

# Prospectus

and

# Trust agreement

including sub-fund-specific annexes

Status: 04.2024

## EMCORE One Fund

UCITS under Liechtenstein law  
in the legal form of a trusteeship

(hereinafter the "UCITS")

(Umbrella construction)

Asset Manager:



management company:



## The organisation of the UCITS at a glance

<b>management company:</b>	IFM Independent Fund Management AG Landstrasse 30, 9494 Schaan
<b>Board of Directors:</b>	Heimo Quaderer H.R.H. Archduke Simeon of Habsburg Hugo Quaderer
<b>Management:</b>	Luis Ott Alexander Wymann Michael Oehry Ramon Schäfer
<b>Asset Manager:</b>	Sub-fund: <b>EMCORE One Fund - Emcore Green Yield Dynamic</b> EMCore AG Marktgass 11, FL-9490 Vaduz
<b>Investment advisor:</b>	n/a
<b>Depositary:</b>	Neue Bank AG Marktgass 20, FL-9490 Vaduz
<b>Distribution point:</b>	EMCore AG Marktgass 11, FL-9490 Vaduz
<b>Auditor:</b>	Grant Thornton AG Bahnhofstrasse 15, FL-9494 Schaan

<b>Representative for investors in Switzerland:</b>	LLB Swiss Investment AG Claridenstrasse 20, CH 8002 Zurich
<b>Paying agent for investors in Switzerland:</b>	Helvetische Bank AG Seefeldstrasse 215, CH 8008 Zurich
<b>Facility for investors in Germany:</b>	IFM Independent Fund Management AG Landstrasse 30, 9494 Schaan

## The UCITS at a glance

<b>Name of the UCITS:</b>	<b>EMCORE One Fund</b>
<b>Legal structure:</b>	UCITS in the legal form of a trusteeship ("collective trusteeship") pursuant to the Law of 28 June 2011 on certain undertakings for collective investment in transferable securities (UCITSG)
<b>Umbrella construction:</b>	Umbrella structure with one sub-fund
<b>Founding country:</b>	Liechtenstein
<b>Date of incorporation of the UCITS:</b>	24 May 2023
<b>Business year:</b>	The financial year of the UCITS begins on 1 January and ends on 31 December
<b>Accounting currency of the UCITS:</b>	Swiss franc (CHF)
<b>Competent supervisory authority:</b>	Financial Market Authority Liechtenstein (FMA); <a href="http://www.fma-li.li">www.fma-li.li</a>

Information on the sub-funds can be found in Appendix A "Sub-funds at a glance".

German is the legally binding language for the trust agreement including fund-specific annexes.

## Note for investors/sales restriction

Units of the UCITS are acquired on the basis of the prospectus, the trust agreement and the key investor information document (the "**PRIIP-KID**") as well as the latest annual report and, if already published, the subsequent semi-annual report. Only the information contained in the prospectus and in particular in the trust agreement including Appendix A "Sub-fund overview" is valid. The acquisition of units is deemed to be authorised by the investor.

This Prospectus does not constitute an offer or invitation to subscribe for units of the UCITS by any person in any jurisdiction in which such offer or invitation is unlawful or in which the person making such offer or invitation is not qualified to do so or to any person to whom it is unlawful to make such offer or invitation. Information not contained in this Prospectus and Trust Deed or documents available to the public is deemed to be unauthorised and not reliable. Potential investors should inform themselves about possible tax consequences, legal requirements and possible foreign exchange restrictions or controls applicable in the countries of their citizenship, residence or domicile which may be relevant to the subscription, holding, conversion, redemption or realisation of units. Further tax considerations are explained in section 11 "Tax regulations". Appendix B "Specific information for individual countries of distribution" contains information on distribution in various countries. The units of the UCITS are not authorised for distribution in all countries of the world. When units are issued, exchanged and redeemed abroad, the provisions applicable there apply. In particular, the units have not been registered in the United States of America (USA) in accordance with the United States Securities Act of 1933 and therefore cannot be offered or sold in the USA or to US citizens. For example, natural persons who (a) were born in the USA or one of its territories or sovereign territories, (b) are naturalised citizens (or green card holders), (c) were born abroad as the child of a US citizen, (d) reside predominantly in the USA without being a US citizen, (e) are married to a US citizen or (f) are liable for tax in the USA are considered to be US citizens. The following are also considered to be US citizens: (a) investment companies and corporations that were founded under the laws of one of the 50 US states or the District of Columbia, (b) an investment company or partnership that was founded under an Act of Congress, (c) a pension fund that was founded as a US trust, (d) an investment company that is subject to tax in the USA or (e) investment companies that are deemed to be such under Regulation S of the US Securities Act of 1933 and/or the US Commodity Exchange Act. In general, units of the UCITS may not be offered in jurisdictions and to persons in which or to whom this is not permitted.

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# PART I: THE PROSPECTUS

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The issue and redemption of units of the relevant sub-fund is based on the currently valid trust agreement and Appendix A "Sub-fund overview". This trust agreement is supplemented by the most recent annual report. If the reporting date of the annual report is more than eight months in the past, the semi-annual report must also be offered to the purchaser. The basic information sheets (PRIIP-KID) are made available to the investor free of charge in good time before the acquisition of units.

It is not permitted to provide information or statements that deviate from the Prospectus, Trust Agreement, Annex A "Sub-funds at a glance" or the Key Investor Information Document. The Management Company is not liable if and to the extent that information or statements are made that deviate from the current Prospectus, Trust Agreement or Key Investor Information Document.

The prospectus and trust agreement including Appendix A "Sub-fund overview" are presented here in one document. The main founding document of the fund is the trust agreement including Appendix A "Sub-fund overview". Only the trust agreement, including the special provisions on the investment policy in Annex A "Sub-fund overview", are subject to the substantive legal review of the Liechtenstein Financial Market Authority (FMA).

## 1 Sales documents

The Prospectus, the Key Investor Information Documents (PRIIP-KID), the Trust Agreement and Annex A "Sub-funds at a glance" as well as the latest annual and semi-annual reports and reports, if already published, are available free of charge on a durable medium from the Management Company, the Depositary, the paying agents and all distributors in Germany and abroad as well as on the website of the LAFV Liechtensteinischer Anlagefondsverband at [www.lafv.li](http://www.lafv.li).

At the request of investors, the aforementioned documents will also be made available to them free of charge in paper form. Further information on the UCITS and its sub-funds is available on the Internet at [www.ifm.li](http://www.ifm.li) and from IFM Independent Fund Management AG, Landstrasse 30, 9494 Schaan, during business hours.

## 2 The trust agreement

The trust agreement comprises a general section and Annex A "Sub-fund overview". The trust agreement and Appendix A "Sub-fund overview" are printed in full in this prospectus. The trust agreement and Appendix A "Sub-fund overview" may be amended or supplemented in whole or in part by the Management Company at any time. Amendments run to the trust agreement and Appendix A "Sub-funds at a glance" require the prior approval of the FMA.

Any amendment to the trust agreement and Annex A "Overview of the sub-fund" shall be published in the official gazette of the UCITS and shall thereafter be legally binding for all investors. Publications organ of the UCITS is the website of the LAFV Liechtensteinischer Anlagefondsverband [www.lafv.li](http://www.lafv.li).

### 3 General information on the UCITS

The **EMCORE One Fund** (hereinafter: UCITS) was established on 24 May 2023 as an undertaking for collective investment in transferable securities (UCITS) under the law of the Principality of Liechtenstein

The Trust Agreement and Annex A "Sub-fund overview" were approved by the FMA on 24 May 2023 and the UCITS was entered in the Liechtenstein Commercial Register at the Office of Justice on 26 May 2023. The trust agreement and Annex A "Sub-fund overview" entered into force for the first time on 24 May 2023.

The trust agreement and Appendix A "Sub-fund overview" were approved by the FMA on 30 April 2024 and entered into force on 8 May 2024.

The UCITS is a legally dependent undertaking for collective investment in securities of the open-ended type and is subject to the Law of 28 June 2011 on certain undertakings for collective investment in transferable securities.

The UCITS has the legal form of a collective trusteeship. A collective trusteeship is the entering into of a substantively identical trusteeship with an indefinite number of investors for the purpose of investing and managing assets for the account of the investors, whereby the individual investors participate in this trusteeship in proportion to their share and are only personally liable up to the amount of the investment.

The UCITS is an umbrella structure that may comprise several sub-funds. The various sub-funds are segregated in terms of assets and liability.

The management of the UCITS consists primarily of investing the monies raised from the public for joint account in accordance with the principle of risk diversification in securities and/or other liquid financial assets pursuant to Art. 51 UCITSG. The UCITS or each of its sub-funds shall form an investment fund in favour of its investors. In the event of the dissolution and bankruptcy of the management company, the special assets shall not form part of the bankruptcy estate of the management company.

The UCITSG, the Trust Agreement and Appendix A "Sub-funds at a glance" set out the assets in which the Management Company may invest the money and the provisions it must observe in doing so.

The securities and other assets of the respective sub-fund are managed in the interests of the investors. Only the investors in a sub-fund are entitled to the total assets of that sub-fund in proportion to their units. They are segregated from the assets of the other sub-funds. Claims by investors and creditors which are directed against a sub-fund or which have arisen on the occasion of the establishment, during the existence or in the liquidation of a sub-fund are limited to the assets of this sub-fund.

The Management Company may at any time dissolve existing sub-funds and/or create new sub-funds and create different unit classes with specific characteristics within these sub-funds. This Prospectus and the Trust Agreement, including Appendix A "Sub-funds at a glance", are updated each time a new sub-fund or an additional unit class is launched.

With the acquisition of units of the UCITS or its sub-funds, each investor recognises the trust agreement including fund-specific annexes, which defines the contractual relationships between the investors, the Management Company and the Depositary, as well as the duly executed amendments to this document. With the publication of amendments to the trust agreement and prospectus, the annual or semi-annual report

or other documents on the website of the LAFV Liechtenstein Investment Fund Association [www.lafv.li](http://www.lafv.li), these amendments are binding for the investors.

## 4 General information on the sub-funds

Investors participate in the respective sub-fund assets of the UCITS in proportion to the units they have acquired.

The units are not securitised but are only kept in the books, i.e. no certificates are issued. There is no provision for a meeting of investors. By subscribing to or acquiring units at, the investor is aware of the trust agreement and Appendix A "Sub-fund overview". Investors, heirs or other persons may not demand the division or dissolution of the UCITS. The details of the individual sub-funds are described for each sub-fund in Appendix A "Sub-funds at a glance".

The Management Company may decide at any time to launch further sub-funds and amend the Prospectus and Trust Agreement, including Appendix A "Sub-funds at a glance", accordingly.

All units of a sub-fund generally embody the same rights, unless the Management Company decides to issue different unit classes within a sub-fund.

Each sub-fund is considered an independent asset in the relationship between the investors. The rights and obligations of the investors in a sub-fund are separate from those of the investors in the other sub-funds.

The assets of the individual sub-funds are only liable to third parties for liabilities entered into by the sub-funds concerned.

This Prospectus and Trust Deed including Appendix A "Sub-funds at a glance" applies to all sub-funds of the EMCORE One Fund. The UCITS is currently launching the following sub-funds for subscription:

- ◆ EMCORE One Fund - Emcore Green Yield Dynamic

### 4.1 Duration of the individual sub-funds

The duration of a sub-fund can be found for the respective sub-fund in Appendix A "Sub-funds at a glance".

### 4.2 Share classes

The Management Company is authorised to create several unit classes within a sub-fund, which may differ from the existing unit classes in terms of the distribution of income, the front-end load, the reference currency and the use of currency hedging transactions, the management fee, the minimum investment amount or a combination of these features. The rights of investors who have acquired units from existing unit classes remain unaffected by this.

The unit classes established in connection with each sub-fund and the fees and remunerations incurred in connection with the units of the sub-funds are listed in Appendix A "Sub-funds at a glance". Further information on the unit classes can be found in section 9.2.

### 4.3 Performance to date of the sub-funds

The past performance of the individual sub-funds or unit classes is listed on the website of the LAFV Liechtenstein Investment Fund Association at [www.lafv.li](http://www.lafv.li) or in the PRIIP-KID. The past performance of a unit is no guarantee of the current and future performance. The value of a unit may rise or fall at any time.

## 5 Organisation

### 5.1 Country of domicile / competent supervisory authority

Liechtenstein / Financial Market Authority Liechtenstein (FMA); [www.fma-li.li](http://www.fma-li.li).

