended to complement an investor’s holdings.

The Management Company offers investors under one single mutual investment fund the possibility to subscribe to one or several Sub-Funds (individually a “**Sub-Fund**” and collectively the “**Sub-Funds**”) on the basis of the information contained in this prospectus (the “**Prospectus**”) and in the documents referred to herein.

Units of the Fund may be issued in one or several separate Sub-Funds of the Fund. The entirety of the Sub-Funds forms the Fund. A separate portfolio of assets is maintained for each Sub-Fund and is invested in accordance with the investment objective and policy applicable to the relevant Sub-Fund. As a result, the Fund is an “umbrella fund” enabling investors to choose between one or more investment objectives by investing in one or more Sub-Funds. Investors may choose one or more Sub-Fund(s) which may be most appropriate for their specific risk and return expectations as well as their diversification needs. The Management Company is empowered to establish new Sub-Funds and liquidate existing ones at any time upon notice to the unitholders and by updating this Prospectus.

The rights of the unitholders and of creditors concerning a Sub-Fund or which have arisen in connection with the creation, operation or liquidation of a Sub-Fund are limited to the assets of that Sub-Fund. The assets of a Sub-Fund are exclusively available to satisfy the rights of the unitholders in relation to that Sub-Fund and the rights of creditors whose claims have arisen in connection with the creation, the operation or the liquidation of that Sub-Fund. For the purpose of the relations as between the unitholders, each Sub-Fund will be deemed to be a separate entity.

The Management Company may provide for the issue of units of different classes of units (individually a “**Class**” and collectively the “**Classes**”) which may correspond to (i) a specific distribution policy, such as entitling to distributions or not entitling to distributions and/or (ii) a specific sales and redemption charge structure and/or (iii) a specific management or advisory fee structure and/or (iv) different distribution, unitholder servicing or other fees, and/or (v) the currency or currency unit in which the class may be quoted and based on the rate of exchange of the same Valuation Day between such currency or currency unit and the reference currency of the relevant Sub-Fund and/or (vi) the use of different hedging techniques in order to protect in the reference currency of the relevant Sub-Fund the assets and returns quoted in the unit currency of the relevant class of units against long-term movements of their unit currency and/or (vii) specific jurisdictions where the units are sold and/or (viii) specific distributions channels and/or (ix) different types of targeted investors and/or (x) specific protection against certain currency fluctuations and/or (xi) such other features as may be determined by the Management Company from time to time in compliance with applicable law. If different Classes are issued within a Sub-Fund, the details of each Class are described in Part B of this Prospectus.

The Sub-Funds and their Classes, if any, are designated by the Management Company and their specific terms and conditions, if deviating from the general rules defined in Part A of this Prospectus, are regulated by the specific rules set out in Part B of this Prospectus for the relevant Sub-Fund.

At the date hereof, the following Sub-Fund is offered to investors:

- ETHOS FUND – Ethos Global Equities

The Sub-Funds are managed as separate assets by the Management Company in the interest and for the account of the unitholders. The Management Company may delegate discretionary management to one or several Investment Managers with discretion to further delegate investment management to Sub-Investment Manager(s) approved by the Management Company.

The Sub-Funds’ net asset value is calculated each Valuation Day, as defined for each Sub-Fund under Part B of this Prospectus.

The consolidated currency of the Fund is the Swedish Krona (SEK).

The currency of account of the Sub-Funds indicates solely the currency in which the Net Asset Value of the respective Sub-Fund is calculated and not the investment currency of the Sub-Fund concerned. Investments are made in those currencies which best benefit the performance of the Sub-Funds.

As an investment in the Fund is subject to market risks, realisation of the main objective cannot be guaranteed.

There is no restriction on the amount of the Fund’s assets or on the number of its units.

The expenses in connection with the formation of the Fund of around EUR 45,000 will be borne by the Fund and amortized over a period not exceeding the first five accounting years.

MANAGEMENT - ORGANISATION

The Fund is managed on behalf of the unitholders by FundRock Management Company S.A.

FundRock Management Company S.A. was incorporated for an unlimited period on 10 November 2004 in the form of a “*société anonyme*” in Luxembourg under the name of “RBS (Luxembourg) S.A”. It is authorised and regulated by the CSSF as (i) a management company Chapter 15 of the Law, and (ii) as alternative investment fund manager regulated under Chapter 2 of the law of 12 July 2013 on alternative investment funds managers. It has a subscribed and paid-up capital of EUR 10,000,000.

It has its registered office in Luxembourg at 33, rue de Gasperich, L-5826 Hesperange, Grand Duchy of Luxembourg. The articles of incorporation of the Management Company (the “**Articles**”) were published in the *Mémorial C*, official gazette of the Grand-Duchy of Luxembourg, on 6 December 2004. The last amendment of the Articles was published on 31 March 2016.

The Management Company shall ensure compliance of the Fund with the investment restrictions and oversee the implementation of the Fund’s strategies and investment policy.

The Management Company will receive periodic reports from Investment Managers detailing each Sub-Fund’s performance and analysing its investment portfolio. The Management Company will receive similar reports from the other service providers in relation to the services which they provide for the Fund.

The Management Company will monitor on a continuing basis the activities of the third parties to which it has delegated functions. The agreements entered into between the Management Company and the relevant third parties provide that the Management Company can give at any time further instruction to such third parties and that it can withdraw their mandate with immediate effect if this is in the interest of the unitholders of the Fund. The Management Company’s liability towards the Fund is not affected by the fact that it has delegated certain functions to third parties.

The accounts of the Management Company are audited by an independent authorised auditor. This task has been entrusted to Deloitte Audit S.à r.l.

The Management Company currently also acts as management company for other investment funds. The names of these investment funds are available on request of the Management Company’s registered office.

The Management Company may, under its own responsibility, control and coordination, transfer some or all of its tasks to third parties for the purpose of efficient management.

For the Fund, the Management Company has designated Robeco Institutional Asset Management B.V., Rotterdam Chamber of Commerce number 24123167, as investment manager, as further described in Part B of the Prospectus.

Skandinavika Enskilda Banken AB (publ) was assigned to distribute the units of the Fund.

The Management Company has delegated, at its own expense, the duties relating to the administration of the Fund, including the transfer and registrar agent function to UI efa S.A. (the “**Administrative Agent**”). The Administrative Agent will carry out all administrative duties related to the administration of the Fund, including the calculation of the Net Asset Value of the units and the provision of accounting services to the Fund. Furthermore, it will process all subscriptions, redemptions and transfers of units and will register these transactions in the register of the Fund.

THE DEPOSITARY AND PAYING AGENT

Pursuant to a depositary and paying agent services agreement dated 13 October 2016 (the “**Depositary Agreement**”), Skandinaviska Enskilda Banken AB (publ) – Luxembourg Branch has been appointed as depositary of the Fund (the “**Depositary**”). The Depositary will also provide paying agent services to the Fund.

Skandinaviska Enskilda Banken AB (publ) – Luxembourg Branch registered with the Luxembourg Trade and Companies Register under number B39819, having its place of business at 4, rue Peternelchen, L-2370 Howald, Grand-Duchy of Luxembourg, is a branch of Skandinaviska Enskilda Banken AB (publ), a credit institution incorporated under and pursuant to the laws of Sweden and registered with the Swedish Companies Registration Office under number 502032-9081 with registered office address at 106 40 Stockholm, Sweden (the “**SEB AB**”). SEB AB is subject to the prudential supervision of the Swedish Financial Supervisory Authority, Finansinspektionen. The Depositary is furthermore supervised by the CSSF, in its role as host member state authority.

The Depositary has been appointed for the safe-keeping of the assets of the Fund which comprises the custody of financial instruments, the record keeping and verification of ownership of other assets of the Fund as well as the effective and proper monitoring of the Fund’s cash flows in accordance with the provisions of the Law of 17 December 2010, as amended from time to time, and the Depositary Agreement.

In addition, the Depositary shall also ensure that (i) the sale, issue, repurchase, redemption and cancellation of units are carried out in accordance with Luxembourg law and the Management Regulations; (ii) the value of the units is calculated in accordance with Luxembourg law and the Management Regulations; (iii) the instructions of the Management Company are carried out, unless they conflict with applicable Luxembourg law and/or the Management Regulations; (iv) in transactions involving the Fund’s assets any consideration is remitted to the Fund within the usual time limits; and (v) the Fund’s incomes are applied in accordance with Luxembourg law and the Management Regulations.

In carrying out its functions the Depositary acts honestly, fairly, professionally and independently and solely in the interest of the investors. The Depositary is on an ongoing basis analyzing, based on applicable laws and regulations as well as its conflict of interest policy potential conflicts of interests that may arise while carrying out its functions.

When performing its activities, the Depositary obtains information relating to funds which could theoretically be misused (and thus raise potential conflict of interests issues) in relation to e.g. the interests of other clients of the SEB Group, whether engaging in trading in the same securities or seeking other services, particularly in the area of offering services competing with the interests of other counterparties used by the funds/fund managers, and the interests of the Depositary’s employees in personal account dealings.

Consequently, to mitigate the potential conflicts of interest, it has been ensured that the activities of a depositary function are physically, hierarchically and systematically separated from other functions of the Depositary in order to establish information firewalls. Moreover, the depositary function has a mandate and a veto to approve or decline fund clients independent of other functions and has its own committees for escalation of matters connected to its role as a depositary, where other functions with potentially conflicting interests are not represented.

For further details on management, monitoring and disclosure of potential conflicts of interest please refer to Instruction for Handling of Conflicts of Interest in Skandinaviska Enskilda Banken AB (publ) – Luxembourg Branch which can be found on the following webpage: <https://sebgroup.lu/>.

In compliance with the provisions of the Depositary Agreement and the Law, as amended from time to time, the Depositary may, subject to certain conditions and in order to effectively conduct its duties, delegate part or all of its safe-keeping duties in relation to financial instruments that can be held in custody, duly entrusted to the Depositary for custody purposes, and/or all or part of its duties regarding the record keeping and verification of ownership of other assets of the Fund to one or more delegate(s), as they are appointed by the Depositary from time to time.

In order to avoid any potential conflicts of interest, irrespective of whether a given delegate is part of the SEB Group or not, the Depositary exercise the same level of due skill, care and diligence both in relation to the selection and appointment as well as in the on-going monitoring of the relevant delegate. Furthermore, the conditions of any appointment of a delegate that is member of the SEB Group will be negotiated at arm's length in order to ensure the interests of the investors. Should a conflict of interest occur and in case such conflict of interest cannot be neutralized, such conflict of interest as well as the decisions taken will be disclosed to the investors and the Prospectus revised accordingly. An up-to-date list of these delegates can be found on the following webpage: [https://webapp.sebgroup.com/mb/mblib.nsf/alldocsbyunid/B3A1C7AF81EFBA18C12586C500207C07/\\$FILE/global_custody_network_SEB_AB_Lux_branch.pdf](https://webapp.sebgroup.com/mb/mblib.nsf/alldocsbyunid/B3A1C7AF81EFBA18C12586C500207C07/$FILE/global_custody_network_SEB_AB_Lux_branch.pdf).

Where the law of a third country requires that financial instruments are held in custody by a local entity and no local entity satisfies the delegation requirements of article 34bis, paragraph 3, lit. b) i) of the Law, as amended, the Depositary may delegate its functions to such local entity to the extent required by the law of that third country for as long as there are no local entities satisfying the aforementioned requirements.

In order to ensure that its tasks are only delegated to delegates providing an adequate standard of protection, the Depositary has to exercise all due skill, care and diligence as required by the Law, as amended, in the selection and the appointment of any delegate to whom it intends to delegate parts of its tasks and has to continue to exercise all due skill, care and diligence in the periodic review and ongoing monitoring of any delegate to which it has delegated parts of its tasks as well as of any arrangements of the delegate in respect of the matters delegated to it. In particular, any delegation is only possible when the delegate at all times during the performance of the tasks delegated to it segregates the assets of the Fund from the Depositary's own assets and from assets belonging to the delegate in accordance with the Law, as amended. The Depositary's liability shall not be affected by any such delegation unless otherwise stipulated in the Law, as amended and/or the Depositary Agreement.

An up-to-date information regarding the Depositary, its duties and the conflicts of interest that may arise, any safekeeping functions delegated by the Depositary, the list of delegates and any conflicts of interests that may arise from such delegation, is available to the investors upon request at the registered office of the Management Company.

The Depositary is liable to the Fund or its investors for the loss of a financial instrument held in custody by the Depositary and/or a delegate. In case of loss of such financial instrument, the Depositary has to return a financial instrument of an identical type or the corresponding amount to the Fund without undue delay. In accordance with the provisions of the Law, as amended, the Depositary will not be liable for the loss of a financial instrument, if such loss has arisen as a result of an external event beyond its reasonable control, the consequences of which would have been unavoidable despite all reasonable efforts to the contrary.

The Depositary shall be liable to the Fund and to the investors for all other losses suffered by them as a result of the Depositary's negligent or intentional failure to properly fulfil its duties in accordance with applicable law, in particular the Law, as amended and/or the Depositary Agreement.

The Fund and the Depositary may terminate the Depositary Agreement at any time by giving ninety (90) days' notice in writing. In case of a voluntary withdrawal of the Depositary or of its removal by the Fund, the Depositary must be replaced at the latest within two (2) months after the expiry of the aforementioned termination notice by a successor depositary to whom the Fund's assets are to be delivered and who will take over the functions and responsibilities of the Depositary. If the Management Company/Company does not name such successor depositary in time the Depositary may notify the CSSF of the situation. The Management Company/Company will take the necessary steps, if any, to initiate the liquidation of the Fund, if no successor depositary bank has been appointed within two (2) months after the expiry of the aforementioned termination notice of ninety (90) days.

INVESTMENT OBJECTIVES, STRATEGY AND RESTRICTIONS OF THE FUND

Investment Objective

The Fund's objective is to place the funds available to it in transferable securities and other permitted assets of any kind with the purpose of spreading investment risks and allowing its unitholders to achieve capital growth, income or balance between growth and income.

In order to achieve its main objective the Fund's portfolio will include but not be limited to bonds, equities, currencies, equity and interest related transferable securities as well as investment funds. The Fund may also hold money market instruments.

In accordance with article 5 of the Management Regulations the Fund may use derivatives. Their use needs not be limited to hedging the Fund's assets; they may also be part of the investment strategy. The extent of usage of derivatives is laid down in the specific information of the Sub-Funds.

Trading in derivatives is conducted within the confines of the investment limits and provides for the efficient management of the Fund's assets, while also regulating maturities and risks. The Fund may use derivative instruments for both hedging and position-building purposes.

Where the financial derivative instrument is cash-settled automatically or at the Fund's discretion, the Fund will be allowed not to hold the specific underlying instrument as cover. The acceptable cover is defined here below in the chapter "Techniques and Instruments" of Part A of this Prospectus.

In addition, the Fund's assets may be invested in all other eligible assets within the scope of legal possibilities and the provisions laid down in the Management Regulations.

In Sub-Funds investing in a specific geographical area or industrial sector, emphasis will be given to the investments and currencies related to the specific objective of that Sub-Fund.

Except to the extent that more restrictive rules are provided for in connection with a specific Sub-Fund under Part B of the Prospectus, the investment policy shall comply with the rules and restrictions laid down in the Management Regulations of the Fund.

Investment Strategy

The investment strategy of each Sub-Fund is individually set out in Part B of the Prospectus. Different investment managers may be appointed by the Management Company to manage each Sub-Fund according to their investment strategy (each an "**Investment Manager**", together the "**Investment Managers**").

Investment Restrictions

The Fund is an umbrella structure. The following provisions will therefore be applicable at Sub-Fund level.

Unless otherwise provided in the relevant Sub-Fund's Annex, the following provisions shall apply to the investments made by the Management Company on behalf of the Fund and/or a Sub-Fund.

- I. (1) The investments of a Sub-Fund must consist solely of:
 - a) transferable securities and money market instruments admitted to or dealt in on an Eligible Market;

- b) recently issued transferable securities and money market instruments, provided that the terms of issue include an undertaking that application will be made for admission to official listing on an Eligible Market and such admission is secured within one year of the issue;
- c) units of undertakings for collective investment in transferable securities (“**UCITS**”) authorised according to the Council Directive 2009/65/EC and/or other undertakings for collective investment (“**UCI**”), whether situated in an EU Member State or not, provided that:
 - such other UCIs have been authorised under laws which provide that they are subject to supervision considered by the CSSF to be equivalent to that laid down in European Union law, and that cooperation between authorities is sufficiently ensured,
 - the level of protection for unitholders in such other UCIs is equivalent to that provided for unitholders in a UCITS, and in particular that the rules on assets segregation, borrowing, lending, and uncovered sales of transferable securities and money market instruments are equivalent to the requirements of Council Directive 2009/65/EC,
 - the business of such other UCIs is reported in half-yearly and annual reports to enable an assessment of the assets and liabilities, income and operations over the reporting period,
 - no more than 10% of the assets of the UCITS or of the other UCIs, whose acquisition is contemplated, can, according to their constitutional documents, in aggregate be invested in units of other UCITS or other UCIs;
- d) Units of other Sub-Funds of the Fund provided that:
 - the target Sub-Fund does not, in turn, invest in the Sub-Fund; and
 - no more than 10% of the assets of the target Sub-Fund can, according to its investment policy, be invested in aggregate in units of other UCITS or other UCIs; and
 - voting rights, if any, attached to the relevant units are suspended for as long as the units are held by the Sub-Fund concerned.