### 5.2 Legal relationships

The legal relationships between the investors and the Management Company are governed by the Law of 28 June 2011 on certain undertakings for collective investment in transferable securities (UCITSG) and the Ordinance of 5 July 2011 on certain undertakings for collective investment in transferable securities (UCITSV) and, insofar as no provisions are made therein, by the provisions of the Persons and Companies Act (PGR) on trusteeship.

### 5.3 Management company

IFM Independent Fund Management Aktiengesellschaft (hereinafter: Verwaltungsgesellschaft), Landstrasse 30, 9494 Schaan, commercial register number FL-0001-532-594-8.

IFM Independent Fund Management AG was founded on 29 October 1996 in the form of a public limited company for an unlimited period. On 26 November 1996, the government granted the management company authorisation to commence business activities. The Management Company has its registered office and head office in Schaan, Principality of Liechtenstein. The Management Company is authorised by the Liechtenstein supervisory authority pursuant to Chapter III of the Law of 28 June 2011 on Undertakings for Collective Investment and is entered on the official list of Liechtenstein management companies.

The share capital of the management company amounts to CHF 1 million and is 100% paid up.

The Management Company manages the UCITS for the account and in the interests of the investors in accordance with the principle of risk diversification and in accordance with the provisions of the Trust Agreement and Annex A "Sub-funds at a glance".

The Management Company is vested with the broadest possible rights to perform all administrative and management activities on behalf of the investors. In particular, it is authorised to buy, sell, subscribe and exchange securities and other assets and to exercise all rights relating to the assets of the UCITS.

An overview of all UCITS managed by the management company can be found on the website of the LAFV Liechtenstein Investment Fund Association at [www.lafv.li](http://www.lafv.li).

#### 5.3.1 Board of Directors

President:	Heimo Quaderer, Managing Partner of Principal Vermögensverwaltung AG, Schaan
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Members: H.R.H. Simeon von Habsburg, Archduke of Austria,  
Managing Partner of Principal Vermögensverwaltung AG,  
Schaan

Hugo Quaderer, independent member of the Board of Directors of IFM Independent Fund Management AG, Schaan

### 5.3.2 Management

Chairman: Luis Ott, Managing Director

Members: Alexander Wymann, Deputy Managing Director

Michael Oehry

Ramon Schäfer

## 5.4 Asset Manager

EMCore AG, Marktgass 11, FL-9490 Vaduz, acts as asset manager for the following sub-fund:

- ◆ EMCORE One Fund - Emcore Green Yield Dynamic

EMCore AG was founded in 2007. It specialises in asset consulting and management for institutional and private clients and is prudentially supervised by the Liechtenstein Financial Market Authority (FMA).

The task of the Asset Manager is in particular the independent daily implementation of the investment policy and the management of the day-to-day business of the UCITS as well as other associated services under the supervision, control and responsibility of the Management Company. The fulfilment of these tasks is carried out in compliance with the principles of the investment policy and the investment restrictions of the UCITS or its sub-funds, as described in this Prospectus, as well as the statutory investment restrictions.

The Asset Manager has the right to seek advice from third parties at its own expense and responsibility.

The precise execution of the mandate is governed by an asset management agreement concluded between the management company and EMCORE AG.

## 5.5 Investment advisor

No investment advisor was commissioned.

## 5.6 Sales office

EMCore AG, Marktgass 11, FL-9490 Vaduz, acts as sales agent for the following sub-funds:

- ◆ EMCORE One Fund - Emcore Green Yield Dynamic

The precise execution of the order is governed by a distribution agreement concluded between the management company and EMCORE AG.

## 5.7 Depositary

Neue Bank AG, Marktgass 20, FL-9490 Vaduz, acts as depositary for the UCITS and its sub-funds.

Founded in 1992, Neue Bank AG follows the tradition of the classic private bank. Its activities are centred on discerning private clients in Germany and abroad. In addition to the protection of privacy enshrined in law, the bank offers them a comprehensive and personalised service in asset advice and management based on high quality standards. Further information on the depositary (e.g. annual reports, brochures, etc.) can be obtained directly from its head office or online at its website [www.neuebankag.li](http://www.neuebankag.li).

The Custodian shall hold the financial instruments eligible for custody in safekeeping for the account of the UCITS. It may entrust them in whole or in part to other banks, financial institutions and recognised clearing houses that fulfil the legal requirements for safekeeping.

The function of the Depositary and its liability are governed by the UCITSG and the corresponding ordinance as amended, the Depositary Agreement and the constituent documents of the UCITS. It acts independently of the Management Company and exclusively in the interests of the investors.

The UCITSG provides for a separation of the management and custody of UCITS. The Custodian shall hold the financial instruments eligible for custody in separate accounts opened in the name of the UCITS or the management company acting on behalf of the UCITS and shall monitor whether the instructions of the management company regarding the assets comply with the provisions of the UCITSG and the constituent documents. For these purposes, the Custodian shall in particular monitor compliance with the investment restrictions and leverage limits by the UCITS.

The Depositary also maintains the unit register of the UCITS or the sub-funds on behalf of the Management Company.

- ◆ The duties of the depositary are governed by Art. 33 UCITSG. The depositary shall ensure that
- ◆ The sale, issue, redemption, payment and cancellation of units of the UCITS shall be carried out in accordance with the provisions of the UCITSG and the constituent documents,
- ◆ the valuation of the units of the UCITS is carried out in accordance with the provisions of the UCITSG and the constituent documents,
- ◆ in the case of transactions involving assets of the UCITS, the equivalent value is transferred to the UCITS within the usual time limits,
- ◆ the income of the UCITS is utilised in accordance with the provisions of the UCITSG and the constituent documents;
- ◆ the cash flows of the UCITS are properly monitored and in particular to ensure that all payments made by or on behalf of investors on the subscription of units of a UCITS have been received and that all monies of the UCITS have been accounted for in accordance with the provisions of the UCITSG and the constitutive documents.

### **Sub-custody**

The custodian may delegate the custodian task to other companies (sub-custodians).

The assets held for the account of the UCITS may be held in custody by the sub-custodians listed on the website of Neue Bank AG at [www.neuebankag.li](http://www.neuebankag.li).

This transfer does not give rise to any conflicts of interest.

The depositary is subject to the provisions of the Liechtenstein FATCA Agreement and the corresponding implementing provisions of the Liechtenstein FATCA Act.

#### **Information about the depositary**

Investors in the UCITS may at any time personally request from the Depositary, free of charge, up-to-date information on the tasks and duties of the Depositary, the sub-custodians, the possible conflicts of interest in connection with the activities of the Depositary and the sub-custodians, as well as information on the UCITS, using the above-mentioned contact details.

The depositary is subject to the provisions of the Liechtenstein FATCA Agreement and the corresponding implementing provisions of the Liechtenstein FATCA Act.

### **5.8 Auditors of the UCITS and the management company**

Auditor of the management company: Ernst & Young AG, Schanzenstrasse 4a, CH-3008 Bern

Auditor of the UCITS: Grant Thornton AG, Bahnhofstrasse 15, FL-9494 Schaan

The UCITS and the Management Company must have their business activities audited annually by an independent auditor recognised by the FMA in accordance with the UCITSG.

## **6 General investment principles and restrictions**

The respective sub-fund assets are invested in compliance with the principle of risk diversification within the meaning of the UCITSG rules and in accordance with the investment policy principles and investment restrictions described in Article 28 of the Trust Agreement and in Annex A "Overview of the sub-fund".

### **6.1 Objective of the investment policy**

The objective of the investment policy of the individual sub-funds is described in Appendix A "Sub-funds at a glance".

### **6.2 Investment policy of the sub-funds**

The sub-fund-specific investment policy is described for the respective sub-fund in Appendix A "Sub-fund overview".

The general investment principles and investment restrictions set out in Articles 27 and 28 of the Trust Agreement apply to all sub-funds, unless deviations or additions for the respective sub-fund are contained in Appendix A "Sub-funds at a glance".

#### **6.2.1 ESG integration**

As part of their investment objective, the sub-funds may stipulate that the asset managers of the sub-funds take into account factors such as environmental, social and governance (ESG) factors in their investment analysis, decision-making processes and the practice of actively exercising shareholder rights. Sustainability risks that may have a significant material negative impact on the return on an investment of the relevant sub-fund are also taken into account. The aforementioned ESG factors relate to the following topics, among others:

		
E	S	G
<b>Environmental - Environment</b>	<b>Social - Social affairs</b>	<b>Corporate Governance - Corporate management</b>
<ul style="list-style-type: none"> <li>• Climate protection</li> <li>• Adaptation to climate protection</li> <li>• Protection of biodiversity</li> <li>• Sustainable use and protection of water and marine resources</li> <li>• Transition to a circular economy, waste prevention and recycling</li> <li>• Prevention and reduction of environmental pollution</li> <li>• Protecting healthy ecosystems</li> <li>• Sustainable land use</li> </ul>	<ul style="list-style-type: none"> <li>• Compliance with recognised labour law standards (no child or forced labour, no discrimination)</li> <li>• Compliance with occupational safety and health protection</li> <li>• Appropriate remuneration, fair conditions in the workplace, diversity and training and development opportunities (equal opportunities)</li> <li>• Ensuring adequate product safety, including health protection</li> <li>• Equal requirements for companies in the supply chain</li> <li>• Social commitment</li> </ul>	<ul style="list-style-type: none"> <li>• Tax honesty</li> <li>• Measures to prevent corruption</li> <li>• Sustainability management by management</li> <li>• Sustainable remuneration policy</li> <li>• Enabling whistle blowing</li> <li>• Guarantee of data protection</li> <li>• Disclosure of information</li> <li>• Anti-money laundering</li> <li>• Risk and reputation management</li> </ul>

### 6.2.2 Consideration of sustainability risks

Sustainability is understood to mean ecological (Environment - E) and social (Social - S) as well as good corporate governance (Governance - G). The UCITS pursues a holistic ESG approach in which the sustainable orientation of the corresponding sub-fund is to be ensured by taking into account various sustainability factors. Sustainability factors include employee, social and environmental concerns, respect for human rights and the fight against corruption and bribery.

The material sustainability risks are analysed by the asset manager and thus expand the traditional fundamental analysis to include financially relevant sustainability risks. Sustainability risks are analysed on the basis of publicly available information from issuers (e.g. annual and sustainability reports) or internal research and using data and ESG ratings from research and rating agencies.

Sustainability risks can have a significant impact on all known risk types (market risk, liquidity risk, counterparty risk and operational risk) and contribute as a factor to the materiality of these risk types. Companies in which investments are made may be subject to physical climate change risks such as an increasing frequency and intensity of acute extreme weather events (e.g. heat waves, storms, flooding) and longer-term chronic changes in the mean values and fluctuation ranges of various climate variables (e.g. temperature, precipitation, sea level).

### 6.2.3 Impact on the return

The consideration of sustainability factors can have a significant impact on the performance of an investment in the long term. Issuers with inadequate sustainability standards can be susceptible to event, reputational, regulatory, litigation

and technology risks. These sustainability risks can have an impact on the operating business, the brand or company value and the continued existence of the company or investment, among other things. The materialisation of these risks can lead to a negative valuation of the investment, which in turn can have an impact on the return of the corresponding sub-fund.

### 6.3 Invoice -/reference currency of the sub-funds

The accounting currency of the sub-fund and the reference currency per unit class are specified in Appendix A "Sub-funds at a glance".

The accounting currency is the currency in which the sub-funds' accounts are kept. The reference currency is the currency in which the performance and the net asset value of the unit classes are calculated. Investments are made in the currencies that are best suited to the performance of the respective sub-fund.

### 6.4 Profile of the typical investor

The profile of the typical investor of the respective sub-funds is described in Appendix A "Sub-funds at a glance".

## 7 Investment regulations

### 7.1 Authorised systems

Each sub-fund may ultimately invest the assets for the account of its investors from in one or more of the following assets:

#### 7.1.1 Securities and money market instruments:

- a) which are listed or traded on a regulated market within the meaning of Art. 4 (1) no. 21 of Directive 2014/65/EU;
- b) which are traded on another regulated market of an EEA member state which is recognised as open to the public and whose functioning is in accordance with the rules;
- c) which are officially listed on a stock exchange in a third country or traded on another market in a European, American, Asian, African or Oceanic country which is recognised, open to the public and operates in an orderly manner.

#### 7.1.2 Securities from new issues, if:

- a) the terms and conditions of issue contain the obligation that admission to official listing or trading on one of the stock exchanges mentioned in Section 7.1.1 a) to c) or on a regulated market mentioned there has been applied for, and
- b) this authorisation is obtained no later than one year after the issue.

**7.1.3** Units of UCITS and other undertakings for collective investment comparable to a UCITS within the meaning of Art. 3 para. 1 no. 17 UCITSG, provided that these may invest no more than 10% of their assets in units of another UCITS or comparable undertakings for collective investment in accordance with their constitutive documents;

- 7.1.4** Sight deposits or callable deposits with a maximum term of twelve months with credit institutions that have their registered office in an EEA member state or a third country whose supervisory law is equivalent to that of EEA law;
- 7.1.5** Derivatives whose underlying assets are investment objects within the meaning of Art. 51 UCITSG or financial indices, interest rates, exchange rates or currencies. In the case of transactions with OTC derivatives, the counterparties must be supervised institutions of a category authorised by the FMA and the OTC derivatives must be subject to reliable and verifiable valuation on a daily basis and must be able to be sold, liquidated or closed by an offsetting transaction at any time at fair value at the initiative of the UCITS;
- 7.1.6** Money market instruments that are not traded on a regulated market, provided that the issue or the issuer of these instruments is subject to regulations on deposit and investor protection, provided that they are traded on a regulated market:
- a) issued or guaranteed by a central, regional or local authority or the central bank of an EEA Member State, the European Central Bank, the Community or the European Investment Bank, a third state or, if this is a federal state, a member state of the federation or by an international public law body to which at least one EEA Member State belongs;
  - b) issued by a company whose securities are traded on the regulated markets referred to under a);
  - c) issued or guaranteed by an institution that is subject to supervision in accordance with the criteria laid down in EEA law or by an institution whose supervisory law is equivalent to EEA law and which complies with that law; or
  - d) issued by an issuer belonging to a category authorised by the FMA, provided that investments in these instruments are subject to investor protection provisions equivalent to those in points a) to c) and the issuer is a company with equity capital of at least EUR 10 million and prepares its annual financial statements in accordance with the provisions of Directive 78/660/EEC, in Liechtenstein implemented by PGR, or is a group-affiliated legal entity that is responsible for financing the group of companies with at least one listed company no or is a legal entity that is to finance the value pa pier backing of liabilities by utilising a credit line granted by a bank.
- 7.1.7** The management company may also hold liquid assets.

## 7.2 Non-authorised systems

The management company may not:

- 7.2.1** invest more than 10% of the assets per sub-fund in securities and money market instruments other than those mentioned in section 7.1 ;
- 7.2.2** Acquire precious metals or certificates on precious metals;
- 7.2.3** still make uncovered short sales.

## 7.3 Investment limits

### A. The following investment limits must be observed for each individual sub-fund:

- 7.3.1** The sub-fund may invest a maximum of 5% of its assets in securities or money market instruments of the same issuer and a maximum of 20% of its assets in deposits of the same issuer.

- 7.3.2** The default risk from transactions of the sub-fund with OTC derivatives with a credit institution as counterparty that has its registered office in an EEA member state or a third country whose supervisory law is equivalent to that of EEA law may not exceed 10% of the sub-fund's assets ; for other counterparties, the maximum default risk is 5% of the assets.
- 7.3.3** If the total value of the securities and money market instruments of the issuers in which the sub-fund invests more than 5% of its assets does not exceed 40% of its assets, the issuer limit of 5% referred to in section 7.3.1 is raised to 10%. The limit of 40% does not apply to deposits or transactions with OTC derivatives with financial institutions supervised by. When utilising the increase, the securities and money market instruments in accordance with section 7.3.5 and the debt securities in accordance with section 7.3.6 are not taken into account.
- 7.3.4** Notwithstanding the individual upper limits set out in sections 7.3.1 and 7.3.2, a sub-fund may not combine the following if this would lead to an investment of more than 20% of its assets in one and the same institution:
- a) securities or money market instruments issued by this institution;
  - b) Deposits with this institution;
  - c) OTC derivatives acquired by this institution.
- 7.3.5** If the securities or money market instruments are issued or guaranteed by an EEA member state or its local authorities, by a third country or by a public international body to which at least one EEA member state belongs, the upper limit of 5% specified in section 7.3.1 is raised to a maximum of 35%.
- 7.3.6** If bonds are issued by a credit institution domiciled in an EEA member state that is subject to special public supervision on the basis of statutory provisions to protect the holders of these bonds and, in particular, must invest the income from the issue of these bonds in assets that adequately cover the resulting liabilities during the entire term of the bonds and are intended primarily for the repayment of the principal and interest due in the event of the issuer's default, the upper limit of 5% specified in section 7.3.1 is raised to a maximum of 25% for such bonds. In this case, the total value of the investments may not exceed 80% of the sub-fund's assets.
- 7.3.7** The limits specified in sections 7.3.1 to 7.3.6 may not be cumulated. The maximum issuer limit is 35% of the assets per sub-fund.

**By way of derogation from Section 7.3.3 and in accordance with Art 56 UCITSG, up to 100% of the assets of a sub-fund may be invested in securities and money market instruments from different issues that are issued or guaranteed by one and the same government issuer in accordance with the principle of risk diversification. The sub-fund must hold securities from at least six different issues, whereby the securities from a single issue may not exceed 30% of the total amount of the sub-fund's assets.**

**The Management Company may invest more than 35% of the assets of a sub-fund in bonds issued by the following issuers, provided that the issuers or guarantors are the following public corporations and organisations:**

- ◆ all countries from the OECD
- ◆ all public-law entities from the OECD
- ◆ African Development Bank
- ◆ Asian Development Bank
- ◆ Council of Europe Social Development Fund
- ◆ Eurofima

- ◆ European Atomic Energy Community
- ◆ European Bank for Reconstruction & Development
- ◆ European Economic Community
- ◆ European Investment Bank
- ◆ European Patent Organisation
- ◆ IBRD (World Bank)
- ◆ Inter-American Development Bank
- ◆ International Finance Corporation
- ◆ Nordic Investment Bank

**7.3.8** Companies belonging to the same group of companies are deemed to be a single issuer for the purposes of calculating the investment limits set out in section 7.3. For investments in securities and money market instruments of the same group of companies, the issuer limit is raised to a total of 20% of the sub-fund's assets.

**7.3.9** A sub-fund may invest a maximum of 10% of its assets in units of other UCITS or other undertakings for collective investment comparable to a UCITS.

**7.3.10** The sub-funds may subscribe, acquire and/or hold units that are to be or have been issued by one or more other sub-funds, provided that

- ◆ the target sub-fund does not in turn invest in the sub-fund that invests in this target sub-fund; and
- ◆ the proportion of the assets that the target sub-funds whose acquisition is intended may invest in total in units of other UCITS or undertakings for collective investment comparable to UCITS in accordance with their prospectus or constitutive documents does not exceed 10%; and
- ◆ any voting rights attached to the securities concerned are suspended for as long as they are held by the sub-fund concerned, notwithstanding any appropriate evaluation in the financial statements and periodic reports; and
- ◆ in any case, the value of these securities is taken into account in the calculation of the net assets of the sub-fund imposed by the UCITSG for the purpose of verifying the minimum measure of net assets pursuant to the UCITSG for as long as these securities are held by the respective sub-fund; and
- ◆ there is no multiple charging of fees for the issue or redemption of units at the level of the sub-fund that has invested in the target sub-fund on the one hand and at the level of the target sub-fund on the other.

**7.3.11** If the investments in section 7.3.9 account for a significant proportion of the sub-fund's assets, the sub-fund-specific annex must provide information on the maximum amount and the annual report on the maximum proportion of the management fees to be borne by the sub-fund itself and by the undertakings for collective investment pursuant to section 7.3.9 whose units have been acquired.

**7.3.12** If units are managed directly or indirectly by the Management Company of the UCITS or by a company with which the Management Company of the UCITS is linked by common management, control or qualified participation, neither the Management Company of the UCITS nor the other company may charge fees for the issue or redemption of units to or from the sub-fund assets.

**7.3.13** A management company shall not acquire voting shares of the same issuer for any UCITS or sub-funds it manages with which it can exercise a significant influence on the management of the issuer. Significant influence is presumed to exist from 10% of the issuer's voting rights. If a lower limit for the acquisition of voting shares of the same issuer applies in another EEA member state, this limit is decisive for the *wal tungs ge sellschaft* if it acquires shares of an issuer domiciled in this EEA member state for a UCITS or sub-fund.

- 7.3.14** Each sub-fund may hold financial instruments from the same issuer in a maximum amount of:
- a) 10% of the share capital of the issuer may be acquired, insofar as non-voting shares are concerned;
  - b) 10% of the total nominal amount of the outstanding debt securities or money market instruments of the issuer are acquired, insofar as debt securities or money market instruments are concerned. This limit need not be observed if the total nominal amount cannot be determined at the time of acquisition;
  - c) 25% of the units of the same undertaking are acquired, insofar as units of other UCITS or undertakings for collective investment comparable to a UCITS are concerned. This specific limit need not be complied with if the net amount cannot be determined at the time of acquisition.
- 7.3.15** Sections 7.3.13 and 7.3.14 are not applicable:
- a) on securities and money market instruments issued or guaranteed by a government issuer;
  - b) to shares held by a sub-fund in the capital of a company of a third country that invests its assets mainly in securities of issuers domiciled in that third country, if a participation of the kind represents the only possibility for the sub-fund to invest in securities of issuers of that country under the legislation of that third country. The requirements of the UCITSG must be observed;
  - c) to shares held by management companies in the capital of their subsidiaries that organise the repurchase of shares at the request of investors in the country of establishment exclusively for the management company.

In addition to the restrictions listed in sections 7.3.1 - 7.3.15, any further restrictions in Appendix A "Sub-fund overview" must be observed.

## **B. Deviations from the investment limits are permitted in the following cases:**

- 7.3.16** A sub-fund does not have to comply with the investment limits when exercising subscription rights from securities or money market instruments belonging to its assets, but must correct them within a reasonable period of time.
- 7.3.17** In the event of a breach of the investment limits, the management company's primary objective is to normalise this situation, taking into account the interests of the investors.
- 7.3.18** Sub-funds may deviate from the investment limits set out in this section "General investment principles and restrictions" within the first six months of their issue. Sections 7.1 and 7.2 remain unaffected by this exception and must be complied with at all times. The principle of risk diversification must continue to be observed.

## **C. Active investment limit violations:**

- 7.3.19** Any loss incurred as a result of an active breach of the investment limits/investment regulations must be compensated immediately to the UCITS or the corresponding sub-fund in accordance with the applicable rules of conduct.

## **7.4 Limitation of borrowing and ban on granting loans and guarantees**

- 7.4.1** Sub-fund assets may not be pledged or otherwise encumbered, transferred by way of security or assigned by way of security, except in the case of borrowing

within the meaning of section 7.4.2 below or the provision of collateral as part of the settlement of transactions involving financial instruments.

**7.4.2** Borrowing by a sub-fund is limited to temporary loans where the borrowing does not exceed 10% of the sub-fund's assets; the limit does not apply to the acquisition of foreign currencies through a "back-to-back loan".

**7.4.3** A sub-fund may neither grant loans nor act as guarantor for third parties. Neither the sub-fund nor the investors are bound by agreements that violate these prohibitions.

**7.4.4** Section 7.4.3 does not prevent the acquisition of financial instruments that are not yet fully paid up.

## **7.5 Use of derivatives, techniques and instruments**

The total risk associated with derivatives may not exceed the total net value of the respective sub-fund assets. The Management Company may invest in derivatives as part of the investment strategy within the limits set out in Art. 53 UCITSG, provided that the overall risk of the underlying assets does not exceed the investment limits set out in Art. 54 UCITSG. When calculating this risk, the market value of the underlying assets, the default risk, future market fluctuations and the liquidation period of the positions are taken into account.

Provided there are no conflicts with the protection of investors and the public interest, investments of the UCITS or the sub-fund in index-based derivatives are not to be taken into account with regard to the upper limits of Art. 54 UCITSG.

If a derivative is embedded in a security or a money market instrument, it must also be taken into account with regard to compliance with the provisions of Art. 54 UCITSG.

With the authorisation of the FMA, the UCITS or the sub-fund may use techniques and instruments involving securities and money market instruments for the efficient management of the portfolios in compliance with the provisions of the UCITSG. These transactions must be taken into account when determining the overall risk.

### **7.5.1 Risk management procedures**

The Management Company uses a basic model to calculate the risks arising from the investment instruments, in particular in relation to derivative financial instruments, and uses generally recognised calculation methods. It must ensure that at no time does the risk from derivative financial instruments exceed the total value of the portfolio and, in particular, that no positions are entered into that represent an unlimited risk for the assets. When measuring the overall risk, both its default risk and the leverage effect achieved with derivative financial instruments must be taken into account. Combinations of derivative financial instruments and securities must also fulfil these requirements at all times.