For as long as the units of a Sub-Fund are held by another Sub-Fund, their value will not be taken into consideration for the calculation of the net assets of the Fund for the purposes of verifying the minimum threshold of the net assets imposed by Law.

- e) deposits with credit institutions which are repayable on demand or have the right to be withdrawn, and maturing in no more than 12 months, provided that the credit institution has its registered office in a Member State of the EU or, if the registered office of the credit institution is situated in a non-Member State of the EU, provided that it is subject to prudential rules considered by the CSSF as equivalent to those laid down in European Union law;
- f) financial derivative instruments, including equivalent cash-settled instruments, dealt in on an Eligible Market and/or financial derivative instruments dealt in over-the-counter ("**OTC derivatives**"), provided that:
 - the underlying consists of instruments covered by this section (I) (1), financial indices, interest rates, foreign exchange rates or currencies, in which the Sub-Funds may invest according to their investment objective;
 - the counterparties to OTC derivative transactions are institutions subject to prudential supervision, and belonging to the categories approved by the CSSF;
 - 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 their fair value at the Management Company's initiative;

and/or

- g) money market instruments other than those dealt in on an Eligible Market and referred to under "Definitions", if the issue or the issuer of such instruments is itself regulated for the purpose of protecting investors and savings, and provided that such instruments are:
 - issued or guaranteed by a central, regional or local authority or by a central bank of an EU Member State, the European Central Bank, the EU or the European Investment Bank, a non-EU Member State or, in case of a Federal State, by one of the members making up the federation, or by a public international body to which one or more EU Member States belong, or
 - issued by an undertaking any securities of which are dealt in on Eligible Markets, or
 - issued or guaranteed by an establishment subject to prudential supervision, in accordance with criteria defined by EU law, or by an establishment which is subject to and complies with prudential rules considered by the CSSF to be at least as stringent as those laid down by EU law, or

- issued by other bodies belonging to the categories approved by the CSSF provided that investments in such instruments are subject to investor protection equivalent to that laid down in the first, the second or the third indent and provided that the issuer is a company whose capital and reserves amount to at least EUR 10 million and which presents and publishes its annual accounts in accordance with Directive 78/660/EEC, is an entity which, within a group of companies which includes one or several listed companies, is dedicated to the financing of the group or is an entity which is dedicated to the financing of securitisation vehicles which benefit from a banking liquidity line.

(2) In addition, a maximum of 10% of the net assets of any Sub-Fund may be invested in transferable securities and money market instruments other than those referred to under (1) above.

II. A Sub-Fund may hold ancillary liquid assets. From time to time, a maximum of 20% of the Sub-Fund's net assets might be invested in liquid assets with due regard to the principle of risk spreading. Such assets might be kept in the form of bank deposits at sight, such as cash held in current accounts with a bank accessible at any time. Exceptionally and under certain negative market conditions this limit can be temporarily breached.

- III.
- a)
 - (i) A Sub-Fund may not invest more than 10% of its net assets in transferable securities or money market instruments issued by the same issuing body.
 - (ii) A Sub-Fund may not invest more than 20% of its net assets in deposits made with the same body. The risk exposure of a Sub-Fund to a counterparty in an OTC derivative transaction may not exceed 10% of its net assets when the counterparty is a credit institution referred to in I. e) above or 5% of its net assets in other cases.
 - b) The total value of the transferable securities and money market instruments held by a Sub-Fund in the issuing bodies in each of which it invests more than 5% of its net assets must not exceed 40% of the value of its net assets. This limitation does not apply to deposits and OTC derivative transactions made with financial institutions subject to prudential supervision.

Notwithstanding the individual limits laid down in paragraph a), a Sub-Fund may not combine where this would lead to investment of more than 20% of its assets in a single body, any of the following:

- investments in transferable securities or money market instruments issued by,
- deposits made with, and/or
- exposures arising from OTC derivative transactions undertaken with a single body.

- c) The limit of 10% laid down in sub-paragraph a) (i) above is increased to a maximum of 35% in respect of transferable securities or money market instruments which are issued or guaranteed by an EU Member State, its local authorities, or by another Eligible State or by public international bodies of which one or more EU Member States are members.
- d) The limit of 10% laid down in sub-paragraph a) (i) is increased to 25% for certain bonds when they are issued by a credit institution which has its registered office in a Member State of the EU and is subject by law to special public supervision designed to protect bondholders. In particular, sums deriving from the issue of these bonds must be invested in conformity with the law in assets which, during the whole period of validity of the bonds, are capable of covering claims attaching to the bonds and which, in case of bankruptcy of the issuer, would be used on a priority basis for the repayment of principal and payment of the accrued interest.

If a Sub-Fund invests more than 5% of its net assets in the bonds referred to in this sub-paragraph and issued by one issuer, the total value of such investments may not exceed 80% of the net assets of the Sub-Fund.

- e) The transferable securities and money market instruments referred to in paragraphs c) and d) shall not be included in the calculation of the limit of 40% in paragraph b).

The limits set out in sub-paragraphs a), b), c) and d) may not be aggregated and, accordingly, investments in transferable securities or money market instruments issued by the same issuing body, in deposits or in derivative instruments effected with the same issuing body may not, in any event, exceed a total of 35% of any Sub-Fund's net assets.

Companies which are part of the same group for the purposes of the establishment of consolidated accounts, as defined in accordance with Directive 83/349/EEC or in accordance with recognised international accounting rules, are regarded as a single body for the purpose of calculating the limits contained in this paragraph III.

The Management Company may cumulatively invest up to 20% of the net assets of a Sub-Fund in transferable securities and money market instruments within the same group.

- f) **Notwithstanding the above provisions, a Sub-Fund may invest up to 100% of the net assets of any Sub-Fund, in accordance with the principle of risk spreading, in transferable securities and money market instruments issued or guaranteed by a Member State of the EU, by its local authorities or agencies, or by any other OECD member state, Singapore, Brazil, Russia, Indonesia and South Africa, or by public international bodies of which one or more Member States of the EU are members, provided that such Sub-Fund must hold securities from at least six different issues and securities from one issue do not account for more than 30% of the net assets of such Sub-Fund.**

- IV.
- a) Without prejudice to the limits laid down in paragraph V., the limits provided in paragraph III. are raised to a maximum of 20% for investments in shares and/or debt securities issued by the same issuing body if the aim of the investment policy of a Sub-Fund is to replicate the composition of a certain stock or debt securities index which is recognised by the CSSF on the basis that the index is sufficiently diversified on the terms of its composition, represents an adequate benchmark for the market to which it refers and is published in an appropriate manner.
 - b) The limit laid down in paragraph a) is raised to 35% where this proves to be justified by exceptional market conditions, in particular on Regulated Markets where certain transferable securities or money market instruments are highly dominant. The investment up to this limit is only permitted for a single issuer.
- V.
- a) The Management Company acting in connection with all of the common funds which it manages and which fall under the scope of Part I of the Law or Directive 2009/65/EC may not acquire any shares carrying voting rights which would enable it to exercise significant influence over the management of an issuing body.
 - b) A Sub-Fund may acquire no more than:
 - 10% of the non-voting shares of the same issuer;
 - 10% of the debt securities of the same issuer;
 - 10% of the money market instruments of the same issuer.

The limits under the second and third indents may be disregarded at the time of acquisition, if at that time the gross amount of debt securities or of the money market instruments or the net amount of the instruments in issue cannot be calculated.

- c) The provisions of paragraph V. shall not be applicable to transferable securities and money market instruments issued or guaranteed by a Member State of the EU or its local authorities or by any other Eligible State, or issued by public international bodies of which one or more Member States of the EU are members.

The provisions of this paragraph V. are also waived as regards shares held by the Fund in the capital of a company incorporated in a non-Member State of the EU which invests its assets mainly in the securities of issuing bodies having their registered office in that State, where under the legislation of that State, such a holding represents the only way in which a Sub-Fund can invest in the securities of issuing bodies of that State provided that the investment policy of the company from the non-Member State of the EU complies with the limits laid down in paragraph III., V. and VI. a), b), c) and d).

- VI. a) A Sub-Fund may acquire units of the UCITS and/or other UCIs referred to in paragraph I. (1) c) and d), provided that no more than 20% or any lower percentage (as may be disclosed in the relevant Annex) of a Sub-Fund's net assets be invested in the units of a single UCITS or other UCI. Each compartment of a UCITS or UCI with multiple compartments is to be considered as a separate issuer provided that the principle of segregation of the obligations of the various compartments vis-à-vis third parties is ensured.

Investments made in units of UCIs other than UCITS may not in aggregate exceed 30% of the net assets of a Sub-Fund.

- b) The underlying investments held by the UCITS or other UCIs in which the Sub-Fund invests do not have to be considered for the purpose of the investment restrictions set forth under III. above.
- c) For investments which will be made in the units of other UCITS and/or other UCIs that are managed, directly or by delegation, by the same management company or by another company with which the management company is linked by common management or control, or by a substantial direct or indirect holding, the management company or such other company may not charge subscription or redemption fees on account of the Sub-Fund's investments in the units of such UCITS or other UCIs.

In respect of a Sub-Fund's investments in UCITS and other UCIs linked to the management company as described in the preceding paragraph, the total management fee (excluding any performance fee, if any) charged to such Sub-Fund and each of the UCITS or other UCIs concerned shall not exceed 5% of the relevant net assets under management. The Management Company will indicate in the Fund's annual report the total management fees charged both to the relevant Sub-Fund and to the UCITS and other UCIs in which such Sub-Fund has invested during the relevant period.

- d) The Fund may acquire no more than 25% of the units of the same UCITS or other UCI. This limit may be disregarded at the time of acquisition if at that time the gross amount of the units in issue cannot be calculated. In case of a UCITS or other UCI with multiple compartments, this restriction is applicable by reference to all units issued by the UCITS or other UCI concerned, all compartments combined.

- VII. The Management Company on behalf of the Fund shall ensure for each Sub-Fund that the global exposure relating to derivative instruments does not exceed the net assets of the relevant Sub-Fund.

The exposure is calculated taking into account the current value of the underlying assets, the counterparty risk, foreseeable market movements and the time available to liquidate the positions. This shall also apply to the following subparagraphs.

If a Sub-Fund invests in financial derivative instruments, the exposure to the underlying assets may not exceed in aggregate the investment limits laid down in paragraph III above. When the Sub-Fund invests in index-based financial derivative instruments, these investments do not have to be combined to the limits laid down in paragraph III.

When a transferable security or money market instrument embeds a derivative, the latter must be taken into account when complying with the requirements of this paragraph VII.

- VIII. a) The Management Company on behalf of the Fund may not borrow for the account of any Sub-Fund amounts in excess of 10% of the net assets of that Sub-Fund, any such borrowings to be from banks and to be effected only on a temporary basis, provided that the Management Company on behalf of a Sub-Fund may acquire foreign currencies by means of back to back loans;
- b) The Management Company on behalf of the Sub-Fund may not grant loans to or act as guarantor on behalf of third parties.

This restriction shall not prevent a Sub-Fund from acquiring transferable securities, money market instruments or other financial instruments referred to in (1) c), f) and g) which are not fully paid.

- c) The Management Company on behalf of a Sub-Fund may not carry out uncovered sales ("**short sales**") of transferable securities, money market instruments or other financial instruments.
- d) The Management Company on behalf of a Sub-Fund may only acquire movable or immovable property which is essential for the direct pursuit of its business.
- e) The Management Company on behalf of a Sub-Fund may not acquire either precious metals or certificates representing them.

- IX. a) The Management Company needs not comply with the limits laid down in this chapter when exercising subscription rights attaching to transferable securities or money market instruments which form part of the assets of the Fund/Sub-Fund. While ensuring observance of the principle of risk spreading, newly authorised Sub-Funds may derogate from paragraphs III., IV. and VI. a), b) and c) for a period of six months following the date of their authorisation.

- b) If the limits referred to in paragraph a) are exceeded for reasons beyond the control of the Management Company or as a result of the exercise of subscription rights, it must adopt as a priority objective for its sales transactions the remedying of that situation, taking due account of the interest of its shareholders.

RISK MANAGEMENT PROCEDURE

In accordance with applicable laws and regulations, and in particular CSSF Circular 11/512 as amended by Circular 18/698, the Management Company on behalf of the Fund employs a risk management process which enables it to assess the exposure of any Sub-Fund to market, liquidity and counterparty risks, and to all other risks, including operational risks, which are material for the Fund.

In relation to financial derivative instruments the Management Company employs a process for accurate and independent assessment of the value of OTC Derivatives and the Management Company ensures for each of the Sub-Funds that its global exposure relating to financial derivative instruments does not exceed the limits as set out in the section “Investment Restrictions”.

The global exposure is calculated taking into account the current value of the underlying assets, the counterparty risk, future market movements and the time available to liquidate the positions.

Any Sub-Fund may invest, according to its investment policy and within the limits laid down in the section “Investment Restrictions”, in financial derivative instruments, provided that the global exposure to the underlying assets does not exceed in aggregate the investment limits laid down in the section “Investment Restrictions”.

When a Sub-Fund invests in index-based financial derivative instruments, these investments do not have to be combined to any such limits set out in the section “Investment Restrictions”.

When a transferable security or money market instrument embeds a financial derivative instrument, the latter must be taken into account when complying with these requirements set out in the section “Investment Restrictions”.

The global exposure is calculated taking into account the current value of the underlying assets, the counterparty risk, future market movements and the time available to liquidate the positions.

Unless otherwise provided for any Sub-Fund in Part B of the Prospectus, the commitment approach is used to monitor and measure the global exposure of each Sub-Fund.

This approach measures the global exposure related solely to positions on financial derivative instruments under consideration of netting or hedging.

TECHNIQUES AND INSTRUMENTS

Subject to the following conditions, the Fund is authorised for each Sub-Fund to resort to techniques and instruments bearing on Transferable Securities, Money Market Instruments, currencies and other eligible assets, on the condition that any recourse to such techniques and instruments be carried out for the purpose of hedging and/or efficient management of the portfolio, altogether within the meaning of the Grand-ducal regulation of 8th February 2008.

A. Techniques and Instruments relating to Transferable Securities, Money Market Instruments and other eligible assets

(1) General

To optimise portfolio management and/or to protect its assets and liabilities, the Fund may use techniques and instruments involving Transferable Securities, Money Market Instruments, currencies and other eligible assets within the meaning of the Grand-ducal regulation of 8th February 2008 for each Sub-Fund provided that such techniques and instruments are used for the purposes of efficient portfolio management within the meaning of, and under the conditions set out in, applicable laws, regulations and CSSF-Circulars issued from time to time, in particular, but not limited to CSSF-Circulars 08/356 and 14/592 and ESMA-Guidelines 2014/937. In particular, those techniques and instruments should not result in a change of the investment objective of the relevant Sub-Fund or add substantial supplementary risks in comparison to the stated risk profile of such Sub-Fund.

The risk exposure to a counterparty generated through efficient portfolio management techniques and OTC financial derivatives must be combined when calculating counterparty risk limits referred to under Part A, chapter "Risk factors applicable to the investment in the Fund" of this Prospectus. All revenues arising from efficient portfolio management techniques, net of direct and indirect operational costs and fees, will be returned to the respective Sub-Fund. In particular, fees and costs may be paid to agents of the Fund and other intermediaries providing services in connection with efficient portfolio management techniques as normal compensation for their services. Such fees may be calculated as a percentage of gross revenues earned by the Fund through the use of such techniques. Information on direct and indirect operational costs and fees that may be incurred in this respect as well as the identity of the entities to which such costs and fees are paid – as well as any relationship they may have with the Depositary or the Management Company – will be available in the annual report of the Fund. Furthermore, each Sub-Fund is notably authorised to carry out transactions intended to sell or buy foreign exchange rate futures, to sell or buy currency futures and to sell call options or to buy put options on currencies, in order to protect its assets against currency fluctuations or to optimise yield, i.e., for the purpose of sound portfolio management.