The Management Company may use the following derivative financial instruments, techniques and instructions \_COPY0 for the respective sub-fund in son particular:

### **7.5.2 Derivative financial instruments**

The Management Company may enter into derivative transactions for the sub-funds for the purposes of hedging, efficient portfolio management, the realisation of additional income and as part of the investment strategy. This may increase the risk of loss of the sub-funds, at least temporarily.

The risk associated with derivative financial instruments may not exceed 100% of the respective net sub-fund assets. The total risk may not exceed 200% of the respective net sub-fund assets. In the case of borrowing permitted under the

UCITSG (Section 7.4.2), the total risk may not exceed 210% of the respective net sub-fund assets ( ).

The Management Company applies the modified commitment approach as a risk management procedure.

The Management Company may only use the following basic forms of derivatives or combinations of these derivatives or combinations of other assets that may be acquired for the sub-funds with these derivatives in the respective sub-funds:

- 7.5.2.1** Futures contracts on securities, money market instruments, financial indices within the meaning of Article 9(1) of Directive 2007/16/EC, interest rates, exchange rates or currencies;
- 7.5.2.2** Options or warrants on securities, money market instruments, financial indices within the meaning of Article 9(1) of Directive 2007/16/EC, interest rates, exchange rates or currencies and on forward contracts in accordance with section 7.5.2.1, if
  - ◆ exercise is possible either during the entire term or at the end of the term and
  - ◆ the option value is a fraction or a multiple of the difference between the strike price and the market price of the underlying and becomes zero if the difference has the opposite sign;
- 7.5.2.3** Interest rate swaps, currency swaps or cross-currency interest rate swaps;
- 7.5.2.4** Options on swaps in accordance with section 7.5.2.3, provided they have the characteristics described in section 7.5.2.2 (swaptions);
- 7.5.2.5** Credit default swaps, provided they serve exclusively and comprehensibly to hedge the credit risk of precisely attributable assets of the UCITS or its sub-funds.

The above financial instruments can be independent assets but can also be part of assets.

#### **Forward contracts**

The Management Company may enter into futures contracts for the account of the sub-funds within the scope of the investment principles on securities and money market instruments that can be acquired for the sub-funds as well as on financial indices within the meaning of Article 9(1) of Directive 2007/16/EC, interest rates, exchange rates or currencies. Futures contracts are unconditional agreements for both contracting parties to buy or sell a certain quantity of a certain underlying asset at a certain time, the maturity date, or within a certain period of time at a price determined in advance.

#### **Options transactions**

The Management Company may buy and sell call options and put options on securities and money market instruments as well as on financial indices within the meaning of Article 9(1) of Directive 2007/16/EC, interest rates, exchange rates or currencies and trade in warrants for the account of the sub-funds within the scope of the investment principles. Options transactions involve granting a third party the right to demand the delivery or acceptance of assets or the payment of a difference between the strike price and the market price during a certain period or at the end of a certain period at a price agreed in advance (strike price) or to acquire corresponding option rights in return for payment (option premium). The options or warrants must provide for exercise during the entire term or at the end of the term. In

addition, the option value at the time of exercise must be a fraction or a multiple of the difference between the strike price and the market price of the underlying asset and must be zero if the difference has the opposite sign.

### **Swaps**

The Management Company may conclude interest rate swaps, currency swaps and cross-currency interest rate swaps for the account of the sub-funds within the scope of the investment principles at. Swaps are exchange contracts in which the payment flows or risks underlying the transaction are exchanged between the contracting parties from .

### **Swaptions**

Swaptions are options on swaps. Only swaptions consisting of the options and swaps described above may be acquired for the account of the sub-funds. A swaption is the right, but not the obligation, to enter into a swap with precisely specified terms and conditions at a specific time or within a specific period. Otherwise, the principles described in connection with option transactions apply.

### **Credit default swaps**

Credit default swaps are credit derivatives that make it possible to transfer a potential credit default volume to others. In return for assuming the credit default risk, the seller of the risk pays a premium to its contractual partner. The Management Company may only purchase standardised credit default swaps for the sub-fund that are used to hedge individual credit risks in the sub-fund. Otherwise, the information on swaps applies accordingly.

### **Financial instruments securitised in securities**

The Management Company may also acquire the financial instruments described above if they are securitised. The transactions involving financial instruments may also be only partially securitised (e.g. bonds with warrants). The statements on opportunities and risks apply accordingly to such securitised financial instruments, but with the proviso that the risk of loss for securitised financial instruments is limited to the value of the security.

### **OTC derivatives transactions**

The Management Company may enter into derivative transactions that are admitted to trading on a stock exchange or included in another organised market, as well as over-the-counter (OTC) transactions.

The Management Company may only enter into derivative transactions that are not admitted to trading on a stock exchange or included in another organised market with suitable credit institutions or financial services institutions on the basis of standardised framework agreements. In the case of derivatives traded over the counter, the counterparty risk in relation to a contractual partner is limited to 5% of the value of the sub-fund assets. If the counterparty is a credit institution domiciled in the European Union, the European Economic Area or a third country with a comparable level of supervision, the counterparty risk may amount to up to 10% of the value of the sub-fund's assets. Derivative transactions traded over the counter that are concluded with a central clearing house of a stock exchange or another organised market as the contracting party are not counted towards the counterparty limits if the derivatives are subject to daily valuation at market prices with daily margin settlement.

However, claims of the sub-fund assets against an intermediary are to be counted towards the limits, even if the derivative is traded on an exchange or another organised market.

### 7.5.3 Securities lending

The Management Company does not engage in **securities lending**.

### 7.5.4 Repurchase agreements

The Management Company does not engage in **repurchase agreements**.

### 7.5.5 Collateral policy and investment of collateral

#### General information

In connection with transactions in OTC financial derivatives and efficient portfolio management techniques, the Management Company may accept collateral on behalf of and for the account of the sub-fund in order to reduce its counterparty risk. This section sets out the collateral policy applied by the Management Company in these cases. All assets received by the Management Company as part of efficient portfolio management techniques (securities lending, repurchase agreements, reverse repurchase agreements) in the name of and for the account of the sub-fund are treated as collateral for the purposes of this section.

#### Permissible securities and strategies for their diversification and correlation

The Management Company may use the collateral it receives to reduce counterparty risk if it complies with the criteria set out in the applicable laws, regulations and guidelines issued by the FMA, in particular with regard to liquidity, valuation, creditworthiness of the issuer, correlation, risks in connection with the management of collateral and realisability. Collateral should fulfil the following conditions in particular:

#### Liquidity

Any collateral not consisting of cash or sight deposits must be highly liquid at a transparent price and must be traded on a regulated market or within a multi-lateral trading facility. In addition, collateral with a short settlement cycle is to be favoured over collateral with a long settlement cycle, as it can be converted into cash more quickly.

They should be valued at least daily, and assets with high price volatility should only be accepted as collateral if they have been valued with appropriately conservative haircuts.

They should have been issued by an entity that is independent of the counterparty and is not expected to have a strong correlation with the performance of the counterparty.

They should be sufficiently diversified across countries, markets and issuers, with a maximum aggregate exposure of 20% of the sub-fund's net asset value (NAV) to individual issuers, taking into account any collateral received. A sub-fund may deviate from this in accordance with the provisions set out in 7.3.5 - 7.3.7 above.

They should be realisable by the management company at any time without recourse to or authorisation by the counterparty.

#### Valuation

The value of the collateral must be calculated at least every trading day and must always be up-to-date. The inability to independently determine the value jeopardises the UCITS. This also applies to "mark to model" valuations and rarely traded assets.

### Creditworthiness

The issuer of the collateral has a high credit rating. If the credit rating is not very high, haircuts must be applied. In the event of high volatility in the value of the collateral, this is only permitted if suitable conservative haircuts are applied.

### Correlation

The security is not issued, underwritten or guaranteed by the counterparty or by a company belonging to the counterparty's group and does not have a high correlation with the performance of the counterparty. However, investors' attention is drawn to the fact that in a difficult market environment, experience shows that the correlation between different issuers increases massively, regardless of the type of security.

### Diversification of collateral

The collateral received is sufficiently diversified in terms of countries, markets and issuers. The criterion of sufficient diversification with regard to issuer concentration is deemed to be met if the sub-fund receives collateral for which the maximum exposure to a single issuer does not exceed 20% of the net asset value of the sub-fund. In the case of collateral from several securities lending transactions, OTC derivative transactions and repurchase agreements that are attributable to the same issuer, issuer or guarantor, the total risk to this issuer must be added together to calculate the total risk limit. By way of derogation from this sub-item, UCITS may be fully collateralised by various transferable securities and money market instruments issued or guaranteed by an EEA Member State, one or more of its local authorities, a third country or a public international body to which at least one EEA Member State belongs. These UCITS should hold securities that have been issued in at least six different issues, whereby the securities from a single issue should not exceed 30% of the net asset value of the UCITS.

A sub-fund may deviate from these regulations in accordance with the provisions set out above under 7.3.5 - 7.3.7.

### Safekeeping and realisation

If ownership of the transferred collateral has been transferred to the management company for the UCITS, the collateral received must be held by the depository of the UCITS. Otherwise, the collateral must be held by a third-party custodian that is subject to prudential supervision and is independent of the service provider or is legally protected against the default of the related party. It must be ensured that the UCITS can realise the collateral immediately at any time without reference to or consent from the counterparty.

### Investment of collateral

Collateral, with the exception of sight deposits (cash and cash equivalents), may not be sold, reinvested or pledged.

Collateral consisting of liquid assets (sight deposits and callable deposits) must be used exclusively in one of the following ways:

- ◆ Investment in sight deposits pursuant to Art. 51 para. 1 let. d UCITSG with a maximum term of twelve months with credit institutions domiciled in an EEA member state or a third country whose supervisory law is equivalent to that of the EEA;
- ◆ Debt securities issued by governments with high credit ratings;
- ◆ Investments as part of a repurchase agreement within the meaning of Art. 70 UCITSV, provided that the counterparty to the repurchase agreement is a credit institution domiciled in an EEA member state or a third country whose supervisory law is equivalent to that of the EEA;
- ◆ Investments in money market funds with a short maturity structure in accordance with ESMA/ 2014/937 no. 43 let. j.

The reinvestment of sight deposits and callable deposits must comply with the provisions regarding the risk diversification of non-cash collateral.

In order to assess the value of collateral that is exposed to a non-negligible risk of fluctuation, the UCITS or the respective sub-fund must apply prudent haircut rates. The Management Company must have a haircut policy for the UCITS or for each sub-fund for each type of asset received as collateral and take into account the characteristics of the assets, such as in particular the creditworthiness and the price volatility of the respective assets, as well as the results of the stress tests carried out. The haircut policy must be documented and must make every decision to apply or refrain from applying a haircut comprehensible with regard to the respective types of assets.

### Amount of collateral

The Management Company determines the required level of collateral for OTC derivative transactions and efficient portfolio management techniques by reference to the counterparty risk limits set out in the Prospectus and taking into account the nature and characteristics of the transactions, the creditworthiness and identity of the counterparties and the prevailing market conditions.

### Rules for haircuts

Collateral is valued daily on the basis of available market prices and taking into account appropriately conservative haircuts, which the Management Company determines for each asset class on the basis of its rules for haircuts. Depending on the type of collateral received, these rules take into account various factors such as the creditworthiness of the issuer, the maturity, the currency, the price volatility of the assets and, where applicable, the result of liquidity stress tests carried out by the Management Company under normal and exceptional liquidity conditions. The table below shows the haircuts that the Management Company considers appropriate as at the date of this Prospectus. These values are subject to change.

Hedging instrument	Valuation multiplier (%)
Account balances (in the reference currency of the respective sub-fund)	95
Account balances (not in the reference currency of the respective sub-fund)	85
Government bonds [debt securities issued or explicitly guaranteed by the following countries (e.g. does not include implicitly guaranteed liabilities): Austria, Belgium, Denmark, France, Germany, the Netherlands, Sweden, the United Kingdom and the USA, provided these countries each have a minimum rating of AA-/Aa3 and such bonds can be marked to market on a daily basis]	
Term ≤ 1 year	90
Term > 1 year and remaining term ≤ 5 years	85
Term > 5 years and remaining term ≤ 10 years	80
Corporate securities (debt securities issued or explicitly guaranteed by a company (other than a financial institution) and (i) have a minimum rating of AA-/Aa3, (ii) have a maximum residual maturity of 10 years and (iii) are denominated in an OECD currency)	
Term ≤ 1 year	90
Term > 1 year and remaining term ≤ 5 years	85

Hedging instrument	Valuation multiplier (%)
Term > 5 years and remaining term ≤ 10 years	80

### Total return swaps

Total return swaps may be entered into for the UCITS or its sub-funds. Total return swaps are derivatives in which all income and fluctuations in value of an underlying asset are exchanged for an agreed fixed interest payment. One contracting party, the protection buyer, thus transfers the entire credit and market risk from the underlying asset to the other contracting party, the protection seller. In return, the protection buyer pays a premium to the protection seller. The Management Company may enter into total return swaps for the UCITS or its sub-funds for hedging purposes and as part of the investment strategy. In principle, all assets that can be acquired for the UCITS or its sub-fund may be the subject of total return swaps. Up to 100 per cent of the sub-fund assets may be the subject of such transactions. The Management Company expects that in individual cases no more than 50 per cent of the sub-fund assets will be the subject of total return swaps. However, this is only an estimated value, which may be exceeded in individual cases. The income from total return swaps - after deduction of transaction costs - flows in full to the UCITS or its sub-fund.