(2) Limitation

When transactions involve the use of derivatives, the Fund must comply with the terms and limits stipulated above in Part A, chapter "Investment Restrictions", sections I. f), III. a) (ii) and b) and VII. of this Prospectus. The use of transactions involving derivatives or other financial techniques and instruments may not cause the Fund to stray from the investment objectives set out in the Prospectus.

(3) Risks - Notice

In order to optimise their portfolio yield, all Sub-Funds are authorised to use the derivatives techniques and instruments described in this chapter and the chapter "Investment Restrictions" (particularly swaps of rates, currencies and other financial instruments, futures, and securities, rate or futures options), on the terms and conditions set out in said chapters. The investor's attention is drawn to the fact that market conditions and applicable regulations may restrict the use of these instruments. The success of these strategies cannot be guaranteed.

Sub-funds using these techniques and instruments assume risks and incur costs they would not have assumed or incurred if they had not used such techniques. The investor's attention is further drawn to the increased risk of volatility generated by Sub-Funds using these techniques for other purposes than hedging. If the managers and sub-managers forecast incorrect trends for securities, currency and interest rate markets, the affected Sub-Fund may be worse off than if no such strategy had been used. In using derivatives, each Sub-Fund may carry out over-the-counter futures or spot transactions on indices or other financial instruments and swaps on indices or other financial instruments with highly-rated banks or brokers specialised in this area, acting as counterparties. Although the corresponding markets are not necessarily considered more volatile than other futures markets, operators have less protection against defaults on these markets since the contracts traded on them are not guaranteed by a clearing house.

B. Financial Derivative Instruments

(1) General

Over-the-counter (OTC) financial derivative instruments (including total return swaps and other derivatives with similar characteristics) used by the Sub-Funds to gain exposure to underlying assets will be entered into with counterparties selected among first class financial institutions specialised in the relevant type of transaction, subject to prudential supervision and belonging to the categories of counterparties approved by the CSSF.

(2) Counterparty Risk

In accordance with its investment objective and policy, a Sub-Fund may trade "over-the-counter" (OTC) financial derivative instruments such as non-exchange traded futures and options, forwards, swaps or contracts for difference. OTC derivatives are instruments specifically tailored to the needs of an individual investor that enable the user to structure precisely its exposure to a given position. Such instruments are not afforded the same protections as may be available to investors trading futures or options on organised exchanges, such as the performance guarantee of an exchange clearing house. The counterparty to a particular OTC derivative transaction will generally be the specific entity involved in the transaction rather than a recognised exchange clearing house. In these circumstances the Sub-Fund will be exposed to the risk that the counterparty will not settle the transaction in accordance with its terms and conditions because of a dispute over the terms of the contract (whether or not bona fide) or because of the insolvency, bankruptcy or other credit or liquidity problems of the counterparty. This could result in substantial losses to the Sub-Fund.

Participants in OTC markets are typically not subject to the credit evaluation and regulatory oversight to which members of "exchange-based" markets are subject. Unless otherwise indicated in the Prospectus for a specific Sub-Fund, the Fund will not be restricted from dealing with any particular counterparties.

The Fund's evaluation of the creditworthiness of its counterparties may not prove sufficient. The lack of a complete and fool proof evaluation of the financial capabilities of the counterparties and the absence of a regulated market to facilitate settlement may increase the potential for losses. The Fund may select counterparties located in various jurisdictions. Such local counterparties are subject to various laws and regulations in various jurisdictions that are designed to protect their customers in the event of their insolvency. However, the practical effect of these laws and their application to the Sub-Fund and its assets are subject to substantial limitations and uncertainties. Because of the large number of entities and jurisdictions involved and the range of possible factual scenarios involving the insolvency of a counterparty, it is impossible to generalize the effect of their insolvency on the Sub-Fund and its assets.

Investors should assume that the insolvency of any counterparty would generally result in a loss to the Sub-Fund, which could be material.

If there is a default by the counterparty to a transaction, the Fund will under most normal circumstances have contractual remedies and in some cases collateral pursuant to the agreements related to the transaction. However, exercising such contractual rights may involve delays and costs. If one or more OTC counterparties were to become insolvent or the subject of liquidation proceedings, the recovery of securities and other assets under OTC derivatives may be delayed and the securities and other assets recovered by the Fund may have declined in value.

Regardless of the measures that the Fund may implement to reduce counterparty credit risk there can be no assurance that a counterparty will not default or that the Sub-Fund will not sustain losses on the transactions as a result. Such counterparty risk is accentuated for contracts with longer maturities or where the Sub-Fund has concentrated its transactions with a single or small group of counterparties.

C. Management of Collateral and Collateral Policy

General

In the context of OTC financial derivative transactions and efficient portfolio management techniques, the Fund may receive collateral with a view to reduce its counterparty risk. This section sets out the collateral policy applied by the Management Company in such case. All assets received by the Fund in the context of efficient portfolio management techniques shall be considered as collateral for the purpose of this section.

Eligible Collateral

Collateral received by the Fund may be used to reduce its counterparty risk exposure if it complies with the criteria set out in applicable laws, regulations and CSSF-Circulars issued from time to time notably in terms of liquidity and issuer credit quality, valuation, correlation, collateral diversification, risks linked to the management of collateral and enforceability. In particular, collateral should comply with the following conditions:

(i) liquidity and issuer credit quality – any collateral received other than cash shall be of high quality, 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.

(ii) valuation – collateral received shall be valued on at least a daily basis and assets that exhibit high price volatility shall not be accepted as collateral unless suitably conservative haircuts are in place;

(iii) correlation – the collateral received by the Fund shall be issued by an entity that is independent from the counterpart and is expected not to display a high correlation with the performance of the counterpart;

(iv) collateral diversification (asset concentration) – collateral shall be sufficiently diversified in terms of country, markets and issuers. The criterion of sufficient diversification with respect to issuer concentration is considered to be respected if the Fund receives from a counterpart of efficient portfolio management and OTC financial derivative transactions a basket of collateral with a maximum exposure to a given issuer of 20% of the respective Sub-Fund's net asset value. When the Fund is exposed to different counterparts, the different baskets of collateral shall be aggregated to calculate the 20% limit of exposure to a single issuer. By way of derogation from this subparagraph, the Fund 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. In such a case, the Fund should receive securities from at least six different issues, but securities from any single issue should not account for more than 30% of the respective Sub-Fund's net asset value.

The list of eligible jurisdictions includes, but is not limited to, Canada, Denmark, Finland, France, Germany, the Netherlands, Norway, Sweden, Switzerland, the United Kingdom and the United States of America;

Besides, collateral received shall comply with the provisions of Article 48(2) of the 2010 Law;

(v) it should be capable of being fully enforced by the Fund at any time without reference to or approval from the counterparty;

(vi) risks linked to the management of collateral, such as operational and legal risks, shall be identified, managed and mitigated by the risk management process;

(vii) where there is a title transfer, the collateral received shall be held by the depositary of the Fund. For other types of collateral arrangement, the collateral can be held by a third party custodian which is subject to prudential supervision, and which is unrelated to the provider of the collateral.

Subject to the abovementioned conditions, collateral received by the Sub-Fund may consist of the following instruments as accepted by the Commission Delegated Regulation (EU) 2016/2251 of the 4 October 2016 supplementing Regulation (EU) No 648/2012 of the European Parliament and of the Council of 4 July 2012 (hereafter referred to as “CDR 2016/2251”):

- (i) Cash in an OECD country currency in accordance with Article 4(1) (a) of CDR 2016/2251,
- (ii) Debt securities issued or guaranteed by Member States' central governments or central banks in accordance with Article 4(1) (c) of CDR 2016/2251 ,
- (iii) Debt securities issued by Member States' regional governments or local exposures whose exposures are treated as exposures to the central government of that Member State listed in Article 115(2) of the Regulation (EU) 575/2013 ,
- (iv) Debt securities issued by multilateral banks listed in Article 117(2) of the Regulation (EU) of 575/2013,
- (v) Debt securities issued by international organisations listed in Article 118 of the Regulation (EU) No 575/2013,
- (vi) Corporate bonds,
- (vii) Convertible bonds provided they can be converted only into equities which are included in an index specified pursuant to point (a) of Article 197(8) of the Regulation (EU) No 575/2013,
- (viii) Equities included in an index specified pursuant to point (a) of Article 197(8) of the Regulation (EU) No 575/2013.

Level of Collateral

The Management Company on behalf of a Sub-Fund will determine the required level of collateral for OTC financial derivatives transactions and efficient portfolio management techniques by reference to the applicable counterparty risk limits set out in this Prospectus and taking into account the nature and characteristics of transactions, the creditworthiness and identity of counterparties and prevailing market conditions.

Rules for application of Haircuts

Collateral will be valued on a daily basis using available market prices and the value of collateral will be adjusted by applying relevant haircuts. For this purpose, in accordance with Article 6 of CDR 2016/2251, the Management Company will rely on the credit quality assessments issued by a recognised External Credit Assessment Institution or the credit quality of (ECAI) of an export credit agency and thus will use standard haircuts to be applied by asset type, maturity and credit quality of the issuer.

The following haircuts will be applied:

1. Cash Collateral

(i) Cash variation margin shall be subject to a haircut of 0%

(ii) Cash initial margin shall be subject to a haircut of 8% when the cash initial margin has been posted in a currency other than the currency in which the payments in case of early termination or default have to be made in accordance with the single derivative contract, the relevant exchange of collateral agreement or the relevant credit support annex ("termination currency").

In case no termination currency has been set out, the above haircut of 8% shall apply to the market value of all the assets posted as collateral.

2. Non-Cash Collateral

(i) Haircuts applicable to debt securities

Table 1 Debt securities

Collateral		Credit Quality Step	Maturity		
			≤ 1 year	>1 ≤ 5 year(s)	> 5 years
(i)	Debt securities issued or guaranteed by Member States' central governments or central banks in accordance with Article 4(1) (c) of CDR 2016/2251	1	0.5%	2%	4%
(ii)	Debt securities issued by Member States' regional governments or local exposures whose exposures are treated as exposures to the central government of that Member State listed in Article 115(2) of Regulation (EU) 575/2013 and in accordance with CDR 2016/2251.				
(iii)	Debt securities issued by multilateral banks listed in Article 117(2) of Regulation (EU) of 575/2013 and in accordance with CDR 2016/2251.	2-3	1%	3%	6%
(iv)	Debt securities issued by international organisations listed in Article 118 of the Regulation (EU) No 575/2013 and in accordance with CDR 2016/2251				
(v)	Convertible bonds provided they can be converted only into equities which are included in an index specified pursuant to point (a) of article 197(8)of Regulation (EU) No 575/2013	1-3	15%		
(vi)	Corporate bonds in accordance with CDR 2016/2251.	1	1%	4%	8%
		2-3	2%	6%	12%

To determine the credit quality step, the second best rating from Moody's, S&P and Fitch shall be used and mapped using the table below. For the avoidance of the doubt, no credit quality step 4 is mapped since all debt securities shall be having an issuer rating of investment grade.

Table 2 – Credit Quality step mapping table

Credit Rating Agency	Rating type	Credit Quality Step		
		1	2	3
Fitch Ratings	Long-term Issuer Credit ratings scale	AAA, AA	A	BBB
Moody's Investors Service	Global long-term rating scale	Aaa, Aa	A	Baa
Standard & Poor's ratings Services	Long-term issuer credit ratings scale	AAA, AA	A	BBB

- (ii) Equities in main indices and bonds convertible to equities in main indices shall have a haircut of 15 %.
- (iii) Non cash initial margin posted in a currency other than the currency in which the payments in case of early termination or default have to be made in accordance with the single derivative contract, the relevant exchange of collateral agreement or the relevant credit support annex (“termination currency”) shall be subject to an additional haircut of 8%.

In case no termination currency has been set out, the above haircut of 8% shall apply to the market value of all the assets posted as collateral.

- (iv) Non-Cash variation margin posted in a currency other than those agreed in an individual derivative contract, the relevant governing master netting agreement or the relevant credit support annex shall be subject to an additional haircut of 8%.

The Management Company reserves the right to review and amend the above haircuts at any time when the market conditions have changed and when and if this is deemed in the best interest of a Sub-Fund.

Reinvestment of Collateral

Non-Cash Collateral received by a Sub-Fund may not be sold, re-invested or pledged.

Restrictions on the re-use of Cash Collateral

Cash Collateral received by a Sub-Fund shall neither be re-invested nor pledged.

RISK FACTORS APPLICABLE TO THE INVESTMENT IN THE FUND

Potential investors should consider the following risk factors before investing in the Fund. Potential investors should also inform themselves of, and where appropriate consult their professional advisers, as to the tax consequences of subscription for buying, holding, exchanging, redeeming or otherwise disposing of units under the law of their country of citizenship, residence or domicile.

Potential investors should give careful consideration to the following factors in evaluating the merits and suitability for investment in any units of a Sub-Fund involves certain risks relating to the particular Sub-Fund's structure and investment objectives which investors should evaluate before making a decision to invest in such Sub-Fund. Any specific risks related to investments within each Sub-Fund will be described for each Sub-Fund in Part B of this Prospectus.

GENERAL

Prospective investors should be aware that the investments of the Sub-Funds are subject to normal market fluctuations and other risks inherent in investing in securities. There can be no assurance that any appreciation of value of investments will occur. The value of investments and the income derived therefrom may fall as well as rise and investors may not recoup the original amount invested in the Sub-Funds. There is no assurance that the investment objective of the Sub-Funds will actually be achieved.

The Investment Manager will have the responsibility for the Sub-Funds' investment activities. Investors must rely on the judgment of the Investment Manager in exercising this responsibility. The Investment Manager and its principals are not required to, and will not devote substantially all of their business time to the investment activities of the Sub-Funds. In addition, since the performance of the Sub-Funds is wholly dependent on the skills of the Investment Manager if the services of the Investment Manager or its principals were to become unavailable, such unavailability might have a detrimental effect on the Sub-Funds and their performance.

Neither the Investment Manager nor its principals or its or their affiliates are required to devote its or their full time to the affairs of the Sub-Funds, and each of them shall allocate as much time to the business of the Sub-Fund as it or they deem necessary in its or their sole and absolute discretion. The Investment Manager and its affiliates are also engaged in other similar business activities to which they devote substantial time

The net asset value of the Fund may vary in value as a result of fluctuations in the value of the Fund's underlying assets and the income derived therefrom.

Investors are reminded that in certain circumstances their right to redeem units may be suspended.

Depending on an investor's currency of reference, currency fluctuations may adversely affect the value of an investment in the Sub-Funds.

The Fund invests with long-term investment horizons and therefore purchase of units in the Sub-Funds should be regarded as long-term investment.

Due to the market concentration ratio, the possibilities of diversification in the Sub-Funds' portfolio can be reduced. The market capitalisation may be low, high volatility can appear.

A. Investment in securities

Investment in securities of issuers from different countries and denominated in different currencies offer potential benefits not available from investments solely in securities of issuers from a single country, but also involve certain significant risks that are not typically associated with investing in the securities of issuers located in a single country. Among the risks involved are fluctuations in currency exchange rates and the possible imposition of exchange control regulations of other laws or restrictions applicable to such investments.

The risks associated with investments in equity (and equity-related) securities include fluctuations in market prices, adverse issuer or market information and the fact that equity (and equity-related) interests are subordinated in the right of payment to other corporate securities, for example, debt securities.

The following risks may also be associated with securities:

- a) Issuers are generally subject to different accounting, audition and financial reporting standards in different countries throughout the world. The volume of trading, the volatility of prices and the liquidity of issuers may vary in the markets of different countries. In addition, the level of government supervision and regulations of securities exchanges, securities dealers and listed and unlisted companies is different throughout the world. The laws of some countries may limit the ability of the Management Company to invest the Fund's assets in securities of certain issuers located in those countries.
- b) Different markets also have different clearance and settlement procedures. Delays in settlement could result in temporary periods when a portion of the Sub-Funds' assets is uninvested and no return is earned thereon. The inability of the Management Company to make intended security purchases due to settlement problems could cause the Sub-Funds to miss attractive investment opportunities. Inability to dispose of portfolio securities due to settlement problems could result either in losses to the Sub-Funds due to subsequent declines in value of the portfolio security or, if the Sub-Funds have entered into a contract to sell the security, could result in possible liability to the purchaser.
- c) An issuer of securities may be domiciled in a country other than the country in whose currency the instrument is denominated. The values and relative yields of investments in the securities markets of different countries, and their associated risks, may fluctuate independently of each other.