The counterparties for total return swaps are selected according to the following criteria:

- ◆ Price of the financial instrument,
- ◆ Costs of order fulfilment,
- ◆ Speed of execution,
- ◆ Probability of execution or settlement,
- ◆ Scope and type of order,
- ◆ Time of the order,
- ◆ Other factors influencing the execution of the order (e.g. creditworthiness of the counterparty)

The criteria can be weighted differently depending on the type of trading order.

#### 7.5.6 Investments in units of other UCITS or other undertakings for collective investment comparable to a UCITS

In accordance with its specific investment policy, a sub-fund invests all or part of its assets in other UCITS or in other undertakings for collective investment comparable to a UCITS. According to their prospectus or their constitutive documents, these other undertakings for collective investment may invest a maximum of 10% of their assets in units of another UCITS or another UCITS or another comparable undertaking for collective investment. The investment limits pursuant to section 7.3 must be observed. The sub-fund may therefore have an umbrella fund structure.

Investors' attention is drawn to the fact that additional indirect costs and fees are incurred at the level of the direct investments in, as well as remuneration and fees, which are charged directly to the individual indirect investments.

If units are managed directly or indirectly by the management company of the UCITS or by a company with which the management company of the UCITS is linked by common management, control or qualified participation, neither the management company of the UCITS nor the other company may charge fees for the issue or redemption of units to or from the UCITS.

### 7.5.7 Use of reference values ("benchmarks")

In accordance with the provisions of Regulation (EU) 2016/1011 of the European Parliament and of the Council on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of a collective investment undertaking, regulated entities (such as UCITS management companies and AIFMs) may use benchmarks within the meaning of the Benchmarks Regulation ("Benchmark Regulation") in the EU if the benchmark is provided by an administrator that is registered in the list of administrators and benchmarks maintained by ESMA in accordance with the Benchmarks Regulation (the "List").

Benchmarks may be used by the UCITS or its sub-funds in the Key Investor Information Document (PRIIP-KID) and in any marketing documents as a reference for comparison purposes in order to measure the performance of the UCITS or its sub-funds against them. The UCITS or the sub-funds are actively managed and the asset manager is therefore free to decide which securities to invest in. Consequently, the performance may deviate significantly from that of the benchmark. The benchmark index, if used by the Management Company or the Asset Manager on its behalf, is specified in Appendix A "Sub-funds at a glance".

The benchmark index may change over time. In this case, the prospectus and Annex A "Sub-funds at a glance" of the constituent documents will be updated at the next opportunity and investors will be informed by means of a notice in the medium of publication and in the media specified in the prospectus or by means of a durable medium (letter, fax, email or similar).

In addition, the UCITS or its sub-funds may use benchmarks when calculating performance fees. Detailed information on any fees dependent on investment performance (performance fee) can be found in section 12.2 of this prospectus and in Annex A "Sub-funds at a glance".

With regard to a benchmark index, the Management Company accepts no liability for the quality, accuracy or completeness of the data of the benchmark index, nor for the fact that the respective benchmark index is managed in accordance with the index methods described.

The Management Company has drawn up a written plan with measures that it will take with regard to the UCITS or its sub-funds in the event that the index changes significantly or is no longer provided. Information in relation to this plan is available free of charge on request from the registered office of the Management Company.

## 8 Risk warnings

### 8.1 Sub-fund-specific risks

**The performance of the units depends on the investment policy and the market performance of the individual investments of the respective sub-fund and cannot be determined in advance. In this context, it should be noted that the value of the units against may rise or fall above the issue price at any time. There is no guarantee that the investor will get back the capital invested.**

The sub-fund-specific risks of the individual sub-funds can be found in Appendix A "Sub-funds at a glance".

## 8.2 General risks

In addition to the sub-fund-specific risks, the investments of the individual sub-funds may be subject to general risks.

All investments in the sub-funds are associated with risks. Each risk can also occur together with other risks. Some of these risks are briefly discussed in this section. However, it should be noted that this is not an exhaustive list of all possible risks.

**Potential investors should be aware of the risks associated with an investment in the units and should only make an investment decision once they have obtained comprehensive advice from their legal, tax and financial advisors, auditors or other experts on the suitability of an investment in units of a sub-fund of this UCITS, taking into account their personal financial and tax situation and other circumstances, the information contained in this Prospectus and Trust Agreement and the investment policy of the respective sub-fund.**

### Market risk

This is a general risk associated with all investments, which consists in the fact that the value of a particular investment may have an unfavourable effect on the unit value of the UCITS or the sub-fund.

### Price risk

Losses in the value of the investments in which the UCITS or the sub-fund invests may occur. In this case, the market value of the investments develops unfavourably compared to the purchase price. Investments are also exposed to different price fluctuations (volatility). In extreme cases, the corresponding investments may lose all of their value.

### Economic risk

This is the risk of price losses resulting from the fact that the economic trend is not or not correctly taken into account when making investment decisions and securities investments are therefore made at the wrong time or securities are held in an unfavourable economic phase.

### Concentration risk

The investment policy may provide for focal points, which may lead to a concentration of investments, e.g. in certain assets, countries, markets or sectors. The UCITS or the sub-fund is then particularly dependent on the performance of these assets, countries, markets or sectors.

### Interest rate risk

Insofar as the UCITS or the sub-fund invests in interest-bearing securities, it is exposed to interest rate risk. If the market interest rate level rises, the market value of the interest-bearing securities belonging to the assets may fall significantly. This applies to a greater extent if the assets also hold interest-bearing securities with a longer residual term and a lower nominal interest rate.

### Currency risk

If the UCITS or the sub-fund holds assets denominated in foreign currency(ies), it is exposed to a direct currency risk (insofar as foreign currency positions are not hedged). Falling exchange rates lead to a reduction in the value of foreign currency investments. In addition to direct currency risks, there are also indirect currency risks. Internationally active companies are more or less dependent on exchange rate developments, which can also have an indirect effect on the price development of investments.

### **Monetary value risk**

Inflation can reduce the value of asset investments. The purchasing power of the invested capital decreases if the inflation rate is higher than the return on the investments.

### **Psychological market risk**

Sentiment, opinions and rumours can cause a significant fall in share prices, even though the earnings situation and future prospects of the companies in which investments are made need not have changed significantly. Psychological market risk has a particular impact on equities.

### **Risks from derivative financial instruments**

The UCITS or the sub-funds may utilise derivative financial instruments. These may not only be used for hedging purposes, but may also form part of the investment strategy. The use of derivative financial instruments for hedging purposes may change the general risk profile due to correspondingly lower opportunities and risks. The use of derivative financial instruments for investment purposes can have an impact on the general risk profile through additional opportunities and risks.

Derivative financial instruments are not investment instruments in their own right, but are rights whose valuation is primarily derived from the price and price fluctuations and expectations of an underlying asset. Investments in derivatives are subject to general market risk, management risk, credit risk and liquidity risk.

However, due to the special features of the derivative financial instruments (e.g. leverage), the risks mentioned may be of a different nature and may in some cases be higher than the risks associated with an investment in the underlying instruments. The use of derivatives therefore requires not only an understanding of the underlying instrument, but also in-depth knowledge of the derivatives themselves.

Derivative financial instruments also harbour the risk that the UCITS or the corresponding sub-fund may incur a loss because another party involved in the derivative financial instrument (usually a "counterparty") fails to meet its obligations.

The credit risk for derivatives traded on an exchange is generally lower than the risk for over-the-counter (OTC) derivatives, as the clearing house, which acts as the issuer or counterparty for every derivative traded on the exchange, provides a settlement guarantee. There is no comparable clearing house guarantee for derivatives traded over the counter. An OTC derivative may therefore not be concluded under certain circumstances.

There are also liquidity risks, as certain instruments may be difficult to buy or sell. If derivative transactions are particularly large or if the corresponding market is illiquid (as may be the case with OTC derivatives), it may not be possible to execute transactions in full at all times or a position may only be liquidated at increased cost.

Further risks associated with the use of derivatives lie in the incorrect pricing or valuation of derivatives. Many derivatives are complex and often valued subjectively. Inappropriate valuations can lead to increased cash payment demands from counterparties or to a loss in value for the respective sub-fund. Derivatives do not always have a direct or parallel relationship to the value of the assets, interest rates or indices from which they are derived. Therefore, the use of derivatives by the respective sub-fund is not always an effective means of achieving the investment objective of the respective sub-fund, but can sometimes even have the opposite effect.

### **Risk from collateral management in connection with OTC financial derivatives and efficient portfolio management techniques**

If the UCITS or the sub-fund carries out over-the-counter transactions (OTC transactions/efficient portfolio management techniques), it may be exposed to risks in connection with the creditworthiness of the OTC counterparties: when concluding futures

contracts, options and swap transactions, securities lending, repurchase agreements, reverse repurchase agreements or using other derivative techniques, the UCITS or the sub-fund is subject to the risk that an OTC counterparty does not (or cannot) fulfil its obligations under one or more contracts. The sub-fund is subject to the risk that an OTC counterparty does not (or cannot) fulfil its obligations arising from one or more contracts. The counterparty risk can be reduced by depositing collateral. If the UCITS or the sub-fund is owed collateral in accordance with applicable agreements, this shall be held by or on behalf of the Custodian in favour of the respective sub-fund. Bankruptcy, insolvency or other credit default events at the Custodian or within its sub-custodian/correspondent bank network may result in the rights of the UCITS or the sub-fund in connection with the collateral being postponed or otherwise restricted. If the UCITS or the sub-fund owes collateral to the OTC counterparty in accordance with applicable agreements, such collateral shall be transferred to the OTC counterparty as agreed between the UCITS or the sub-fund and the OTC counterparty. Bankruptcy, insolvency or other credit default events of the OTC counterparty, the Depositary or within its sub-custodian/correspondent bank network may result in the rights or recognition of the UCITS or the sub-fund in relation to the collateral being delayed, restricted or even excluded, which would force the UCITS or the sub-fund to fulfil its obligations under the OTC transaction notwithstanding any collateral provided in advance to cover such an obligation.

The risk associated with the management of collateral, in particular the operational or legal risk, is determined, controlled and minimised by the risk management applied to the UCITS or the sub-fund.

UCITS or the sub-funds may disregard the counterparty risk provided that the value of the collateral, valued at market price and with reference to the appropriate discounts, exceeds the amount of the risk at all times.

A UCITS or the sub-fund may incur losses when investing the cash collateral it receives. Such a loss may result from a fall in the value of the investment made with the cash collateral received. If the value of the invested cash collateral falls, this reduces the amount of collateral that was available to the sub-fund for return to the counterparty when the transaction was concluded. The UCITS or the sub-fund would have to cover the difference in value between the collateral originally received and the amount available for return to the counterparty, which would result in a loss for the sub-fund.

#### **Liquidity risk**

Assets may also be acquired for the UCITS or the sub-funds that are not admitted to a stock exchange or included in another organised market. There may therefore be a risk that these assets can be resold with a time delay, at a discount or not at all.

Assets that are traded on an organised market may also be subject to the risk that the market is not liquid at times. This may mean that the assets cannot be sold at the desired time and/or in the desired quantity and/or at the desired price.

#### **Counterparty risk**

The risk is that contractual partners (counterparties) do not fulfil their contractual obligations to perform transactions. This may result in a loss for the UCITS or the sub-fund.

#### **Issuer risk (credit risk)**

A deterioration in the solvency or even the bankruptcy of an issuer can mean at least a partial loss of assets.

#### **Country or transfer risk**

Country risk is when a foreign debtor is unable to make payments on time or at all despite being solvent due to the inability or unwillingness of its country of domicile to transfer funds (e.g. due to currency restrictions, transfer risks, moratoria or embargoes). For

example, payments to which the UCITS or the sub-fund is entitled may not be made or may be made in a currency that is no longer convertible due to foreign exchange restrictions.