B. Foreign exchange/currency risk

The assets of the Sub-Funds may be invested in securities denominated in currencies which will be different from the Sub-Funds currency. The Sub-Funds will be exposed to foreign exchange rate fluctuations with respect to the currencies in which the Sub-Funds' investments are denominated. The Sub-Funds may therefore be exposed to a foreign exchange/currency risk and it may not be possible or practicable to hedge against the consequent foreign exchange/currency risk exposure.

The performance of investments in securities denominated in a specific currency will also depend on the interest rate environment in the country issuing the currency. Because each Sub-Fund's net asset value will be calculated in its reference currency, the performance of investments denominated in a non-reference currency will also depend on the strength of such currency against the reference currency and the interest rate environment in the country issuing the currency. Absent other events that could otherwise affect the value of non-reference currency investments (such as a change in the political climate or an issuer's credit quality), appreciation in the value of the non-reference currency generally can be expected to increase the value of the Sub-Fund's non-reference currency investments in terms of the reference currency. A rise in interest rates or decline in the value of non-reference currencies relative to the reference currency generally can be expected to depress the value of the Sub-Fund's non-reference currency investments.

C. Use of derivatives

The Sub-Funds may participate in both the on-exchange and OTC derivatives markets to protect the returns from the underlying assets. Derivatives contracts may involve the Sub-Funds in long term performance or financial commitments, which may be magnified by leverage and changes in the market value of the underlying. Leverage means that the initial consideration for entering the transaction is considerably less than the face value of the subject matter of the contract. If a transaction is leveraged a relatively small market movement will have a proportionately larger impact on the value of the investment to the Sub-Funds, and this can work against the Sub-Funds as well as for it.

When participating in the on-exchange and OTC derivatives markets the Sub-Funds will be exposed to:

- market risk, which is the risk of adverse movements in the value of a derivative contract in consequence of changes in the price or value of the underlying;
- liquidity risk, which is the risk that a party will be unable to meet its current obligations, and
- managerial risk, which is the risk that a party's internal risk management system is inadequate or otherwise, may fail to properly control the risks of transacting in derivatives.

OTC market participants are exposed to counterparty credit risk. This is a central risk factor in the OTC market, given that, in most instances, each party must rely on the continuing ability of the counterparty to meet its obligations. By contrast, counterparty credit risk can be dealt with in the on-exchange markets through clearing arrangements to transfer counterparty credit risk from the Sub-Funds to the clearing house. Participants in the OTC market also incur the risk that a counterparty's performance may be legally unenforceable.

There can be no assurance that the objective sought to be obtained from the use of the derivatives will be achieved.

D. Emerging Markets

Investments in securities of issuers from emerging markets may be subject to greater risks than investments in securities of issuers from member-States of the OECD due to a variety of factors including currency controls and currency exchange fluctuations, changes in governmental administration or economic or monetary policy or changed circumstances in dealings between nations.

Dividends paid by issuers may be subject to withholding and other foreign taxes that may decrease the net return on these investments. There may be less publicly available information about foreign issuers in certain emerging countries and such issuers may not be subject to uniform accounting, auditing and financial reporting standards and requirements comparable to those of the Sub-Funds or most OECD issuers. Emerging markets securities may be also less liquid, more volatile and subject to lower levels of government supervision than those in the OECD. Investment in emerging countries could be affected by other factors not present in the OECD, including expropriation, confiscatory taxation and potential difficulties in enforcing contractual obligations. Investments of the Sub-Funds in such markets may be considered speculative and subject to significant custody and clearance risks and delays in settlement.

E. Sustainability Risks

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 ("**SFDR**") requires transparency with regard to the integration of evaluations of environmental, social or governance events or conditions that, if they occur, could cause an actual or a potential material negative impact on the value of the investments made by a financial product ("**Sustainability Risks**") and consideration of adverse sustainability impacts of the actions financial products and financial market participants.

More information on the incorporation of Sustainability Risks and opportunities into day-to-day business operations are to be found on <https://www.robeco.com/en/key-strengths/sustainable-investing/sustainability-reports-policies.html>.

Sustainability Risks are integrated into the investment decision making and risk monitoring to the extent that they represent a potential or actual material risks and/or opportunities for maximizing the long-term risk-adjusted returns. The Investment Manager considers sustainability risks as part of its broader analysis of potential investments and the factors considered will vary depending on the security in question, but typically include ownership structure, board structure and membership, capital allocation track record, management incentives, labour relations history, and climate risks.

Due to the nature of the Fund's investment strategy and types of securities it holds, the Fund is exposed to varied Sustainability Risks which include, but are not limited to:

- corporate governance malpractices (e.g. board structure, executive remuneration);
- shareholder rights (e.g. election of the likely directors, capital amendments);
- changes to regulation (e.g. greenhouse gas emissions restrictions, governance codes);
- physical threats (e.g. extreme weather, climate change, water shortages);
- brand and reputational issues (e.g. poor health & safety records, cyber security breaches);
- supply chain management (e.g. increase in fatalities, lost time injury rates, labour relations); and
- work practices (e.g. observation of health, safety and human rights provisions).

Sustainability risks can be identified across asset classes, sectors and geographies or on the basis of length and maturity and, if occurring, could cause an actual or a potential material negative impact on the value of the investment. The Investment Manager uses various tooling to identify and evaluate sustainability factors and related risks. Once identified and evaluated as impactful for an individual investment portfolio, sustainability risks are directly integrated in the related investment and risk management process.

A Sustainability Risk event may arise and impact a specific investment or may have a broader impact on an economic sector, geographical or political region or country which may impact the portfolio of the Fund in its entirety.

Specific information on the risks of investing (including Sustainability Risks, where applicable) can be found in the relevant Sub-Fund supplement.

F. Legal Risk associated with SFDR and Taxonomy Regulation

The Fund seeks to comply with all legal obligations applicable to it but notes there may be challenges in meeting all the requirements of the SFDR and Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088 (the "Taxonomy Regulation") as they are introduced due to uncertainties around their interpretation by the European Commission and the developing financial services industry practice. The Fund may be required to incur costs in order to comply with these new requirements during the initial implementation phase and may also be required to incur further costs as the requirements change and further elements are introduced. If there are adverse political developments or changes in government policies as the implementation phase progresses this increases the likelihood of such changes to the relevant legal measures. These elements could have an impact on the viability of the Fund and its returns.

COSTS TO BE BORNE BY THE FUND

Unless otherwise specified in Part B of the Prospectus, the Fund will bear the following costs which shall include but will not be limited to:

- (1) fees payable to and reasonable disbursements and out-of-pocket expenses incurred by the Management Company, the Depositary, paying agent(s), registrar and transfer agent, administrative and selling agents and all other intermediaries; the amount of these fees are described herein;
- (2) any performance based fee; such fee is described in Part B of the Prospectus, if applicable;
- (3) all taxes levied on the Fund and any legal, accounting or other expenses in connection with such taxes;
- (4) fees of legal counsel requested by the Fund or the Management Company acting in the unitholders' and the Fund's interest;
- (5) fees due to the Fund's independent authorised auditor;
- (6) expenses incurred with the issue of unit certificates, if any;
- (7) expenses relating to the issue, the registration and the deposit of the Management Regulations and/or other documents, as the Prospectus, the KID, including costs inherent to the registration with stock exchanges and/or other markets;
- (8) all costs relating to the issue, the printing, the distribution and the translation of the Fund's reports and Prospectus, the KID and any other documents required by law or administrative practice;
- (9) costs for official announcements required by law or made in the unitholders' interest;
- (10) an appropriate portion for fees inherent to the promotion and the offer of the Fund's units (including any information or documentation that may be required for the distribution of the Fund's units), and including printing of marketing material, web-page and related matters;
- (11) bank and brokerage fees for transactions in the Sub-Fund's assets as well as fees on transfers referring to the redemption of units;
- (12) any fees and expenses in connection with the passporting of the Fund within the EU in accordance with the Directive 2009/65/EC or outside the EU in accordance with the local rules and regulations;

and all other expenses incurred in connection with the administration, the management and the operations of the Fund.

The expenses in connection with the initial establishment of the Fund will be amortised over a period of up to five years. Each Class of units will be charged with all costs and expenses directly attributable to it. Any costs, which are not attributable to a Class of units will be charged in proportion to their assets.

The Fund may accrue administrative and other expenses of a regular or recurring nature based on an estimated amount rateably for yearly or other periods.

REMUNERATION PAYABLE TO THE DEPOSITARY, THE MANAGEMENT COMPANY AND TO THE INVESTMENT MANAGER

Out of each Sub-Fund's assets, the Management Company, the Administrative Agent, the Depositary and the Investment Manager will receive fees as further determined under Part B of this Prospectus.

For additional services provided, the Management Company, the Administrative Agent, the Depositary and the Investment Manager will receive further fees. The purpose of use is determined in Part B of this Prospectus.

Agreements between the Management Company and the Depositary, between the Management Company and the Investment Manager, and between the Management Company and the Administrative Agent regulate these relationships.

The Investment Manager may enter into soft commission arrangements only where there is a direct and identifiable benefit to the clients of the Investment Manager including the Fund and where the Investment Manager is satisfied that the transactions generating soft commissions are made in good faith in strict compliance with applicable regulatory requirements and in the best interest of the Fund and the unitholders. Brokerage commissions on portfolio transactions for the Fund will be directed by the Investment Manager to broker / dealers that are entities and not to individuals. The Investment Manager will provide reports to the Board of Directors of the Management Company with respect to soft commission arrangements including the nature of the services it receives.

Any such arrangements must be made by the Investment Manager on the commensurate with the best market practice. Any soft commission arrangements will be listed in the Fund's periodical reports.

DISTRIBUTION

Subscriptions, redemptions and conversions are accepted by the Management Company as well as by the Distributor, which will transmit the orders to the Administrative Agent for the execution, provided that the required subscription / redemption form has been completed and signed in duplicate by the investor. Confirmation of the execution of a subscription / redemption is provided by an advice specifying the number and Class of units for and the name of the relevant Class of units. A conversion will be treated as redemption of units and a simultaneous purchase of units with the corresponding confirmations as described above.

It is not permitted for the Distributor to receive any monies and/or units of the respective Sub-Fund in relation to the subscription and/or redemption of the Fund's units. Such monies and/or units will always be payable/deliverable from or to an account or a deposit of the Fund opened with the Depositary.

For subscriptions, redemptions and/or conversions of units that are made through a Sub-Distributor or any authorized Agent, different time limits as the ones described hereinafter may be applied, provided that the principle of equal treatment of unitholders is complied with. In such cases, the Sub-Distributor or the Agent will inform the relevant investor of the procedure relevant to such investor.

THE OFFERING

Minimum Investment and Holding

If applicable, the minimum investment and holding requirement per investor is described for each Sub-Fund in Part B of this Prospectus. The Management Company may waive the minimum amounts for the initial and/or subsequent subscriptions at its sole discretion.

Offer Price

After the Initial Offer Period (which shall be described for each Sub-Fund in Part B of this Prospectus), the offering price per unit of each Class in each Sub-Fund (the “**Offer Price**”) is the total of (i) the Net Asset Value per unit plus (ii) the issue commission specified for each Class within each Sub-Fund, if any, individually in Part B of the Prospectus. The Offer Price is available for inspection at the registered office of the Management Company.

Investors whose applications are accepted will be allotted units issued on the basis of the Net Asset Value per unit determined as of the Valuation Day (as defined in Part B of the Prospectus for each Sub-Fund individually) following receipt of the application order provided that such application is received by the Administrative Agent at a time as defined below.

Written confirmations of registered units will be sent to unitholders.

The Management Company reserves the right to reject any application in whole or in part, in which case subscription monies paid, or the balance thereof, as appropriate, will be returned to the applicant. The Management Company further reserves the right to suspend at any time and without prior notice the issue of units in one, several or all of the Sub-Funds.

The Management Company may agree to issue units as consideration for a contribution in kind of securities, provided that such securities comply with the investment objectives, policies and restrictions of the relevant Sub-Fund and in compliance with the conditions set forth by Luxembourg law, in particular the obligation to deliver a valuation report from the auditor of the Fund (“*réviseur d’entreprises agréé*”) which shall be available for inspection. Any costs incurred in connection with a contribution in kind of securities shall be borne by the relevant unitholders.

Units of the Sub-Funds are issued and redeemed on every business day. In this context, “business day” means each day on which banks are open during normal business hours in Luxembourg (bank business days), with the exception of individual, non-statutory rest days in Luxembourg as well as days on which exchanges in the main countries in which the Sub-Fund invests are closed or 50% or more Sub-Fund investments cannot be adequately valued. “Non-statutory rest days” are days, on which several banks and financial institutions are closed.

No units of any Sub-Fund will be issued or redeemed during any period when the calculation of the Net Asset Value per unit in such Sub-Fund is suspended by the Management Company, pursuant to the powers reserved to it by the Management Regulations.

In the case of suspension of dealings in units the application will be dealt with as of the first Valuation Day following the end of such suspension period.

Ineligible Applicants

The application requires each prospective applicant for units to represent and warrant to the Fund that, among other things, he is able to acquire and hold units without violating applicable laws.

The units may not be offered, issued or transferred to any person that would qualify as a Prohibited Person.

Prohibited Person means any person, firm or corporate entity, determined in the sole discretion of the Management Company, as being not entitled to subscribe to or hold units:

1. if in the opinion of the Management Company such holding may be harmful/damaging to the Fund;
2. if it may result in a breach of any law or regulation, whether Luxembourg or foreign;
3. if as a result thereof the Fund or the Management Company may become exposed to disadvantages of a tax, legal or financial nature that it would not have otherwise incurred; or
4. if such person would not comply with the eligibility criteria for units (e.g. in relation to “**U.S. Persons**” or “**Specified U.S. Persons**” as described below).

The Fund has not been and will not be registered under the United States Investment Company Act of 1940 as amended (the “**Investment Company Act**”). The units of the Fund have not been and will not be registered under the United States Securities Act of 1933 as amended (the “**Securities Act**”) or under the securities laws of any state of the US and such units may be offered, sold or otherwise transferred only in compliance with the Securities Act of 1933 and such state or other securities laws. The units of the Fund may not be offered or sold within the US or to or for the account, of any U.S. Person. For these purposes, U.S. Person is as defined in Rule 902 of Regulation S under the Securities Act.

Rule 902 of Regulation S under the Securities Act defines U.S. Person to include inter alia any natural person resident of the United States and with regards to investors other than individuals, (i) a corporation or partnership organised or incorporated under the laws of the US or any state thereof; (ii) a trust (a) of which any trustee is a U.S. Person except if such trustee is a professional fiduciary and a co-trustee who is not a U.S. Person has sole or shared investment discretion with regard to trust assets and no beneficiary of the trust (and no settlor if the trust is revocable) is a U.S. Person or (b) where a court is able to exercise primary jurisdiction over the trust and one or more U.S. fiduciaries have the authority to control all substantial decisions of the trust and (iii) an estate (a) which is subject to U.S. tax on its worldwide income from all sources; or (b) for which any U.S. Person is executor or administrator except if an executor or administrator of the estate who is not a U.S. Person has sole or shared investment discretion with regard to the assets of the estate and the estate is governed by foreign law.

The term “**U.S. Person**” also means any entity organised principally for passive investment (such as a commodity pool, Investment Company or other similar entity) that was formed:

(a) for the purpose of facilitating investment by a U.S. Person in a commodity pool with respect to which the operator is exempt from certain requirements of Part 4 of the regulations promulgated by the United States Commodity Futures Trading Commission by virtue of its participants being non-U.S. Persons or (b) by U.S. Persons principally for the purpose of investing in securities not registered under the Securities Act, unless it is formed and owned by “accredited investors” (as defined in Rule 501 (a) under the Securities Act) who are not natural persons, estates or trusts.

The term “**Specified U.S. Person**” should have the meaning given to it in §1.1473-1(c) of the Treasury Regulations regarding FATCA.

Applicants for the subscription to units will be required to certify that they are not U.S. Persons/Specified U.S. Persons and might be requested to prove that they are not Prohibited Persons.

Unitholders are required to notify the Administrative Agent of any change in their domiciliation status.

Prospective investors are advised to consult their legal counsel prior to investing in units of the Fund in order to determine their status as non U.S. Persons/specified U.S. Person and as non-Prohibited Persons.

The Management Company may refuse to issue units to Prohibited Persons or to register any transfer of units to any Prohibited Person. Moreover the Management Company may at any time forcibly redeem/repurchase the units held by a Prohibited Person.

The Management Company can furthermore reject an application for subscription at any time at its discretion, or temporarily limit, suspend or completely discontinue the issue of units, in as far as this is deemed to be necessary in the interests of the existing unitholders as an entirety, to protect the Management Company, to protect the Fund in the interests of the investment policy or in the case of endangering specific investment objectives of the Fund.

Subject as mentioned above, units are freely transferable. The Management Company may, however, refuse to register a transfer which would result in either the transferor or the transferee remaining or being registered (as the case may be) as the holder of units in a Sub-Fund valued at less than the minimum holding requirement.

The Fund will require from each registered unitholder acting on behalf of other investors that any assignment of rights to units be made in compliance with applicable securities laws in the jurisdictions where such assignment is made and that in unregulated jurisdictions such assignment be made in compliance with the minimum holding requirement.

Subscription procedure

Unless otherwise provided for each Sub-Fund in Part B of this Prospectus, the following procedures will apply to subscriptions.

In order to be dealt with on a specific Valuation Day, any requests for subscriptions needs to be received by the Administrative Agent prior to 5.00 p.m. (Luxembourg time) on the business day preceding the applicable Valuation Day. Such request will be dealt at the Net Asset Value per unit determined as of that Valuation Day.

For any request for subscriptions received by the Administrative Agent after the deadline of 5.00 p.m. (Luxembourg time) on the business day prior to a Valuation Day, the Net Asset Value applicable will be the Net Asset Value per unit as calculated as of the following Valuation Day.

In accordance with article 9 of the Management Regulations, the issue price may be increased by an issue commission, payable to the Distributor. The current rate for each Sub-Fund is laid down in Part B of this Prospectus.

The net asset value will be calculated after this deadline on the basis of the closing prices, in order to avoid that subscriptions and/or redemptions may be done at the known net asset value or known prices.

Units are issued in registered form only. At the time of subscription of units in the relevant Sub-Fund, a unitholder account is opened in the investor's name in the relevant Sub-Fund's books. This account is credited for units purchased by the investor. Whenever a transaction is registered the unitholder will receive a statement of his account.

Subscription monies are payable within three (3) business days following the applicable Valuation Day. Payments must be made in the reference currency of the unit Class subscribed. The Management Company may however also accept payments in other major currencies. The conversion of these payments in the relevant unit class currency will then be executed without unnecessary delay at market price.

The currency exchange costs will be borne by the investor.

Subscriptions are accepted by the Management Company, as well as by the Distributor, which will transmit the orders to the Administrative Agent for execution, provided that the required subscription form has been completed and signed in duplicate by the investor. Confirmation of execution of a subscription is provided by an advice specifying the number and Class of units subscribed in the relevant Sub-Fund.

In order to avoid the repayment to subscribers of small surplus amounts, fraction entitlements to registered units will be rounded to three (3) decimal places.

REDEMPTION

Each unitholder of the Fund may at any time request the Management Company to redeem as of each Valuation Day specified for each Class within each Sub-Fund in Part B of the Prospectus all or any of the units held by such unitholder in any Class within each of the Sub-Funds.

Unitholders desiring to have all or any of their units redeemed should apply in writing to the Management Company. The Distributor or any agents thereof are also authorized to transmit redemption requests from the unitholders to the Fund.

Redemption requests should contain the following information (if applicable): the identity and address of the unitholder requesting the redemption, the number of units to be redeemed, the relevant Class, the relevant Sub-Fund and details as to whom payment should be made. All necessary documents (including without limitation any anti-money laundering documentation) to complete the redemption should be enclosed with such application.

Unitholders whose applications for redemption are accepted will have their units redeemed as of any Valuation Day provided that the applications have been received in Luxembourg at a time defined below.

Units will be redeemed at a price equal to the Net Asset Value per unit of the relevant Class within the relevant Sub-Fund (the **"Redemption Price"**), decreased by a redemption fee, if any, in accordance with article 10 of the Management Regulations. The current rate, if any, for each Sub-Fund is laid down in Part B of this Prospectus. The payment of the Redemption Price shall be made within a period as defined below for each Class within each Sub-Fund individually.

Payment will be made by wire to the unitholder at the address indicated by him or her or by bank order to an account indicated by the unitholder, at such unitholder's expense and at the unitholder's risk.

The Redemption Price will be paid in the unit currency of the relevant Class, if any, or in the reference currency of the relevant Sub-Fund or in any other freely convertible currency specified by the unitholder and accepted by the Management Company. In the last case, any currency conversion costs shall be borne by the unitholder. The Redemption Price may be higher or lower than the price paid at the time of subscription or purchase.

Units in any Sub-Fund will not be redeemed if the calculation of the Net Asset Value per unit in such Sub-Fund is suspended by the Management Company in accordance with the Management Regulations.

If, as a result of any request for redemption, the aggregate Net Asset Value of the units held by any unitholder in a Sub-Fund/Class would fall below a minimum holding requirement specified in Part B of the Prospectus for each Sub-Fund/Class, if any, the Management Company may treat such request as a request to redeem the entire unitholding of such unitholder in such Sub-Fund/Class. At the discretion of the Board of Directors of the Management Company, the Management Company reserves the right to transfer any existing unitholder who falls below the minimum holding requirement for one Class of units into another appropriate Class of units without charge.

Furthermore, if in relation to any Valuation Day redemption requests relate to more than 10% of the Net Asset Value per unit of a Sub-Fund, the Management Company may decide that part or all of such requests for redemption will be deferred proportionally for such period as the Management Company considers to be in the best interests of the Sub-Fund. In relation to the next Valuation Day following such period, these redemption requests will be met on a pro-rata basis in priority to later requests and in compliance with the principle of equal treatment of unitholders.

The Management Company shall have the right, if the Board of Directors of the Management Company so determines, to satisfy payment of the Redemption Price to any unitholder who agrees, in specie by allocating to the holder investments from the portfolio of assets set up in connection with such Sub-Fund equal in value (calculated in the manner described in the Management Regulations) as of the relevant Valuation Day, for which the Redemption Price is calculated, to the value of the units to be redeemed. The nature and type of assets to be transferred in such case shall be determined on a fair and reasonable basis and without prejudicing the interests of the other holders of units and the valuation used shall be confirmed by a special report of the auditor of the Fund. The costs of any such transfers shall be borne by the transferee.

Compulsory Redemptions

The Management Company has the right to require the compulsory redemption of all units held by or for the benefit of a unitholder if the Management Company determines that the units are held by or for the benefit of any unitholder that is or becomes an Ineligible Applicant as described under "Subscriptions". The Management Company also reserves the right to require compulsory redemption of all units held by a unitholder in a Sub-Fund if the Net Asset Value of the units held in such Sub-Fund by the unitholder is less than the applicable minimum holding requirement.

Unitholders are required to notify the Registrar and Transfer Agent immediately if at any time they become Prohibited Persons, including (but not limited to) U.S. Persons or Specified U.S. Persons or hold units for the account or benefit of such persons.

When the Management Company becomes aware that a unitholder (A) is a Prohibited Person or is holding units for the account or benefit of a Prohibited Person; (B) is holding units in breach of any law or regulation or otherwise in circumstances having or which may have adverse regulatory, tax, pecuniary or material administrative disadvantages for the Fund or its unitholders ; or (C) has failed to provide any information or declaration required by the Management Company within ten (10) days of being requested to do so, the Management Company will either (i) direct such unitholders to redeem or to transfer the relevant units to a person who is qualified or entitled to own or hold such units or (ii) redeem the relevant units as further set out in the Management Regulations.

If it appears at any time that a holder of units of a Class restricted to Institutional Investors is not an Institutional Investor, the Management Company will either redeem the relevant units in accordance with the above provisions or convert such units into units of a Class which is not restricted to Institutional Investors (provided there exists such a Class with similar characteristics) and notify the relevant unitholder of such conversion.

Any person who becomes aware that he is holding units in contravention of any of the above provisions and who fails to transfer or redeem his units pursuant to the above provisions shall indemnify and hold harmless the Management Company, the Fund, the Depositary, the Administration Agent, the Registrar and Transfer Agent, the Investment Manager and the unitholders of the Fund (each an "Indemnified Party") from any claims, demands, proceedings, liabilities, damages, losses, costs and expenses directly or indirectly suffered or incurred by such Indemnified Party arising out of or in connection with the failure of such person to comply with his obligations pursuant to any of the above provisions.

Redemption procedure

Unless otherwise provided for each Sub-Fund in Part B of the Prospectus, the following procedures will apply to redemptions.

Owners of units may request redemption of their units at any time. To do so, they must send an irrevocable request in writing for redemption to the Management Company or the distributor, which will transmit the order to the Administrative Agent for execution.

In order to be dealt with on a specific Valuation Day, any requests for redemptions needs to be received by the Administrative Agent prior to 5.00 p.m. (Luxembourg time) on the business day preceding the applicable Valuation Day. Such request will be dealt at the Net Asset Value per unit determined as of that Valuation Day.

For any request for redemptions received by the Administrative Agent after the deadline of 5.00 p.m. (Luxembourg time) on the business day prior to a Valuation Day, the Net Asset Value applicable will be the Net Asset Value per unit as calculated as of the following Valuation Day.

Redemptions will be done at the unknown Net Asset Value.

Confirmation of the execution of redemption will be made by the dispatch to the unitholder of an advice. The Redemption Price will be paid with a value date within three (3) business days following the corresponding Valuation Day in the reference currency of the relevant unit Class, if any, or in the reference currency of the relevant Sub-Fund or in any other freely convertible currency specified by the unitholder and accepted by the Management Company. In the last case, any currency conversion costs shall be borne by the unitholder. The Redemption Price may be higher or lower than the price paid at the time of subscription or purchase.

All redeemed units are cancelled.

The Depositary is only obliged to make payments for redemptions where legal provisions, particularly exchange control regulations or other cases of force majeure do not prohibit it from transferring or paying the redemption proceeds in the country where the redemption is requested.

CONVERSION

Unitholders have the right, subject to the provisions hereinafter specified and subject to any limitations set out in relation to one or more Sub-Funds in Part B of the Prospectus, to convert on the Valuation Day specified for each Sub-Fund in Part B of the Prospectus from units of one Sub-Fund in other units of the same Sub-Fund or in units of another Sub-Fund of the Fund. The right to convert units is subject to compliance with any conditions applicable to the unit Class or category of units into which conversion is to be effected.

The rate at which units of any Class in any Sub-Fund shall be converted will be determined by reference to the respective Net Asset Values of the relevant units calculated as of the same specific Valuation Day following receipt of the documents referred to below by a time defined below for each Class individually in each Sub-Fund.

In accordance with article 11 of the Management Regulations a conversion fee may be levied. The current rate, if any, for each Sub-Fund is laid down in Part B of the Prospectus.

A conversion will be treated as a redemption of units and a simultaneous purchase of units. A converting unitholder may, therefore, realise a taxable gain or loss in connection with the conversion under the laws of the country of the unitholder's citizenship, residence or domicile.

All terms and notices regarding the redemption of units shall equally apply to the conversion of units.

No conversion of units will be effected until a duly completed conversion request form or other written notification acceptable to the Management Company has been received at the registered office of the Management Company.

Written confirmations of unitholding (as appropriate) will be sent to unitholders, together with the balance resulting from such conversion, if any.

If, as a result of any request for conversion, the aggregate Net Asset Value of the units held by the converting unitholder in a Class of units falls below the minimum holding requirement indicated in Part B of the Prospectus, if any, the Management Company may treat such request as a request to convert the entire unitholding of such unitholder in such Class. At the discretion of the Board of Directors of the Management Company, the Management Company reserves the right to transfer any existing unitholder who falls below the minimum unitholding requirement for a Class of units into another appropriate Class of units without charge.

Units of any Class, if any, in any Sub-Fund will not be converted in circumstances where the calculation of the Net Asset Value per unit of such Sub-Fund is suspended.

Conversion procedure

Unless otherwise provided for each Sub-Fund in Part B of the prospectus, the following procedures will apply to conversions.

In order to be dealt with on a specific Valuation Day, any requests for conversions needs to be received by the Administrative Agent prior to 5.00 p.m. (Luxembourg time) on the business day preceding the applicable Valuation Day. Such request will be dealt at the Net Asset Value per unit determined as of that Valuation Day.

For any request for conversions received by the Administrative Agent after the deadline of 5.00 p.m. (Luxembourg time) on the business day prior to a Valuation Day, the Net Asset Value applicable will be the Net Asset Value per unit as calculated as of the following Valuation Day.

The minimum value of a unitholding in any one Sub-Fund or Class of units corresponding to a first investment upon conversion must amount to the corresponding minimum initial investment, if any. Unitholders must therefore switch the appropriate minimum initial investment or, when investing in a Sub-Fund where they have an existing unitholding, the appropriate minimum subsequent investment, if any subsequent minimum investment requirement is applicable to a specific Class of units or Sub-Fund. When switching a partial holding, the value of the remaining holding should equate the minimum holding requirement, if any.

USE OF INCOME

The Management Company will decide from time to time if and to what extent dividends should be paid to holders of “D” units plus the equalisation account on the net issues of such units. Such dividends will be paid to holders of “D” units as soon as practicable after the decision. The “C” units are not entitled to dividend payments.

Distributions can only be made to the extent that the net assets of the Fund after such distribution will not be less than the minimum required by Luxembourg law.

Dividends not claimed within five years from their due date will elapse and revert to the Fund.

The equalisation account is operated in relation with subscriptions and redemptions in the Fund when dividend units are in existence.

NET ASSET VALUE

The Net Asset Value (“NAV”) per unit of each Class will be determined and made available in its unit currency or in the Fund’s currency or the reference currency of the relevant Sub-Fund by the Administrative Agent as of each Valuation Day more fully described in Part B of the Prospectus.

The NAV per unit as of any Valuation Day will be calculated to two decimal places in the reference currency of the relevant Class by dividing the NAV of the Class by the number of units in issue in such Class as of that Valuation Day.

The NAV of each Class will be determined by deducting from the total value of the assets attributable to the relevant Class, all accrued debts and liabilities attributable to that Class.

To the extent feasible, expenses, fees and income will be accrued as of each Valuation Day. Assets and liabilities of the Fund will be valued in accordance with the following principles:

- (a) Securities listed on Regulated Markets, which operate regularly and are recognised and open to the public, will be valued at the last available price; in the event that there should be several such markets, on the basis of the last available price of the main market for the relevant security. Should the last available price for a given security not truly reflect its fair market value, then that security shall be valued on the basis of the probable sales price which the Management Company deems it is prudent to assume;
- (b) Securities not listed on Regulated Markets, which operate regularly and are recognised and open to the public, will be valued on the basis of their last available price. Should the last available price for a given security not truly reflect its fair market value, then that security will be valued by the Management Company on the basis of the probable sales price which the Management Company deems it is prudent to assume;
- (c) Swaps are valued at their fair value based on the underlying securities (at close of business or intraday) as well as on the characteristics of the underlying commitments;
- (d) The liquidating value of futures, forward and options contracts (or any other derivative instruments) not traded on Regulated Markets or stock exchanges shall mean their net liquidating value determined, pursuant to the policies established in good faith by the Management Company, on a basis consistently applied for each different variety of contracts. The liquidating value of futures, forward and options contracts (or any other derivative instruments) traded on Regulated Markets or stock exchanges shall be based upon the last available settlement prices of these contracts on Regulated Markets or stock exchanges on which the particular futures, forward or options contracts (or any other derivative instruments) are traded by the Fund; provided that if a futures, forward or options contract (or any other derivative instruments) could not be liquidated on the day with respect to which net assets are being determined, the basis for determining the liquidating value of such contract shall be such value as the Management Company may deem fair and reasonable;
- (e) Shares or units in underlying open-ended investment funds shall be valued at their last available price;
- (f) Liquid assets and money market instruments may be valued at nominal value plus any accrued interest or on an amortised cost basis. All other assets, where practice allows, may be valued in the same manner. Short-term investments that have a remaining maturity of one year or less may be valued (i) at market value, or (ii) where market value is not available or not representative, at amortised cost;

- (g) The value of any cash on hand or on deposit, bills and demand notes and accounts receivable, prepaid expenses, cash dividends and interest declared or accrued as aforesaid, and not yet received shall be deemed to be the full amount thereof, unless, however, the same is unlikely to be paid or received in full, in which case the value thereof shall be determined after making such discount as the Management Company may consider appropriate in such case to reflect the true value thereof.

In the event that extraordinary circumstances render such a valuation impracticable or inadequate, the Management Company may, at its discretion, prudently and in good faith follow other methods of valuation to be used if it considers that such method of valuation better reflects value and is in accordance with good accounting practice in order to achieve a fair valuation of the assets of the Fund.

The value of assets denominated in a currency other than the reference currency of a Sub-Fund shall be determined by taking into account the rate of exchange prevailing at the time of determination of the NAV.

The Management Company has delegated to the Administrative Agent the determination of the NAV and the NAV per unit.