#### **Operational risk**

Operational risk is the risk of loss for a sub-fund's assets resulting from inadequate internal processes and from human or system failure at the Management Company or from external events and includes legal, documentation and reputational risks as well as risks resulting from the trading, settlement and valuation procedures operated for a sub-fund's assets.

#### **Settlement risk**

When investing in unlisted securities in particular, there is a risk that settlement by a transfer system will not be executed as expected due to delayed or non-agreed payment or delivery.

#### **Key person risk**

UCITS or sub-funds whose investment performance is very positive in a given period also owe this success to the suitability of the persons involved and thus to the correct decisions made by their management. However, the composition of the fund management team may change. New decision-makers may then be less successful.

#### **Legal and tax risk**

The purchase, holding or sale of investments of the sub-fund may be subject to tax regulations (e.g. withholding tax deduction) outside the country of domicile of the UCITS or the sub-fund. Furthermore, the legal and tax treatment of sub-funds may change in unforeseeable and uncontrollable ways. A change to incorrectly determined tax bases of the UCITS or the sub-fund for previous financial years (e.g. due to external tax audits) may result in the investor having to bear the tax burden from the correction for previous financial years in the event of a correction that is fundamentally disadvantageous for the investor from a tax perspective, even though the investor may not have been invested in the UCITS or the sub-fund at that time. Conversely, investors may find that they no longer benefit from a correction for the current and previous financial years in which they were invested in the UCITS or the sub-fund, which is generally favourable from a tax perspective, due to the redemption or sale of units prior to the implementation of the corresponding correction. In addition, a correction of tax data may result in taxable income or tax benefits actually being assessed for tax purposes in a different assessment period than is actually applicable and this may have a negative impact on the individual investor.

#### **Risks associated with the use of benchmarks**

If the EU or third-country index provider does not comply with the Benchmark Regulation, or if the benchmark changes significantly or ceases to exist, a suitable alternative benchmark must be identified for the UCITS or for its sub-funds if a benchmark index is used. In certain cases, this may prove difficult or impossible. If a suitable substitute benchmark cannot be identified, this may have a negative impact on the relevant UCITS or sub-fund - and in certain circumstances also on the ability of the asset manager to implement the investment strategy of the relevant UCITS or sub-fund. Compliance with the Benchmark Regulation may also result in additional costs for the UCITS or sub-fund concerned. The benchmark index may change over time. In this case, the prospectus will be updated at the next opportunity and investors will be informed by means of a notice in the medium of publication and in the media specified in the prospectus or by means of a durable medium (letter, fax, email or similar).

#### **Custody risk**

The safekeeping of assets is associated with a risk of loss that may result from insolvency or breaches of the custodian's duty of care or force majeure.

### Changes to the investment policy and fees

A change in the investment policy within the legally and contractually permissible investment spectrum may change the risk associated with the sub-fund. The Management Company may increase the fees to be charged to the sub-fund and/or significantly change the investment policy of the sub-fund within the applicable trust agreement by amending the prospectus and the trust agreement, including Annex A "Overview of the sub-fund", at any time.

### Amendment of the trust agreement

The Management Company reserves the right in the trust agreement to amend the trust conditions. Furthermore, it may dissolve the sub-fund entirely or merge it with another sub-fund in accordance with the trust agreement. Investors therefore run the risk of not being able to realise their planned holding period.

### Risk of suspension of redemption

In principle, investors may request the Management Company to redeem their units in accordance with the sub-fund's valuation interval. However, the Management Company may temporarily suspend the redemption of units in exceptional circumstances and only redeem the units later at the price applicable at that time (see "Suspension of the calculation of the net asset value and the issue, redemption and conversion of units" for details). This price may be lower than the price before the suspension of redemption. A suspension of the redemption of units may be directly followed by the dissolution of the sub-fund.

### Hedging risk

Unit classes whose reference currency is not the same as the portfolio currency can be hedged against exchange rate fluctuations (hedging). This is intended to protect investors in the respective unit class as far as possible against possible losses due to negative exchange rate developments, but at the same time they cannot fully benefit from positive exchange rate developments. Due to fluctuations in the volume hedged in the portfolio and ongoing subscriptions and redemptions, it is not always possible to maintain hedges to exactly the same extent as the net asset value of the unit class being hedged. It is therefore possible that the net asset value per unit of a hedged unit class will not develop identically to the net asset value per unit of an unhedged unit class.

### Risk of ESG investments

The UCITS or the relevant sub-fund may intend to invest its assets in companies with measurable social outcomes, as determined by the Management Company or the Asset Manager, and to screen out certain companies and sectors. The most important social outcomes measured are ESG-related. This may impact the relevant sub-fund's exposure to certain companies or industries and the sub-fund will forego certain investment opportunities. The results of the relevant sub-fund may be lower than other UCITS that do not seek to invest in companies based on expected ESG outcomes and/or screen out certain companies or sectors. The Management Company or the Asset Manager will endeavour to identify companies that they believe could have a positive ESG impact. However, investors may have different views on what constitutes a positive or negative ESG impact. As a result, the relevant sub-fund may invest in companies that do not reflect the beliefs and values of a particular investor or group of investors.

### Sustainability risks

The term "sustainability risks" refers to the risk of an actual or potential loss in value of an investment due to the occurrence of environmental, social or governance-related events (ESG=Environment/Social/Governance). The term "sustainability risks" refers to the risk of an actual or potential loss in value of an investment due to the occurrence of environmental, social or governance-related events (ESG = Environment/Social/Governance). These effects may impact the asset, financial and earnings position of the UCITS or its sub-funds. Sustainability risks can have a significant impact on all known risk types (market risk, liquidity risk, counterparty risk and operational risk) and contribute as

a factor to the materiality of these risk types. Companies in which the relevant sub-fund invests may be subject to physical climate change risks such as temperature fluctuations, sea level rise, etc.

## 9 Participation in UCITS

### 9.1 Sales restrictions

In general, units of the UCITS or its sub-funds may not be offered in jurisdictions and to persons in which or to whom this is not permitted. The units of the UCITS or its sub-funds are not authorised for distribution in all countries of the world. The issue, conversion and redemption of units abroad are subject to the provisions applicable there.

In particular, the shares have **not** been registered in the United States of America (USA) in accordance with the United States Securities Act of 1933 and may therefore not be offered or sold in the USA or to US citizens.

For example, natural persons who (a) were born in the USA or one of its territories or sovereign territories, (b) are naturalised citizens (or green card holders), (c) were born abroad as the child of a US citizen, (d) reside predominantly in the USA without being a US citizen, (e) are married to a US citizen or (f) are liable for tax in the USA are considered US citizens.

The following are also considered US citizens: (a) investment companies and corporations formed under the laws of one of the 50 US states or the District of Columbia, (b) an investment company or partnership formed under an Act of Congress, (c) a pension fund formed as a US trust, (d) an investment company that is subject to tax in the USA, or (e) investment companies that qualify as such under Regulation S of the US Securities Act of 1933 and/or the US Commodity Exchange Act.

### 9.2 General information on the shares

The units are only held in book-entry form, i.e. there will be no certificates issued.

The Management Company is authorised to create, cancel or merge several unit classes within the sub-funds, which may differ from the existing unit classes in terms of, for example, the appropriation of profits, the front-end load, the reference currency and the use of currency hedging transactions, the management fee, the minimum investment amount or a combination of these features. However, the rights of investors who have acquired units from existing unit classes remain unaffected.

There are currently unit classes labelled "**EUR**", "**CHF**" and "**USD**". Units in the "**USD**" unit class are redeemed in the sub-fund's accounting currency, the US dollar, units in the "**CHF**" unit class are redeemed in Swiss francs, and units in the "**EUR**" unit class are redeemed in euros.

The unit classes issued in connection with each sub-fund and the fees and remunerations incurred in connection with the units of the sub-funds are listed in Appendix A "Sub-funds at a glance".

In addition, certain other fees, remunerations and costs are paid from the assets of the sub-funds. See also sections 11 and 12 (tax before tions and costs and fees).

### 9.3 Calculation of the net asset value per unit

The net asset value (the "NAV") per unit of the respective unit class is calculated by the Management Company at the end of the accounting year and on the respective

valuation day on the basis of the last known prices, taking into account the valuation interval.

The NAV of a unit in a unit class of a sub-fund is expressed in the accounting currency of the sub-fund or, if different, in the reference currency of the corresponding unit class and is calculated by dividing the proportion of the assets of this sub-fund attributable to the relevant unit class, less any debt obligations of the same sub-fund allocated to the relevant unit class, by the number of units of the corresponding unit class in circulation. It is rounded as follows when units are issued and redeemed:

- ◆ to EUR 0.01 if the currency is the euro; and
- ◆ to USD 0.01 if it is the US dollar; and
- ◆ to CHF 0.01 if the currency is the Swiss franc.

The respective net sub-fund assets are valued at market value in accordance with the following principles:

1. Securities that are officially listed on a stock exchange are valued at the last available price. If a security is officially listed on several stock exchanges, the last available price of the stock exchange that is the main market for this security is decisive.
2. Securities that are not officially listed on a stock exchange but are traded on a market open to the public are valued at the last available price. If a security is traded on various markets open to the public, the last available price of the market with the highest liquidity shall be taken into account.
3. securities or money market instruments with a remaining term of less than 397 days can be amortised or written up on a straight-line basis at the difference between the cost price (purchase price) and the redemption price (price at final maturity). A valuation at the current market price can be omitted if the redemption price is known and fixed. Any changes in creditworthiness are also taken into account.
4. Investments whose price is not in line with the market and those assets that do not fall under clauses 1, 2 and 3 above are recognised at the price that would probably be achieved in a diligent sale at the time of valuation and that is determined in good faith by the management of the management company sell schaft or under its direction or supervision by agents.
5. OTC derivatives are valued on a verifiable valuation to be determined by the Management Company on a daily basis, as determined by the wal tungs company in good faith and in accordance with generally recognised valuation models verifiable by auditors on the basis of the probable realisable sale value.
6. UCITS or other undertakings for collective investment (UCIs) are valued at the last established and available net asset value. If the redemption of units is suspended or no redemption prices are set, these units and all other assets are valued at the respective market value as determined by the Management Company in good faith and in accordance with generally recognised valuation models that can be verified by auditors.
7. if no tradable price is available for the respective assets, these assets, as well as the other legally permissible assets, are valued at the respective market value as determined by the management company in good faith and according to generally recognised valuation models verifiable by auditors on the basis of the probable realisable sales value.
8. Cash and cash equivalents are recognised at their nominal value plus accrued interest.

9. the market value of securities and other investments denominated in a currency other than the respective sub-fund currency is converted into the corresponding sub-fund currency at the last exchange rate.

The Management Company is authorised to temporarily apply other adequate valuation principles for the respective sub-fund assets if the above-mentioned valuation criteria appear impossible or inappropriate due to extraordinary events. In the event of massive redemption requests, the Management Company may value the units of the relevant sub-fund assets on the basis of the prices at which the necessary sales of securities are expected to be made. In this case, the same calculation method is used for subscription and redemption applications submitted at the same time.

## 9.4 Issue of shares

Units of a sub-fund are issued on each valuation day (issue date) from at the net asset value per unit of the corresponding unit class of the relevant sub-fund, plus any issue premium and plus any taxes and duties.

The shares are not securitised.

Subscription applications must be received by the Depositary by the acceptance deadline at the latest. If a subscription application is received after the acceptance deadline, it will be earmarked for the following issue date. Earlier closing times for the submission of applications may apply to applications placed with distributors in Liechtenstein and abroad in order to ensure that applications are forwarded to the custodian in Liechtenstein in good time. These can be obtained from the respective distributors.

Information on the issue date, the valuation interval, the acceptance deadline and the amount of the maximum issue premium, if any, can be found in Appendix A "Sub-funds at a glance".

Payment must be received within the period specified in Appendix A "Sub-funds at a glance" after the relevant issue date.

The Management Company shall ensure that the issue of units is settled on the basis of a net in ventar value per unit unknown to the investor at the time of application (forward pricing).

All taxes and duties arising from the issue of units will be charged to the investor if applicable. If units are acquired via banks that are not entrusted with the distribution of units, it cannot be ruled out that such banks will charge additional transaction costs.

If payment is made in a currency other than the reference currency, the equivalent value from the conversion of the payment currency into the reference currency, less any fees, is used to purchase units.

The minimum investment that must be held by an investor in a specific unit class of a sub-fund can be found in Appendix A "Sub-funds at a glance". The minimum investment may be waived at the Management Company's discretion.

Contributions in kind are not permitted.