The assets and liabilities of the Fund shall be allocated in such manner as to ensure that the proceeds received upon the issue of units of a specific Sub-Fund shall be attributed to that Sub-Fund. All of the assets and liabilities of a specific Sub-Fund as well as the income and expenses which are related thereto shall be attributed to that Sub-Fund. Assets or liabilities which cannot be attributed to any particular Sub-Fund shall be allocated to all the Sub-Funds pro-rata to the respective NAV of the Sub-Funds. The proportion of the total net assets attributable to each Sub-Fund shall be reduced as applicable by the amount of any distribution to unitholders and by any expenses paid.

The rights of investors and of creditors concerning a Sub-Fund or which have arisen in connection with the creation, operation or liquidation of a Sub-Fund are limited to the assets of that Sub-Fund. The assets of a Sub-Fund are exclusively available to satisfy the rights of the unitholders in relation to that Sub-Fund and the rights of the creditors whose claims have arisen in connection with the creation, the operation or the liquidation of that Sub-Fund. For the purpose of the relations between unitholders, each Sub-Fund is deemed to be a separate entity.

In circumstances where the value of the assets comprising a Sub-Fund may be reduced as a result of costs incurred in dealing in a Sub-Fund's investments, including taxes, stamp duties and transaction charges or as a result of dealings in such investments at prices other than the prices used to calculate the NAV of the Sub-Fund in accordance with the following provisions, the Management Company may, in its discretion, impose on large redemptions (in case of net redemptions) and on large subscriptions (in case of net subscriptions) a dilution levy, where it reasonably considers such levy will avoid or mitigate any potential adverse effects on non-transacting unitholders and will be fair to all unitholders and potential unitholders. **"Large redemptions"** and **"large subscriptions"** shall mean redemptions by/subscriptions from individual unitholders/applicants which exceed a certain percentage of the NAV determined in respect of the relevant Valuation Day by the Management Company at its discretion in the light of market conditions, the portfolio composition, and the resulting disinvestment/investment costs. The dilution levy is not in normal circumstances expected by the Management Company to exceed 1.5% of the last published NAV per unit, or any other lower maximum dilution levy as described in Part B of this Prospectus. The same procedure shall apply in case of large redemptions in cash on a business day.

SUSPENSION OF CALCULATION OF A NET ASSET VALUE, SUBSCRIPTIONS, REDEMPTIONS AND CONVERSIONS

The Management Company may suspend the determination of the net asset value and hence the issue, redemption and conversion of units if, at any time, the Management Company believes that exceptional circumstances constitute forcible reasons for doing so. Such circumstances can arise:

- (a) during any period when any of the principal markets or exchanges on which a substantial portion of the investments of the relevant Sub-Fund from time to time is quoted or dealt in is closed otherwise than for ordinary holidays, or during which dealings therein are restricted or suspended;
- (b) during the existence of any state of affairs which constitutes an emergency as a result of which the disposal or valuation of assets owned by the relevant Sub-Fund would be impracticable, not accurate or would seriously prejudice the interests of the unitholders of the Fund;
- (c) during any breakdown in the means of communication normally employed in determining the price of any of the investments of the relevant Sub-Fund or the current prices on any market or stock exchange;
- (d) during any period when the Fund is unable to repatriate funds for the purpose of making payments on the redemption of units or during which any transfer of funds involved in the realisation or acquisition of investments or payments due on the redemption of units cannot in the opinion of the Management Company be effected at normal rates of exchange;
- (e) when the decision has been taken to liquidate or amalgamate the Fund, a Sub-Fund or a class of units;
- (f) where in the opinion of the Management Company, circumstances which are beyond the control of the Management Company make it impracticable or unfair vis-à-vis the unitholders to continue trading the units or in any other circumstance or circumstances where a failure to do so might result in the Fund or its unitholders incurring any liability to taxation or suffering other pecuniary disadvantages or other detriment to which the Fund or its unitholders might not otherwise have suffered.

No units will be issued, redeemed or converted when the determination of the net asset value is suspended. In such a case, a subscription for units, a redemption or a conversion request may be withdrawn, provided that a withdrawal notice is received by the Registrar and Transfer Agent before the suspension is terminated. Unless withdrawn, subscriptions for units, redemptions and conversion requests will be acted upon on the first Valuation Day after the suspension is lifted on the basis of the subscription price, redemption price or conversion price (as the case may be) then prevailing.

In case of a suspension for reasons as stated above, unitholders will be informed accordingly.

MARKET TIMING, LATE TRADING

The Management Company will take all necessary measures in order to prevent unlawful trading practices such as market timing and late trading. To that effect the deadlines and cut-off times for subscriptions and redemptions described in the Prospectus will be strictly enforced.

The Management Company will make sure that each transaction in units of the Fund is processed in accordance with the Prospectus and at the applicable NAV per unit. The Management Company may refuse to process subscriptions if there is a suspicion that the transactions are illegal or abusive and will pursue the perpetrators to the fullest extent of the law.

MONEY LAUNDERING

Pursuant to international rules and Luxembourg laws and regulations (comprising but not limited to the law of 12 November 2004 on the fight against money laundering and financing of terrorism, as amended) as well as circulars of the supervising authority, obligations have been imposed on all professionals of the financial sector to prevent the use of undertakings for collective investment for money laundering and financing of terrorism purposes. As a result of such provisions, the Administrative Agent of a Luxembourg undertaking for collective investment must ascertain the identity of the subscriber unless the subscription order has already been verified by an eligible professional subject to identification requirements equivalent to those imposed by Luxembourg laws and regulations. The Administrative Agent may require subscribers to provide acceptable proof of identity and for subscribers who are legal entities, an extract from the registrar of companies or articles of incorporation or other official documentation. In any case, the registrar agent may require, at any time, additional documentation to comply with applicable legal and regulatory requirements.

Such information shall be collected for compliance reasons only and shall not be disclosed to unauthorised persons.

In case of delay or failure by an applicant to provide the documents required, the application for subscription (or, if applicable, for redemption) will not be accepted. Neither the Management Company nor the Administrative Agent has any liability for delays or failure to process deals as a result of the applicant providing no or only incomplete documentation.

Unitholders may be requested to provide additional or updated identification documents from time to time pursuant to ongoing client due diligence requirements under relevant laws and regulations.

DATA PROTECTION

Personal data related to identified or identifiable natural persons provided to, collected or otherwise obtained for and on behalf of the Fund will be processed by the Management Company (Controller) in accordance with the privacy policy which is available and can be accessed or obtained online (<https://www.fundrock.com/policies-and-compliance/privacy-policy/>). All persons contacting, or otherwise dealing directly or indirectly with the Controller are invited to read and carefully consider the privacy policy, prior to contacting or otherwise so dealing, and in any event prior to providing or causing the provision of any Data directly or indirectly to the Controller.

REGULAR REPORTS, PUBLICATION OF PRICES AND OTHER INFORMATION

The financial reports of the Fund will be expressed in SEK. For this purpose, all figures expressed in another currency than the SEK will be converted into SEK at the average rate of the last known bid and offer rates.

The Fund's reporting period will begin on the January 1, and end on December 31, of each year.

The Fund will publish an annual report drawn up as per December 31 and a semi-annual report as per June 30.

The annual report includes the accounts of the Fund audited by an auditor. The semi-annual report includes the un-audited accounts of the Fund, un-audited. Both these reports will be sent free of charge to unitholders making a request in writing and are available to unitholders at the offices of the Management Company.

Copies of the Management Regulations are available free of charge at the office of the Management Company.

Any other material information concerning the Fund shall be notified to unitholders in such manner as may be specified from time to time by the Management Company. Copies of the agreements mentioned herein are available for inspection at the offices of the Management Company.

The NAV per unit will be available at the office of the Management Company.

A notice of the deposit of the Management Regulations and of its amendments will be published in the *RESA*.

Notices will be sent to the holders of registered units by mail to their address and may also be published in newspapers in the countries where the Fund's units are publicly sold.

Taxation in Luxembourg

The Fund is subject to Luxembourg legislation. Buyers of the Fund's units should inform themselves about the legislation and rules applicable to the purchase, holding and possible sale of units with regard to their residence or nationality.

In accordance with current legislation in Luxembourg, neither the Fund nor the unitholders, except those whose domicile, residence or permanent establishment is Luxembourg, are subject to any tax on income or capital gains. The Fund's income may however be subject to withholding tax in the countries where the Fund's assets are invested. In such cases neither the Depositary nor the Management Company is required to obtain tax certificates.

The net assets of the Fund are subject to a Luxembourg tax at an annual rate of 0.05% payable at the end of each quarter and calculated on the amount of the net assets of each Sub-Fund at the end of that quarter. Units of institutional classes as defined in article 174 (2) (c) of the Law, as amended, are subject to a "*taxe d'abonnement*" of 0.01% per annum. The Management Company ensures that such institutional unit classes are only acquired by investors complying with rules set out in the aforementioned article. The value of the assets represented by the shares/units held in other Luxembourg undertakings for collective investment already subject to a "*taxe d'abonnement*" is exempt from the payment of such tax.

Common Reporting Standard

The Fund is subject to the Standard for Automatic Exchange of Financial Account Information in Tax matters (the "Standard") and its Common Reporting Standard (the "**CRS**") as set out in the Luxembourg law dated 18 December 2015 on the Common Reporting Standard (*loi relative à l'échange automatique de renseignements relatifs aux comptes financiers en matière fiscale*) (the "**CRS Law**").

The CRS Law is based on the European Directive 2014/107/EU of 9 December 2014 amending provisions of Directive 2011/16/EU on administrative cooperation in the field of taxation and the OECD's multilateral agreements. Further, the first reporting to the Luxembourg tax authority (the "**LTA**") under the CRS Law, will be applied in 2017 for the calendar year 2016. The LTA will onward report to participating foreign tax authorities by 30 September 2017.

The intention of CRS is to safeguard against tax evasion. Accordingly, under the terms of the CRS Law, the Management Company, on behalf of the Fund, is likely to be treated as a Luxembourg Reporting Financial Institution. Consequently, the Management Company, on behalf of the Fund, is required to collect personal and financial information as described in Annex I of the CRS Law with effect from 1 January 2016 and without prejudice to other applicable data protection provisions as set out in the Fund documentation, the Management Company, on behalf of the Fund, will be required to annually report this information to the LTA as from 2017.

The Management Company's ability to satisfy, on behalf of the Fund its reporting obligations under the CRS Law will depend on each investor providing the Management Company, on behalf of the Fund, with the information, along with the required supporting documentary evidence.

In this context, the investors are hereby informed that, the Management Company, on behalf of the Fund, will process the information for the purposes as set out in the CRS Law. The investors undertake to inform the Fund or the Management Company, if applicable, of the processing of their information by the Management Company, on behalf of the Fund.

The investors are further informed that the Information related to Reportable Persons within the meaning of the CRS Law will be disclosed to the LTA annually for the purposes set out in the CRS Law.

The investors undertake to immediately inform the Management Company, on behalf of the Fund, of, and provide the Management Company, on behalf of the Fund, with all supporting documentary evidence of any changes related to the Information after occurrence of such changes.

Any investor that fails to comply with the Management Company's information or documentation requests, on behalf of the Fund, may be held liable for penalties imposed on the Fund and attributable to such investor's failure to provide the Information or subject to disclosure of the Information by the Management Company, on behalf of the Fund, to the LTA.

If investors are in doubt, they should consult your tax advisor, stockbroker, bank manager, solicitor, account or other financial advisor regarding the possible implications of CRS on an investment in the Fund.

Foreign Account Tax Compliance Act ("FATCA")

The Hiring Incentives to Restore Employment Act (the "**Hire Act**") was signed into U.S. law in March 2010. It includes special provisions laid down in the Foreign Account Tax Compliance Act, generally known as "**FATCA**". The intention of FATCA is that details of U.S. investors holding assets outside the U.S. will be reported by financial institutions to the Internal Revenue Service (the "**IRS**"), as a safeguard against U.S. tax evasion.

This regime will become effective in phases between 1 July 2014 and 15 March 2018. Based on the Treasury Regulations §1.1471-§1.1474 issued on 17 January 2013 (the "**Treasury Regulations**") the Fund is a "Financial Institution". As a result of the Hire Act, and to discourage non-US Financial Institutions from staying outside this regime, on or after 1 July 2014, a Financial Institution that does not enter and comply with the regime will be subject to a US withholding tax of 30% on gross proceeds as well as on income from the US and, on or after 1 January 2017, also potentially on non-US investments.

Luxembourg has entered into a Model I Intergovernmental Agreement (the "**IGA**") with the United States. Under the terms of the IGA, the Management Company, on behalf of the Fund, will be obliged to comply with the provisions of FATCA under the terms of the IGA and under the terms of Luxembourg legislation implementing the IGA, rather than under the US Treasury Regulations implementing FATCA.

In order to protect its unitholders from the effect of any penalty withholding, it is the intention of the Management Company, on behalf of the Fund, to be compliant with the requirements of the FATCA regime by opting for the "**Restricted Fund**" categorisation in accordance with the Luxembourg laws and regulations. Subsequently, in order to comply, the Management Company, on behalf of the Fund, may require unitholders to provide mandatory documentary evidence of their tax residence.

Unitholders and intermediaries or distributors acting for prospective unitholders should therefore take particular note that it is the existing policy of the Management Company, on behalf of the Fund, that units issued directly by the Fund shall not be sold directly to “Specified U.S. Persons”, “non-participating FFIs” or “passive NFFEs with one or more substantial U.S. owner(s)” (other than interests which are both distributed by and held through a “participating FFI”, “registered deemed compliant FFI”, “non-registering local bank” or “restricted distributor”), and that unitholders who become “Specified U.S. Persons”, “non-participating FFIs” or “passive NFFEs with one or more substantial U.S. owner(s)” within the meaning of the Treasury Regulations can be liable to compulsory redemption of their holdings. Intermediaries or distributors acting as nominee must notify the Fund within ninety (90) calendar days in case of change of their legal status under FATCA.

Further, under the FATCA legislation, the definition of a “U.S. reportable account” will include a wider range of investors than the current “Specified U.S. Person” definition. The Board of Directors of the Management Company may therefore resolve that it is the interests of the Fund to widen the class of investors prohibited from further investing in the Fund due to FATCA and to make proposals regarding existing unitholders holdings that fall within the wider FATCA definition.

More specifically, for the purpose of the Management Company, on behalf of the Fund, to restrict or prevent the ownership of units in the Fund by any “Specified U.S. Person” within the meaning of §1.1473-1(c) of the Treasury Regulations regarding FATCA, the Board of Directors of the Management Company may:

- a) decline to issue any unit where it appears to it that such registration would or might result in such unit being directly or beneficially owned by a person, who is precluded from holding shares in the Fund;
- b) at any time require any person whose name is entered in the register of unitholders to furnish it with any information, supported by affidavit if the Board of Directors of the Management Company deems it necessary, which it may consider necessary for the purpose of determining whether or not beneficial ownership of such unitholders’ units rests in a person who is precluded from holding units in the Fund; and
- c) where it appears to the Board of Directors of the Management Company that any person, who is precluded pursuant to this paragraph from holding units in the Fund, either alone or in conjunction with any other person is a beneficial or registered owner of units, compulsorily redeem from any such unitholders all units held by such unitholder.

The Management Company, on behalf of the Fund, cannot be held liable for any damages or costs incurred as a result of the actions described above under a) to c).

In cases where investors invest in the Fund through an intermediary or a distributor, investors are reminded to check whether such intermediary is FATCA compliant.

Although the Management Company, on behalf of the Fund, will attempt to satisfy any obligations imposed on it to avoid the imposition of the US withholding tax, no assurance can be given that the Management Company, on behalf of the Fund, will be able to satisfy these obligations. If the Fund becomes subject to a withholding tax as a result of the FATCA regime, the value of the units held by the unitholders may suffer material losses.

Other jurisdictions currently are in the process of adopting tax legislation concerning the reporting of information. The Board of Directors of the Management Company also intends to comply with such other similar tax legislation that may apply to the Fund, although the precise requirements are not fully known yet. As a result, the Board of Directors of the Management Company may need to seek information about the tax status of investors under the laws of such jurisdictions for disclosure to the relevant governmental authorities.

If you are in any doubt, you should consult your tax advisor, stockbroker, bank manager, solicitor, accountant or other financial adviser regarding the possible implications of FATCA on an investment in the Fund.

SUSTAINABLE FINANCE DISCLOSURES

In March 2018, the European Commission published an Action Plan on Financing Sustainable Growth (the “**EU Action Plan**”) that set out an EU strategy for sustainable finance.

The EU Action Plan identified several legislative initiatives, including SFDR.

SFDR requires transparency with regard to the integration of evaluations of environmental, social or governance events or conditions that, if they occur, could cause an actual or a potential material negative impact on the value of the investments made by a financial product, and consideration of adverse sustainability impacts of the actions financial products and financial market participants.

Please refer to section entitled “Risk Factors Applicable To The Investment In The Fund” and the sub-section entitled “Sustainable Risks” in respect of the risks related to sustainable finance disclosures.

Please refer to the relevant Sub-Fund’s Annex for the applicable SFDR characteristics.

TAXONOMY REGULATION DISCLOSURES

The Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088 (the “**Taxonomy Regulation**”) is a piece of directly effective EU legislation that is applicable to the Fund.

Its purpose is to establish a framework to facilitate sustainable investment. It sets out harmonised criteria for determining whether an economic activity qualifies as environmentally sustainable and outlines a range of disclosure obligations to enhance transparency and to provide for objective comparison of financial products regarding the proportion of their investments that contribute to environmentally sustainable economic activities.

It is notable that the scope of environmentally sustainable economic activities, as prescribed in the Taxonomy Regulation, is narrower than the scope of sustainable investments under SFDR. Therefore, although there are disclosure requirements for both, these two concepts should be considered and assessed separately. This section addresses only the specific disclosure requirements of the Taxonomy Regulation.

Given the investment focus and the asset classes/sectors in which the Sub-Funds invest, the Investment Manager may integrate a consideration of environmental and/or social sustainable economic activities (as prescribed by the Taxonomy Regulation) into the investment process for the Sub-Funds. Please refer to Part B for further information.

It is expected that this section of the Prospectus will be reviewed and updated once the relevant RTS come into effect.

LIQUIDATION OF THE FUND

Subject to prior notification of the Depositary, the Fund may be liquidated at any time by the Management Company. The Management Company may, in particular, decide such liquidation where the value of the net assets of the Fund has decreased to an amount to be determined by the Management Company to be the minimum level for the Fund to be operated in an economically efficient matter, or in case of a significant change of the economic or political situation. According to legal requirements, this should be published by the Management Company in accordance with applicable Luxembourg law. Should an event occur causing liquidation of the Fund, the issue of units in the Fund shall be ceased. The Management Company may decide to stop redemption of units or accept redemption requests insofar as it is possible to ensure the equal treatment of the unitholders.

The Depositary shall share any liquidation revenue for each Class within the Fund minus liquidation expenses and fees among the unitholders of the relevant Class in the Fund in proportion to their holding of such units in such Class, as instructed by the Management Company or by any liquidators that may have been appointed by the Management Company or the Depositary in agreement with the supervisory authorities. Liquidation revenue not distributed to unitholders after conclusion of the liquidation proceedings shall be deposited by the Depositary on behalf of entitled unitholders after conclusion of the liquidation proceedings with the Luxembourg *Caisse de Consignation* in accordance with applicable laws and regulations.

Unitholders, their heirs and/or heirs in title may not demand the liquidation and/or division of the Fund.

TERMINATION, AMALGAMATION AND MERGER OF SUB-FUNDS / CLASSES OF UNITS

In the event that for any reason the value of the total net assets in any Sub-Fund or Class has decreased to, or has not reached, an amount determined by the Management Company to be the minimum level for such Sub-Fund or Class to be operated in an economically efficient manner or in case of a substantial modification in the political, economic or monetary situation or as a matter of economic rationalization, the Management Company may decide to redeem all the units of the relevant Sub-Fund or Class at the Net Asset Value per unit (taking into account actual realization prices of investments and realization expenses) calculated as of the Valuation Day at which such decision shall take effect. The Fund shall serve a notice to the holders of the relevant units prior to the effective date for the compulsory redemption, which will indicate the reasons of and the procedure for the redemption operations: registered holders shall be notified in writing. Unless it is otherwise decided in the interests of, or to keep equal treatment between, the unitholders, the unitholders of the Sub-Fund or Class concerned may continue to request redemption of their units free of charge (but taking into account actual realization prices of investments and realization expenses) prior to the date effective for the compulsory redemption.

Assets which may not be distributed to their beneficiaries upon the implementation of the redemption will be deposited with the *Caisse de Consignation* on behalf of the persons entitled thereto in accordance with applicable laws and regulations.

All redeemed units shall be cancelled.

Under the same circumstances as provided by the first paragraph here above, the Management Company may decide to allocate the assets of the Fund or a Sub-Fund to (1) another UCITS organised under the provisions of Part I of the Law, or (2) to a sub-fund within such other UCITS or (3) to a foreign UCITS and to redesignate the units of the class or classes concerned as units of another class (following a split or consolidation, if necessary, and the payment of the amount corresponding to any fractional entitlement to unitholders). Such decision shall be taken by the Board of Directors of the Management Company in accordance with the applicable provisions on mergers of UCITS set forth in the Law.

POLICIES

Conflicts of interest

The Management Company, the Investment Manager and the other service providers of the Fund, and/or their respective affiliates, members, employees or any person connected with them may be subject to various conflicts of interest in their relationships with the Fund.

The Management Company has adopted and implemented a conflicts of interest policy in accordance with its code of conduct.

The Management Company, the Fund, the Investment Manager(s) have adopted and implemented a conflicts of interest policy and have made appropriate organisational and administrative arrangements to identify and manage conflicts of interests so as to minimise the risk of the Fund's interests being prejudiced, and if they cannot be avoided, ensure that the Fund's investors are treated fairly.

In the conduct of its business the Management Company adopted a conflict of interest policy (the "Conflict of Interest Policy") to identify, manage and where necessary prohibit any action or transaction that may give rise to conflicts entailing a material risk of damage to the interest of the Fund or its investors. The Management Company strives to manage any conflicts in a manner consistent with the highest standards of integrity and fair dealing.

For this purpose, it has implemented procedures that shall ensure that any business activities involving a conflict, which may harm the interests of the Fund or its investors, are carried out with an appropriate level of independence and that any conflicts are resolved fairly.

Notwithstanding its due care and best effort, there is a risk that the organizational or administrative arrangements made by the Management Company for the management of conflicts of interest are not sufficient to ensure with reasonable confidence, that risks of damage to the interests of the Fund or its unitholders will be prevented.

In such a case where a conflict of interest cannot be avoided and/or that require particular actions, the Management Company will report to investors by an appropriate durable medium and give reasons for the decision.

A paper version of the Conflicts of Interest Policy is available free of charge at the registered office of the Management Company.

Detailed information regarding the Conflict of Interest Policy can also be found on the following webpage of the Management Company: <https://www.fundrock.com/policies-and-compliance/conflict-of-interest/>.

Preferential treatment of investors

Unitholders are being given a fair treatment by ensuring that they are subject to the same rights and, as the case may be, the same obligations vis-à-vis the Fund (as such rights are obligations notably result from the Management Regulations and this Prospectus) as those to which other unitholders, having invested in, and equally or similarly contributed to, the same class of units, are subject to. Notwithstanding the foregoing paragraph, it cannot be excluded that a unitholder be given a preferential treatment in the meaning of, and to the widest extent, allowed by, the Management Regulations. Whenever a unitholder obtains preferential treatment or the right to obtain a preferential treatment, a description of that preferential treatment, the type of unitholders who obtained such preferential treatment and, where relevant, their legal or economic links with the Fund or the Management Company will be made available at the registered office of the Management Company within the same limits required by the Law.

Remuneration Policy

The Management Company has established and applies a remuneration policy in accordance with principles laid out under the European Directive 2014/91/EU of 23 July 2014 amending Directive 2009/65/EC of 13 July 2009 on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (the “UCITS Directive”) and any related legal and regulatory provisions applicable in Luxembourg.

The remuneration policy is aligned with the business strategy, objectives, values and interests of the Management Company, the Fund and its unitholders and which includes, inter alia, measures to avoid conflicts of interest. The remuneration policy is consistent with and promotes sound and effective risk management and does not encourage risk taking which is inconsistent with the risk profiles, the rules of the Fund, this Prospectus and the Management Regulations.

As an independent management company relying on a full-delegation model (i.e. delegation of the collective portfolio management function), the Management Company ensures that its remuneration policy adequately reflects the predominance of its oversight activity within its core activities.

As such, it should be noted that the Management Company's employees who are identified as risk-takers under UCITS Directive are not remunerated based on the performance of the UCITS under management.

An up-to-date version of the remuneration policy (including, but not limited to, the description of how remuneration and benefits are calculated, as well as the identity of the persons responsible for awarding the remuneration and benefits and the composition of the remuneration committee) is available at: <https://www.fundrock.com/policies-and-compliance/remuneration-policy/>. A paper version of this remuneration policy is made available free of charge at the Management Company's registered office.

The Management Company's remuneration policy, in a multi-year framework, ensures a balanced regime where remuneration both drives and rewards the performance of its employees in a measured, fair and well-thought-out fashion which relies on the following principles* :

- identification of the persons responsible for awarding remuneration and benefits (under the supervision of the remuneration committee and subject to the control of an independent internal audit committee);
- identification of the functions performed within the Management Company which may impact the performance of the entities under management;
- calculation of remuneration and benefits based on the combination of individual and the Management Company's performance assessment;
- determination of a balanced remuneration (fixed and variable);
- implementation of an appropriate retention policy with regards to financial instruments used as variable remuneration;
- deferral of variable remuneration over 3-year periods;
- implementation of control procedures/adequate contractual arrangements on the remuneration guidelines set up by the Management Company's respective portfolio management delegates.

* It should be noted that, upon issuance of final guidelines, this remuneration policy may be subject to certain amendments and/or adjustments.

Other Policies

The Management Company will make the following additional information available at its registered office upon request in accordance with Luxembourg laws and regulations: the procedures relating to complaints handling, the strategy followed for the exercise of voting rights of the Fund, the best execution policy and the procedure for the giving and receiving of inducements.

EU Benchmark Regulation

Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014 (also known as the “**EU Benchmark Regulation**”) requires the Investment Manager to produce and maintain robust written plans setting out the actions that it would take in the event that a benchmark (as defined by the EU Benchmark Regulation) materially changes or ceases to be provided. The Investment Manager shall comply with this obligation. Further information on the plan is available on request and free of charge at the registered office of the Investment Manager.

The following benchmark is used by the Sub-Fund, indicated in the table below, for the purpose of performance measurement target and marketing:

Sub-Fund(s)	Benchmark
ETHOS FUND – ETHOS GLOBAL EQUITIES	MSCI World Net Total Return USD Index (Bloomberg Ticker: NDDUWI Index)

The benchmark “MSCI World Net Total Return USD Index” is provided by MSCI Limited, an entity authorized by the Financial Conduct Authority (the financial regulatory body in the United Kingdom).

Historical Performance

If available, past performance information will be included in the KID, which is available free of charge from the registered office of the Fund and the Management Company.

APPLICABLE LAW, JURISDICTION AND GOVERNING LANGUAGE
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Disputes arising between the unitholders, the Management Company and the Depositary shall be settled according to Luxembourg law and subject to the jurisdiction of the District Court of Luxembourg, provided, however, that the Management Company and the Depositary may subject themselves and the Fund to the jurisdiction of courts of the countries, in which the units of the Fund are offered and sold, with respect to claims by investors resident in such countries and, with respect to matters relating to subscriptions and redemptions by unitholders resident in such countries, to the laws of such countries.

English shall be the governing language for this Prospectus, provided, however, that the Management Company and the Depositary may, on behalf of themselves and the Fund, consider as binding the translation in languages of the countries in which the units of the Fund are offered and sold.

PART B: SPECIFIC INFORMATION RELATING TO THE SUB-FUNDS

ETHOS FUND – ETHOS GLOBAL EQUITIES

1. Investment Objective and Policy

The Sub-Fund's Investment Objective is to seek long term sustainable capital returns.

To achieve this objective the Sub-Fund will invest in a diversified global portfolio of equities and equity related instruments with focus on developed markets but with the possibility of investing in emerging markets.

The assets of the Sub-Fund will be managed in an ethical defensible manner and in accordance with the fundamental values of the Church of Sweden. In order to achieve this, all investments are assessed from a sustainable viewpoint in addition to a financial viewpoint. Investments shall be characterised by consideration and respect for the environment, human rights and working conditions along with good corporate governance.

The Sub-Fund qualifies as an Article 9 financial product under SFDR.

The Sub-Fund has a sustainable investment objective as it aims to capitalize on the opportunities arising from the world's transition towards more sustainability and to target investments in companies that provide products and services that are beneficial for the environment and the society. The foregoing is implemented by mainly investing in companies that advance the United Nations Sustainable Development Goals (UN SDGs) by selecting companies whose business models and operational practices are aligned with targets defined by the 17 UN SDGs. The Sub-Fund systematically integrates ESG (i.e. Environmental, Social and corporate Governance) characteristics in the investment process.

The Sub-Fund uses a "bottom-up" approach (i.e. "stock-picking" strategy) for selecting the assets that will be acquired. The objective is to assess the growing potential of a Company and its ability to generate positive cash flows with the help of a Quantitative Corporate Fundamental Analysis. The analysis mainly focuses on the strength of the Balance Sheet, and the quality and the resiliency of the Company Earnings.

In addition, the Sub-Fund relies on the Qualitative Corporate Fundamental Analysis for selecting its assets by assessing among others, the resiliency and the strength of the Business Model and the Competitive advantage of the Company within a given market.

The Sub-Fund may further invest in liquid assets on an ancillary basis. Such assets may be kept in the form of cash deposits or money market instruments. From time to time, a maximum of 20% of the Sub-Fund's net assets might be invested in liquid assets with due regard to the principle of risk spreading. Exceptionally and under certain negative market conditions this limit can be temporarily breached.

Financial derivative instruments may be used as an integral part of the investment strategy as well as for hedging purposes. These financial derivative instruments may include, over-the-counter transactions such as forwards and Swaps and/or exchange traded transactions such as options and futures.

The Sub-Fund does not make use of any Efficient Portfolio Management techniques, nor enter into total return swaps or financial derivative instruments with similar characteristics and as such the Regulation (EU) 2015/2365 of the European Parliament and of the Council of 25 November 2015 on transparency of securities financing transactions and of reuse is currently not applicable. The Prospectus will be updated accordingly prior to the use of any such instruments or techniques.

The global exposure of the Sub-Fund will be measured and monitored according to the commitment approach methodology.

There is no guarantee that the above investment objectives will be met.

In order to avoid significant harm to the sustainable objective, the Sub-Fund applies comprehensive list of excluded stocks. Such exclusions are on the basis of controversial behaviour and controversial products (including controversial weapons, alcohol, tobacco, palm oil, fossil fuel, military contracting, firearms and nuclear power). The Sub-Fund does not invest in business models that significantly contradict the UN Sustainable Development Goals (SDGs).

The Investment Manager will use its best efforts to obtain, in due time, information that will enable it to reasonably determine the proportion of investments in environmentally sustainable economic activities, as defined under the Taxonomy Regulation, directly from investee companies, or by carrying out additional research, cooperating with third party data providers or external experts or making reasonable assumptions. As at the date of this Prospectus no such data or market consensus exists due to the lack of RTS. In those circumstances, the Investment Manager cannot commit to any percentage in underlying investment aligned with the Taxonomy Regulation. Part B will be updated accordingly with the relevant information once available.

The Sub-Fund is actively managed with reference to the MSCI World Net Total Return USD Index (Bloomberg Ticker: NDDUWI Index) (the "Benchmark"). The Investment Manager will use the Benchmark as a discretion to invest in securities to take advantage of specific investment opportunities. There are no restrictions on the extent to which the Sub-Fund's holdings may deviate from the Benchmark. The Sub-Fund invests in a concentrated portfolio which, over extended periods, may deviate with that of the Benchmark.

Sustainability Risks

Risks to the financial returns of the Sub-Fund

The sustainability objective of this Sub-Fund may lead the Investment Manager to invest in or exclude securities for non-financial reasons, irrespective of market opportunities in order to achieve the stated sustainability objective. The financial returns of this Sub-Fund may not be equivalent or surpass those of non-ESG financial products.

2. Classes of Units available

The Management Company offers Class "R" units available to all types of investors and "I" units available to Institutional Investors only.

Class "C" units capitalize income whereas Class "D" units distribute income. Units of the following Classes are currently issued. No minimum initial investment and holding amount is applicable.

Name of the Class of Units	ISIN Code
Class RC (SEK)	LU0612926088
Class IC (SEK)	LU0612926245
Class ID (SEK)	LU0612926591
Class IC (EUR)	LU0612926757
Class ID (EUR)	LU0612926914

Class IC (SEK), ID (SEK), IC (EUR) and ID (EUR) were launched on 26 April 2011.

Class RC (SEK) units will be launched at a later stage.