The Management Company may also decide to suspend the issue of units completely or temporarily if new investments could jeopardise the achievement of the investment objective.

The Depositary and/or the Management Company and/or the Distributor may at any time reject a subscription application or temporarily restrict, suspend or permanently discontinue the issue of units if this appears necessary in the interests of the investors, in the public interest, for the protection of the Management Company or the respective sub-fund or the investors. In this case, the Depositary will immediately refund, without interest, any payments received for subscription applications not already made from, if necessary with the assistance of the paying agents.

The issue of units shall be temporarily suspended in particular if the calculation of the net asset value per unit is suspended. If the issue of units is discontinued, investors will be informed immediately of the reason and the time of the discontinuation by means of a notice in the publication organ and in the media specified in the prospectus or by means of permanent data carriers (letter, fax, email or similar).

## 9.5 Redemption of shares

Units of a sub-fund are redeemed on each valuation day (redemption day) at the net asset value per unit of the corresponding unit class of the relevant sub-fund, less any redemption discounts and any taxes and duties.

Redemption applications must be received by the depositary by the acceptance deadline at the latest. If a redemption application is received after the acceptance deadline, it will be earmarked for the following redemption day. For applications placed with domestic and foreign distributors, earlier closing times for the submission of applications may apply in order to ensure timely forwarding to the custodian in Liechtenstein. These can be obtained from the respective distribution agent.

Information on the redemption date, the valuation interval, the acceptance deadline and the amount of any maximum redemption discount can be found in Appendix A "Sub-fund overview".

Since an appropriate proportion of liquid assets must be ensured in the assets of the respective sub-fund, the payment of units will be made within the period specified in Appendix A "Sub-funds at a glance" after the relevant redemption date. This does not apply in the event that the transfer of the redemption amount proves to be impossible in accordance with statutory regulations such as foreign exchange and transfer restrictions or due to other circumstances beyond the control of the Depositary.

If, at the request of the investor, payment is to be made in a currency other than the currency in which the units in question are issued, the amount to be paid is calculated from the proceeds of the exchange from the reference currency into the payment currency, less any fees and charges.

The corresponding unit expires upon payment of the redemption price.

The Management Company and/or Depositary may redeem units against the will of the investor against payment of the redemption price if this appears necessary in the interests of or for the protection of the investors, the Management Company, the Depositary or one or more sub-funds, in particular if

1. there is a suspicion that the respective investor is engaging in "market timing", "late trading" or other market techniques with the acquisition of the units that could harm the investors as a whole,
2. the investor does not fulfil the conditions for acquiring the units or

3. the units are distributed in a country in which the respective sub-fund is not authorised for distribution or have been acquired by a person for whom the acquisition of the units is not permitted.

The Management Company shall ensure that the redemption of units is settled on the basis of a net asset value per unit that is unknown to the investor at the time the application is submitted (forward pricing).

If the execution of a redemption request results in the relevant investor's holding falling below the minimum investment of the corresponding unit class of the sub-fund listed in Appendix A "Overview of the sub-fund", the Management Company may, without further notice to the investor, treat this redemption request as a request to redeem all units held by the corresponding investor in this unit class or as a request to convert the remaining units into another unit class of the same sub-fund with the same reference currency whose participation requirements the investor fulfils.

Material expenses are not permitted.

## 9.6 Exchange of shares

The conversion of units into another sub-fund or unit class is only possible if the investor fulfils the conditions for the direct purchase of units of the respective sub-fund or unit class.

If different unit classes are offered, units of one unit class may also be exchanged for units of another unit class, both within one and the same sub-fund and from one sub-fund to another sub-fund. In the event of an exchange within one and the same sub-fund, no exchange fee will be charged. If an exchange of units is not possible for certain sub-funds or unit classes, this will be mentioned for the sub-fund or unit class concerned in Appendix A "Sub-funds at a glance".

The number of units into which the investor wishes to convert his holding is calculated using the following formula:

$$A = \frac{(B \times C)}{(D \times E)}$$

- A = Number of units of the new sub-fund or unit class, if applicable, into which the conversion is to take place
- B = number of units of the sub-fund or unit class, if any, from which the conversion is to be carried out
- C = net asset value or redemption price of the units presented for conversion
- D = exchange rate between the sub-funds or unit classes concerned. If both sub-funds or unit classes are valued in the same accounting currency, this coefficient is 1.
- E = net asset value of the units of the sub-fund or any unit class into which the switch is to be made, plus taxes, fees or other charges

In some cases, duties, taxes and stamp duties may be incurred when switching sub-funds or unit classes in individual countries.

The Management Company may reject a conversion application for a sub-fund or unit class at any time if this is deemed to be in the interests of the sub-fund, the Management Company or the investors, in particular if the following conditions are met

2. there is a suspicion that the respective investor is engaging in market timing, late trading or other market techniques with the acquisition of the units that could harm the investors as a whole;
3. the investor does not fulfil the conditions for acquiring the shares; or
4. the units are distributed in a country in which the respective sub-fund or the respective unit class is not authorised for distribution or have been acquired by a person for whom the acquisition of the units is not permitted.

The Management Company shall ensure that the conversion of units is settled on the basis of a net asset value per unit that is unknown to the investor at the time the application is submitted (forward pricing).

## 9.7 Suspension of the calculation of the net asset value and the issue, redemption and conversion of units

The Management Company may suspend the calculation of the net asset value and/or the issue, redemption and conversion of units of a sub-fund in particular if this is justified in the interests of the investors:

1. if a market which forms the basis for the valuation of a significant portion of the assets of the UCITS is closed or if trading on such a market is restricted or suspended;
2. in the event of political, economic or other emergencies; or
3. if transactions become impracticable for the UCITS due to restrictions on the transfer of assets.

The suspension of the calculation of the net asset value of a sub-fund does not affect the calculation of the net asset value of the other sub-funds if none of the above conditions apply to the other sub-funds.

The Management Company may also decide to suspend the issue of units completely or temporarily if new investments could jeopardise the achievement of the investment objective.

The issue of units shall be temporarily suspended in particular if the calculation of the net asset value per unit is suspended. If the issue of units is discontinued, investors shall be informed immediately of the reason for and the date of the discontinuation by means of a notice in the medium of publication and in the media specified in the prospectus and trust agreement or by means of a durable medium (letter, fax, email or similar).

In addition, the Management Company is authorised, while safeguarding the interests of the investors, to make significant redemptions, i.e. to temporarily suspend redemptions, only after corresponding assets of the respective sub-fund can be sold without delay while safeguarding the interests of the investors.

As long as the redemption of units is suspended, no new units of this sub-fund will be issued. The conversion of units whose redemption is temporarily restricted is not possible. The temporary suspension of the redemption of units of a sub-fund does not lead to the temporary suspension of the redemption of other sub-funds that are not affected by the events in question.

The Management Company shall ensure that sufficient liquid assets are available to the respective sub-fund assets so that units can be redeemed or converted at the request of investors without delay under normal circumstances.

The Management Company shall notify the FMA and the investors in an appropriate manner of the suspension of unit redemption and payment immediately. Subscription, redemption and conversion applications shall be settled after the calculation of the net asset value has been resumed. Investors may revoke their subscription, redemption or conversion applications until the resumption of unit trading.

## 10 Utilisation of success

The realised income of a sub-fund is made up of the net income and the net realised capital gains. Net income comprises income from interest and/or dividends as well as other or miscellaneous income received less expenses.

The Management Company may distribute the net income and/or the net realised capital gains of a sub-fund or a unit class to the investors of the sub-fund or the corresponding unit class or reinvest this net income and/or these net realised capital gains in the sub-fund or the respective unit class (reinvestment) or carry them forward to new account.

The net income and the net realised capital gains of those unit classes that have a distribution in accordance with Appendix A "Sub-funds at a glance" may be distributed in full or in part annually or more frequently.

The net income and/or the net realised capital gains as well as the net income carried forward and/or the net realised capital gains carried forward of the sub-fund or the respective unit class may be distributed. Interim distributions of net income carried forward and/or realised capital gains carried forward are permitted.

Distributions are paid out on the units issued on the distribution date. No interest is paid on declared distributions from the date on which they fall due.

## 11 Tax regulations

### 11.1 Fund assets

All Liechtenstein UCITS in the legal form of a (contractual) investment ment fund or collective trusteeship are subject to unlimited tax liability in Liechtenstein and are subject to income tax. The income from the assets managed constitutes tax-free income.

#### Emission and sales taxes<sup>1</sup>

The creation (issue) of units in such a UCITS is not subject to issue and transfer stamp duty. The transfer of ownership of investor units for consideration is subject to turnover tax if one party or an intermediary is a domestic securities dealer. The redemption of investor units is exempt from turnover tax. The contractual investor ment fund or the collective trusteeship is deemed to be an investor exempt from turnover tax.

#### Withholding and paying agent taxes

Both income and capital gains, whether distributed or accumulated, may be subject in part or in full to a so-called paying agent tax (e.g. final withholding tax, European savings tax, Foreign Account Tax Compliance Act), depending on the person who directly or indirectly holds the units of the UCITS.

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<sup>1</sup> According to the customs affiliation agreement between Switzerland and Liechtenstein, Swiss stamp duty legislation also applies in Liechtenstein. For the purposes of Swiss stamp duty legislation, the Principality of Liechtenstein is therefore deemed to be domestic.

The UCITS in the legal form of the contractual investment fund or the collective trusteeship is otherwise not subject to any withholding tax liability in the Principality of Liechtenstein, in particular no coupon or withholding tax liability. Foreign income and capital gains realised by the UCITS in the legal form of the contractual investment fund or the collective trusteeship or any sub-funds of the fund may be subject to the respective withholding tax deductions of the country of investment. Any double taxation deductions remain reserved.

The UCITS and its sub-funds have the following tax status:

#### **Automatic exchange of information (AEOI)**

In relation to the UCITS or the sub-funds, a Liechtenstein paying agent may be obliged to report the unitholders to the local tax authority or to carry out the corresponding statutory reporting in compliance with the AEOI agreements.

#### **FATCA**

The UCITS and any sub-funds are subject to the provisions of the Liechtenstein FATCA Agreement and the corresponding implementing provisions of the Liechtenstein FATCA Act.

### **11.2 Natural persons with tax domicile in Liechtenstein**

Private investors domiciled in the Principality of Liechtenstein must declare their units as assets and these are subject to wealth tax. Any income distributions or reinvested income of the UCITS in the legal form of the contractual investment fund or collective trusteeship or any sub-funds of the fund are exempt from acquisition tax. Capital gains realised on the sale of units are exempt from acquisition tax. Capital losses cannot be deducted from the taxable acquisition.

### **11.3 Persons with tax domicile outside Liechtenstein**

For investors domiciled outside the Principality of Liechtenstein, taxation and other tax implications when holding, buying or selling investor units are governed by the tax legislation of the country of domicile in question, and in particular with regard to final withholding tax, by the country of domicile of the paying agent.

#### **Disclaimer**

The tax information is based on the current legal situation and practice. We expressly reserve the right to make changes to legislation, case law or decrees and the practice of the tax authorities.

**Investors are urged to consult their own professional advisers regarding the relevant tax consequences. Neither the Management Company, the Depositary nor their agents can accept any responsibility for the individual tax consequences for investors arising from the purchase or sale or holding of investor units.**

## **12 Costs and fees**

### **12.1 Costs and fees charged to investors**

#### **12.1.1 Issue premium**

To cover the costs incurred in placing the units, the Management Company may levy an issue premium on the net asset value of the newly issued units in favour of the Management Company, the Depositary and/or distributors in Switzerland or abroad in accordance with Annex A "Sub-funds at a glance".

Any front-end load in favour of the respective sub-fund can also be found in Appendix A "Sub-funds at a glance".

#### **12.1.2 Redemption discount**

For the redemption of redeemed units, the Management Company charges a redemption fee on the net asset value of the redeemed units in accordance with Appendix A "Sub-funds at a glance".

Any redemption discount in favour of the Management Company, the Depository and/or distributors in Switzerland or abroad can also be found in Appendix A "Sub-funds at a glance".

#### **12.1.3 Exchange fee**

If an investor wishes to switch from one sub-fund to another or from one unit class to another unit class, the Management Company will charge a fee on the net asset value of the original sub-fund or unit class in accordance with Appendix A "Sub-funds at a glance".

## **12.2 Costs and fees charged to the sub-fund**

### **A. Flat fee dependent on assets**

**12.2.1** The Management Company shall receive a flat fee for the management of the UCITS in accordance with Annex A "UCITS at a glance". The flat fee is calculated on the basis of the average net fund assets of the UCITS or the corresponding unit class at each valuation and is subsequently deducted from the assets of the UCITS on a quarterly basis. The fees of the UCITS or the respective unit class can be found in Annex A "UCITS at a glance". The fees actually charged are shown in the annual report. The Management Company is free to set different flat fees for one or more unit classes.