3. Typical investor

The Sub-Fund is intended for investors who seek capital returns over long term through exposure to mainly global equities. The investor is able to accept temporary decrease in value of the securities related to movements in the stock market. The Sub-Fund is therefore suitable to investors who can afford to set aside the capital invested for at least five to ten years.

4. Reference Currency

The reference currency of the Sub-Fund is the Swedish Krona (SEK).

5. Frequency of the Net Asset Value calculation and Valuation Day

The Net Asset Value per unit of the Sub-Fund is calculated, under the overall responsibility of the Management Company daily as of each business day in Luxembourg (the “**Valuation Day**”).

6. Investment Manager and Sub-Investment Manager

For the Sub-Fund, the Management Company has designated Robeco Institutional Asset Management B.V. as investment manager principally being responsible for the day-to-day management of the assets. .

Robeco Institutional Asset Management B.V., registered as both a UCITS manager and an Alternative Investment Fund Manager under the laws of the Netherlands, has been granted licenses from the Dutch Authority for the Financial Markets (the “**AFM**”), to carry out the management of UCITS and UCIs and to offer additional services.

The Investment Manager shall be entitled to delegate at its sole discretion and responsibility and its own costs and with the approval of the Management Company the whole or part of his services under the Investment Management Agreement to its affiliate Robeco Schweiz AG, an asset manager under the laws of Switzerland and registered with the Swiss Financial Market Supervisory Authority (“**FINMA**”) as such.

The Investment Manager as well as the Sub-Investment Manager have full authority, without the need for prior reference to the Management Company or any third party, to manage the assets of the Sub-Fund, all in accordance with the investment objectives, policy and restrictions, as laid down in the present Prospectus.

7. Listing on the Luxembourg Stock Exchange

The Management Company does not intend to apply for the listing of the units of the Sub-Fund on the Luxembourg Stock Exchange.

8. Availability of the Net Asset Value and of other information

The Net Asset Value per unit of each Class in the Sub-Fund will be available at the registered office of the Management Company.

9. Risk profile

This Sub-Fund faces balanced to cautious risks as those normally associated with a combination of investment in global equities. If investments are made in securities traded in other currencies than the base currency, a foreign exchange factor, which can change the value of the investment, must also be taken into account.

For further descriptions of risks involved for the Sub-Fund, please refer to the respective section in the Prospectus.

10. Fees

Management Company Fee

The Management Company will receive an infrastructure fee, accrued daily and payable monthly in arrears, of 0.025% per annum of the net assets of the Sub-Fund, subject to an annual minimum of EUR 15,000. Furthermore the Management Company is entitled to be reimbursed out of the assets of the Sub-Fund for its reasonable out-of-pocket expenses and disbursements.

Investment Management Fee

The Investment Manager will receive out of the Sub-Fund's assets a fee of maximum 0.50% per annum, subject to an annual minimum of SEK 600,000. This fee is payable quarterly in arrears based on the Sub-Fund's average net assets calculated each Valuation Day.

Distribution Fee

The Distributor will receive out of the Sub-Fund's assets a fee of maximum 0.05% per annum. This fee is payable monthly in arrears based on the Sub-Fund's average net assets calculated each Valuation Day.

Administrator Fee

Out of the Sub-Fund's assets, an administration fee consisting of a flat fee of EUR 27,000 per annum plus a variable fee of maximum 0.0758% per annum is payable to the Management Company. This fee will be accrued on a daily basis, based on the net assets of the Sub-Fund and will be paid out monthly in arrears. This fee includes the fee due to the Depositary.

The Management Company is furthermore entitled to receive, out of the assets of the Sub-Fund, in respect of the registrar and transfer agent function a further fee of EUR 12,000 per annum for up to two active Classes of units and EUR 2,500 per annum for each additional Class of units in accordance with Luxembourg customary banking practice, accrued daily and payable monthly in arrears. The Management Company will also be compensated for all reasonable out-of-pocket expenses.

Depositary Fee

The Depositary will receive a supervisory fee and a safekeeping fee payable out of the Administrator Fee received by the Management Company monthly in arrears. In addition, this service provider is entitled to be reimbursed out of the assets of the Sub-Fund for its reasonable out-of-pocket expenses and disbursements.

Issue commission: No issue commission will be levied.

Redemption fee: No redemption fee will be levied.

Conversion fee: No conversion fee will be levied.

Dilution levy: A dilution levy of maximum 1.5% of the latest published NAV per unit, as further described under “Net Asset Value” of this Prospectus, may be charged.

11. Duration

The Sub-Fund is established for an unlimited duration.

12. Template pre-contractual disclosure for financial products referred to in Article 9, paragraphs 1 to 4a, of Regulation (EU) 2019/2088 and Article 5, first paragraph, of Regulation (EU) 2020/852

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Product name: ETHOS FUND – ETHOS GLOBAL EQUITIES

Legal entity identifier: 529900V02UOG6JGZ5V72

Sustainable investment objective

Does this financial product have a sustainable investment objective?

☒ ☒ **Yes**

☐ ☐ **No**

☒ It will make a minimum of **sustainable investments with an environmental objective: 1%**

☐ 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

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

☐ 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

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

☐ with a social objective

☒ It will make a minimum of **sustainable investments with a social objective: 50%**

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



Sustainability indicators measure how the sustainable objectives of this financial product are attained.

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.

What is the sustainable investment objective of this financial product?

The Sub-Fund's sustainable investment objective is to advance the United Nations Sustainable Development Goals (UN SDGs) by investing in companies whose business models and operational practices are aligned with targets defined by the 17 UN SDGs.

Sub-Fund does not have a carbon-reduction objective and there is no reference benchmark designated for the purpose of attaining the sustainable objective promoted by the Sub-Fund.

What sustainability indicators are used to measure the attainment of the sustainable investment objective by this financial product?

The Sub-Fund has the following sustainability indicators:

1. The number of companies with a positive SDG score based on the internally developed SDG Framework.
2. The % of investments in securities that are on Robeco's Exclusion list as result of the application of Robeco's Exclusion policy.
3. The % of holdings that are in violation of the ILO standards, UNGPs, UNGC or OECD Guidelines for Multinational Enterprises.

How do sustainable investments not cause significant harm to any environmental or social sustainable investment objective?

The sustainable investments do no significant harm to any environmental or social sustainable investment objective by considering a principal adverse impact and aligning with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights. In addition, sustainable investments score positively on Robeco's SDG Framework, and therefore do not cause significant harm.

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

A detailed description of the incorporation of principal adverse impacts is available via Robeco's Principal Adverse Impact Statement published on the Robeco website. In this statement, Robeco sets out its approach to identifying and prioritizing principal adverse impact, and how principal adverse impacts are considered as part of Robeco's investment due diligence process and procedures relating to research and analysis, exclusions and restrictions and/or voting and engagement. For sustainable investments, the PAI indicators have been taken into account by ensuring that the investments do no significant harm to any environmental or social objective. For this purpose, many PAI indicators are either directly or indirectly included in Robeco's SDG Framework to determine whether a company has significant impacts on the SDGs related to the PAI indicators.

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

The sustainable investments are aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights via both Robeco's Exclusion Policy and Robeco's SDG Framework.

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

☒ Yes,

The Sub-Fund considers principal adverse impacts on sustainability factors as referred to in Annex I of the SFDR Delegated Act.

Pre-investment, Robeco's SDG Framework assesses companies' positive and negative contributions to the Sustainable Development Goals (SDGs). Robeco's SDG Framework directly and/or indirectly screens companies on many of the topics considered by the PAI indicators.

Post-investment, the following principal adverse impacts on sustainability factors are taken into account:

- Via Robeco's entity engagement program, the following PAIs are considered:
 - All indicators related to Climate and other environment-related indicators (PAI 1-9, Table 1)
 - Violations of the UN Global Compact Principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises (PAI 10, Table 1). On an ongoing basis, the investment universe is scanned for controversial behavior in relation to the aforementioned principles and guidelines.
 - In addition, based on a yearly review of Robeco's performance on all mandatory and selected voluntary indicators, holdings of the Sub-Fund that cause adverse impact might be selected for engagement.

More information is available via Robeco's Principal Adverse Impact Statement, published on Robeco's website. The Sub-Fund will periodically report how it has considered the principal adverse impacts of its investments.

☐ No



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

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

What investment strategy does this financial product follow?

The Sub-Fund is an actively managed portfolio that invests globally in companies that take action to advance the UN Sustainable Development Goals. The selection of these stocks is based on fundamental analysis as described in the Investment policy strategy paragraph in Part B of this prospectus. The strategy integrates sustainability indicators on a continuous basis as part of the stock selection process. Amongst others, the Sub-Fund applies norms-based and activity-based exclusions, Robeco's good governance policy and considers Principal Adverse Impacts in the investment process.

What are the binding elements of the investment strategy used to select the investments to attain the sustainable investment objective?

The Sub-fund has the following binding elements:

1. The Sub-Fund invests in companies with a positive SDG score.
2. The Sub-Fund's portfolio complies with Robeco's Exclusion Policy (<https://www.robeco.com/docm/docu-exclusion-policy.pdf>), excluding investments in companies that are exposed to controversial behavior and controversial products. This means that the Sub-Fund has 0% exposure to excluded securities, taking into account a grace period. Information with regards to the effects of the exclusions on the Sub-Fund's universe can be found at <https://www.robeco.com/docm/docu-exclusion-list.pdf>.
3. The Sub-Fund avoids investment in companies that are in breach of the ILO standards, UNGPs, UNGC or OECD Guidelines for Multinational Enterprises. Companies that breach the international norms will be excluded from the investment universe.

The sustainable investments aim to contribute to the UN Sustainable Development Goals, that have both social and environmental objectives. Robeco uses its proprietary SDG Framework and related SDG scores to determine which issuers constitute a sustainable investment as referred to in art 2(17) SFDR. Positive SDG scores (+1, +2, +3) are regarded as sustainable investments. All companies are given an SDG score based on their contribution to the SDGs (positive, neutral or negative) and the impact of this contribution (high, medium or low). For instance, companies that have a strong positive impact on the SDGs receive a score of +3, while those with a low positive impact would score a +1.

More information is available on Robeco's SDG Framework on <https://www.robeco.com/docm/docu-robeco-explanation-sdg-framework.pdf>

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

Robeco has a Good Governance policy to assess governance practices of companies. The policy describes how Robeco determines if and when a company does not follow good governance practices and is therefore excluded from the initial investment universe for Article 8 and 9 products. Robeco's Good Governance policy applies to the Sub-Fund and tests on a set of governance criteria that reflect widely recognized industry established norms and include topics as employee relations, management structure, tax compliance and remuneration. A link to the good governance test is made available in the final section of this document.



Asset allocation describes the share of investments in specific assets.

Taxonomy-aligned activities are expressed as a share of:

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

What is the asset allocation planned for this financial product?

The Sub-Fund plans to make a minimum of 90% sustainable investments, measured by positive scores via Robeco's SDG Framework. The investments in the category non-sustainable, estimated between 0-10%, are mostly in cash and cash equivalents. The planned asset allocation is monitored continuously, and evaluated on a yearly basis.



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

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

The category **#1 Aligned with E/S characteristics** covers:

- The sub-category **#1A Sustainable** covers sustainable investments with environmental or social objectives.
- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

How does the use of derivatives attain the sustainable investment objective?

The Sub-Fund does not make use of derivatives to attain the sustainable objective promoted by the financial product. The Sub-Fund may make use of derivatives for hedging and liquidity management. This includes the usage of derivatives to manage currency and market exposures in a cost-effective manner. To that purpose exchange traded and over-the-counter derivatives linked to equity indices and currencies are permitted.

In case the Sub-Fund uses derivatives, the underlying shall comply with the investment policy. Where relevant, minimum environmental or social safeguards are taken into account.



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

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

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

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

The Sub-Fund does not intend to make Taxonomy-aligned investments. It cannot be excluded that among the Sub-Fund's holdings certain investments are Taxonomy aligned. The Sub-Fund will report on Taxonomy-aligned investment in the periodic disclosures, this will be done based on turnover. In the future, once data-availability in relation to the EU Taxonomy will improve, Robeco might consider setting a target based on turnover or CAPEX. Robeco currently relies on third-party data in relation to the EU Taxonomy, including data in relation to companies that do not disclose on the EU Taxonomy alignment of their activities. EU Taxonomy-alignment data is not yet subject to a review by third parties. The Sub-Fund only makes investments in equity and therefore it does not have sovereign exposures. The expected level of alignment with and without sovereign bonds is the same.

- **Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy¹?**

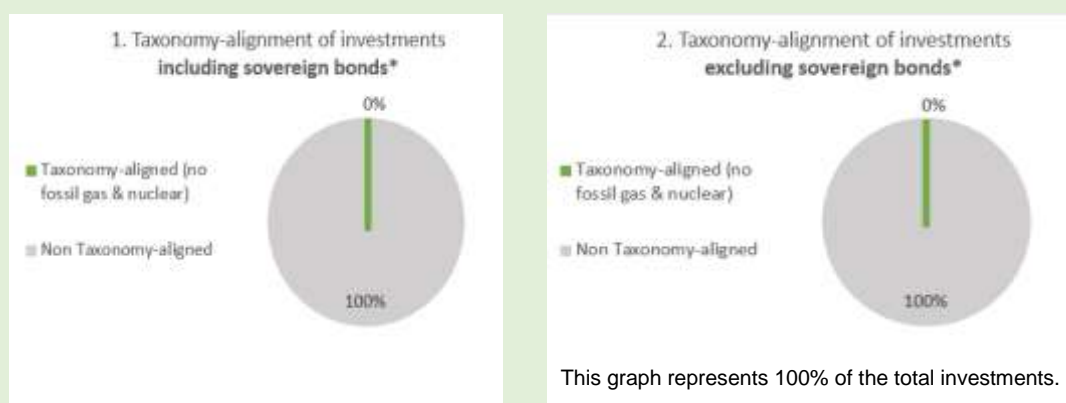
☐ Yes:

☐ In fossil gas

☐ In nuclear energy

☒ No

The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.*



* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

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

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

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

0%.



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

The Sub-Fund intends to make sustainable investments, measured as positive scores via Robeco's SDG Framework. Among those could be investments with environmental objectives that do not qualify as Taxonomy-aligned. The environmental objectives of the Sub-fund are attained by investing in companies that score positively on SDG 12 (Responsible consumption and production), SDG 13 (Climate action), SDG 14 (Life below water), and SDG 15 (Life on land) in Robeco's SDG Framework. While the sum of sustainable investments with an environmental objective and socially sustainable investments always adds up to the Sub-Fund's minimum proportion of 90% sustainable investments, we commit to a minimum share of sustainable investments with an environmental objective of 1%.



What is the minimum share of socially sustainable investments?

The Sub-Fund intends to make sustainable investments, measured as positive scores via Robeco's SDG Framework. Among those could be investments with social objectives. The social objectives of the Sub-Fund are attained by investing in companies that score positively on SDG 1 (No poverty), SDG 2 (Zero hunger), SDG 3 (Good health and well-being), SDG 4 (Quality education), SDG 5 (Gender equality), SDG 6 (Clean water and sanitation), SDG 7 (Affordable and clean energy), SDG 8 (Decent work and economic growth), SDG 9 (Industry, innovation and infrastructure), SDG 10 (Reduced inequalities), SDG 11 (Sustainable cities and communities), SDG 16 (Peace, justice and strong institutions) and SDG 17 (Partnerships for the goals), in Robeco's SDG Framework. While the sum of socially sustainable investments and sustainable investments with an environmental objective always adds up to the Sub-Fund's minimum proportion of 90% sustainable investments, we commit to minimum share of socially sustainable investments of 50%.



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

The type of instruments included under “#2 Not Sustainable” and their purpose are outlined in Annex I of this Prospectus under the header “Financial instruments and investment restrictions”. Amongst others, the use of cash, cash equivalents and derivatives is included under “#2 Not Sustainable”. The Sub-Fund may make use of derivatives for hedging and liquidity management. This includes the usage of derivatives to manage currency and market exposures in a cost-effective manner (in line with the investment policy). Where relevant, minimum environmental or social safeguards apply to the underlying securities.



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

Is a specific index designated as a reference benchmark to meet the sustainability objective?

Not applicable

How does the reference benchmark take into account sustainability factors in a way that is continuously aligned with the sustainable investment objective?

N/A

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

N/A

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

N/A

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

N/A



Where can I find more product specific information online?

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

- Robeco's PAI Statement can be accessed via the following link:
<https://www.robeco.com/docm/docu-robeco-principal-adverse-impact-statement.pdf>
- Robeco's Good Governance test can be accessed via the following link:
<https://www.robeco.com/docm/docu-robeco-good-governance-policy.pdf>

More information can be found on the website:

<https://www.robeco.com/en/sustainability/sustainable-finance-action-plan/>