The flat fee is used in particular to pay for administration, investment decisions (asset management), risk management, the depository and distribution.

This also includes portfolio management commissions that can be paid to third parties for the brokerage and support of investors.

#### **12.2.2 Fee dependent on investment performance (performance fee)**

In addition, the Management Company may charge a performance fee. Insofar as a performance fee is charged, this is described in detail in Appendix A "Sub-fund overview".

### **B. Expense independent of assets (individual expense)**

In addition to the remuneration from the above paragraphs, the following expenses independent of the assets of the sub-fund may be charged to the assets of the sub-fund:

**12.2.3** Costs for the audit of the sub-funds by the auditor and fees of tax advisors, insofar as these expenses are incurred in the interests of the investors;

**12.2.4** Fees and costs for authorisations and the supervision of the UCITS or the sub-funds in Liechtenstein and abroad;

**12.2.5** all taxes levied on the assets of the sub-fund and its income and expenses charged to the corresponding sub-fund assets of the UCITS;

- 12.2.6** any taxes incurred in connection with the costs of administration and safe-keeping;
- 12.2.7** Fees, costs and professional fees in connection with the determination and publication of tax factors for the countries of the EU/EEA and/or all countries where distribution licences exist and/or private placements are available, in accordance with the actual expenses at market rates;
- 12.2.8** Costs for the preparation, printing and dispatch of the annual and semi-annual reports and other publications required by law;
- 12.2.9** Costs for the publication of a sub-fund's notices to investors in the publication media and any additional newspapers or electronic media specified by the Investment Company, including price publications;
- 12.2.10** Costs incurred in connection with the fulfilment of the requirements and follow-up obligations of a distribution of the units in Germany and abroad (e.g. fees for paying agents, representatives and other representatives with a comparable function, fees for fund platforms (e.g. listing fees, setup fees \_COPY fees, etc.), advisory, legal and translation costs);
- 12.2.11** Costs and expenses for regular reports and reporting, including to insurance companies, pension funds and other financial services companies (e.g. GroMiKV, Solvency II, VAG, MiFID II, ESG/SRI reports and sustainability ratings, etc.);
- 12.2.12** Costs for the preparation or amendment, translation, filing, printing and dispatch of the prospectus and the constituent documents (fiduciary agreement, PRIIP-KID, SRRI/SRI calculation, etc.) in the countries in which the units are distributed;
- 12.2.13** Costs incurred in connection with obtaining, maintaining and terminating stock exchange listings of the shares;
- 12.2.14** Costs for the determination, the publication of the tax bases and the certificate that the tax information was determined in accordance with the rules of the respective foreign tax law;
- 12.2.15** Expenses in connection with the exercise of voting rights or creditors' rights by the sub-fund, including fees for external advisors;
- 12.2.16** Administrative fees and reimbursement of costs by government agencies;
- 12.2.17** Costs for legal and tax advice incurred by the Management Company or the Depositary when acting in the interests of the investors in the relevant sub-fund;
- 12.2.18** Internal and external costs for the reclaiming of foreign withholding taxes, insofar as these can be carried out for the account of the UCITS or the respective sub-fund. With regard to the reclaiming of foreign withholding taxes, it should be noted that the Management Company does not undertake to reclaim such taxes and will only do so if the procedure is justified according to the criteria of the materiality of the amounts and the proportionality of the costs in relation to the possible amount to be reclaimed. With regard to investments that are the subject of securities lending, the Management Company will not reclaim withholding tax;
- 12.2.19** Costs for the credit rating of the respective sub-fund assets or its target investments by nationally or internationally recognised rating agencies;

- 12.2.20** Costs for legal and tax advice with regard to the respective sub-fund assets;
- 12.2.21** an appropriate share of costs for printed matter and advertising incurred directly in connection with the offering and sale of units.
- 12.2.22** Fees and costs arising from other legal or regulatory requirements to be met by the management company in the implementation of the investment strategy (such as reporting and other costs incurred in complying with the European Market Infrastructure Regulation (EMIR, EU Regulation 648/2012));
- 12.2.23** Research costs;
- 12.2.24** External costs for the assessment of the sustainability ratings (ESG research) of the assets of the UCITS or its target investments;
- 12.2.25** Licence fees for the use of any reference values ("benchmarks");
- 12.2.26** Costs for the establishment and maintenance of additional counterparties, if it is in the interest of the investors;
- 12.2.27** The applicable amount of expenses per sub-fund is stated in the semi-annual and annual reports.
- 12.2.28 Transaction costs**  
In addition, the sub-funds bear all incidental costs arising from the management of the assets for the purchase and sale of the investments (brokerage fees in line with the market, commissions, duties) as well as all taxes levied on the assets of the respective sub-fund and its income and when charges (e.g. withholding taxes on foreign income). The sub-funds also bear any external costs, i.e. third-party fees incurred when buying and selling the investments. These costs are offset directly against the purchase or sale value of the relevant investments.
- 12.2.29 Any costs for currency hedging of unit classes**  
Any currency hedging costs for unit classes are allocated to the corresponding unit class.
- 12.2.30 Formation costs**  
The costs for the formation of the UCITS or the sub-funds and the initial issue of units are amortised over three years at the expense of the assets of the sub-funds existing at the time of formation. The formation costs are allocated pro rata to the respective sub-fund assets. Costs incurred in connection with the launch of further sub-funds are amortised over three years at the expense of the respective sub-fund assets to which they are attributable.
- 12.2.31 Service fee**  
Any periodic service fees for additional services provided by the Depositary can be found in Appendix A "Sub-funds at a glance".
- 12.2.32 Liquidation fees**  
In the event of the dissolution of the UCITS or the corresponding sub-fund, the Management Company may levy a liquidation fee of max. CHF 10,000 in its favour. In addition to this amount, all third-party costs incurred shall be borne by the UCITS or the sub-fund concerned.
- 12.2.33 Extraordinary disposition costs**

In addition, the Management Company may charge costs for extraordinary dispositions to the respective sub-fund assets. Extraordinary disposition costs consist of the expenses incurred for the purpose of safeguarding the interests of investors, which arise in the course of regular business activities and were not foreseeable at the time the UCITS or the corresponding sub-fund was established. Extraordinary disposition costs are in particular costs for legal action in the interests of the UCITS or the corresponding sub-fund or the investors. In addition, this includes all costs of any extraordinary dispositions that may become necessary pursuant to UCITSG and UCITSV (e.g. amendment of the fund documents, etc.).

#### **12.2.34 Contributions**

In connection with the acquisition and disposal of assets and rights for the UCITS or its sub-funds, the Management Company, the Custodian and any authorised agents shall ensure that, in particular, inducements directly or indirectly benefit the UCITS or its sub-funds.

#### **12.2.35 Ongoing fees (total expense ratio, TER)**

The total ongoing charges before any performance-related expenses (total expense ratio before performance fee) is calculated in accordance with the general principles laid down in the rules of conduct and, with the exception of transaction costs, includes all costs and fees that are charged to the respective sub-fund assets on an ongoing basis. The TER of the respective sub-fund or the respective unit class must be stated in the semi-annual and annual report and published on the website of the LAFV Liechtenstein Investment Fund Association at [www.lafv.li](http://www.lafv.li) when the next semi-annual or annual report is published.

## **13 Information for investors**

The publication medium of the UCITS is the website of the LAFV Liechtenstein Investment Fund Association fondsverband [www.lafv.li](http://www.lafv.li) as well as other media mentioned in the prospectus.

All notices to investors, including those relating to amendments to the trust agreement and Annex A "Sub-funds at a glance", shall be published in the above-mentioned publication medium of the UCITS as well as in other media and data carriers specified in the prospectus.

The net asset value as well as the issue and redemption price of the units of the UCITS or of each sub-fund or unit class shall be published in the above-mentioned organ of publication of the UCITS as well as in other media and permanent data carriers (letter, fax, e-mail or similar) specified in the prospectus.

The annual report audited by an auditor and the semi-annual report, which does not have to be audited, are made available to investors free of charge at the registered office of the Management Company and the Depositary.

## 14 Duration, dissolution, merger and structural measures of the UCITS

### 14.1 Duration

The umbrella UCITS and its sub-funds are established for an indefinite period.

### 14.2 Resolution

#### In general

The provisions on the dissolution of the UCITS also apply to its sub-funds.

#### Resolution on dissolution

The dissolution of the UCITS or one of its sub-funds is mandatory in the cases provided for by law. In addition, the Management Company is authorised to dissolve the UCITS or individual sub-funds at any time.

Investors, heirs and other authorised persons may not demand the division or dissolution of the UCITS or of an individual sub-fund or an individual unit class.

The resolution on the dissolution of a sub-fund or unit class shall be published on the website of the Liechtenstein Investment Fund Association LAFV ([www.lafv.li](http://www.lafv.li)) as the organ of publication of the UCITS as well as in other media and permanent data carriers (letter, fax, e-mail or similar) specified in the prospectus. From the date of the dissolution resolution, no more units will be issued, exchanged or redeemed.

In the event of the dissolution of the UCITS or one of its sub-funds, the Management Company may liquidate the assets of the UCITS or a sub-fund without delay in the best interests of the investors. Otherwise, the liquidation of the UCITS or the corresponding sub-fund shall be carried out in accordance with the provisions of the Liechtenstein Persons and Companies Act (PGR).

If the Management Company dissolves a unit class without dissolving the UCITS or the corresponding sub-fund, all units of this class shall be redeemed at their then applicable net asset value. This redemption is published by the Management Company and the redemption price is paid out by the Depositary in favour of the former investors.

#### Reasons for the cancellation

If the net assets of the UCITS or one of its sub-funds fall below a value required for economically efficient management, as well as in the event of a significant change in the political, economic or monetary environment or as part of a rationalisation, the Management Company may decide to redeem or cancel all units of the UCITS, a sub-fund or a unit class at the net asset value (taking into account the actual realisation prices and realisation costs of the investments) on the valuation day on which the corresponding decision becomes effective.

#### Costs of dissolution

The costs of dissolution shall be charged to the net fund assets of the UCITS or a sub-fund.

#### Dissolution and bankruptcy of the management company or the depositary

In the event of the dissolution and bankruptcy of the Management Company, the assets managed for the purpose of collective investment for the account of the investors shall not become part of its bankruptcy estate and shall not be liquidated together with its own assets. The UCITS or a sub-fund shall form separate assets in favour of its investors. Each special fund shall be transferred to another management company with the approval of the FMA or dissolved by way of separate satisfaction in favour of the investors of the UCITS or a sub-fund.

In the event of the bankruptcy of the depositary, the assets under management of the UCITS or a sub-fund pursuant to Art. 31 (2) UCITSG must be transferred to another depositary with the approval of the FMA or liquidated by way of separate satisfaction in favour of the investors of the UCITS or a sub-fund.

#### **Cancellation of the depositary agreement**

In the event of termination of the depositary agreement, the net fund assets of the UCITS or a sub-fund shall be transferred to another depositary with the approval of the FMA or liquidated by way of separate satisfaction in favour of the investors of the UCITS or a sub-fund.

### **14.3 Merger**

Within the meaning of Art. 38 UCITSG, the Management Company may at any time and at its own discretion decide to merge the UCITS with one or more other UCITS with the authorisation of the relevant supervisory authority, irrespective of the legal form of the UCITS and whether or not the other UCITS has its registered office in Liechtenstein. Sub-funds and unit classes of the UCITS may also be merged with one another, but also with one or more other UCITS or their sub-funds and unit classes.

#### **Investor information, consent and investor rights**

Investors are informed about the planned merger. The investor information must enable investors to make an informed judgement on the impact of the proposed merger on their investment and to exercise their rights under Art. 44 and 45 UCITSG.

The investors have no right of co-determination with regard to the merger.

#### **Costs of the merger**

Legal, advisory or administrative costs associated with the preparation and implementation of the merger will not be charged to any of the sub-fund assets involved in the merger or to the investors.

This applies mutatis mutandis to structural measures pursuant to Art. 49 lit. a to c UCITSG.

If a sub-fund exists as a master UCITS, a merger will only become effective if the sub-fund concerned provides its investors and the competent authorities of the home Member State of its feeder UCITS with the information required by law up to 60 days before the proposed effective date. In this case, the sub-fund concerned shall also grant the feeder UCITS the option of redeeming or paying out all units before the merger takes effect, unless the competent authority of the feeder UCITS' home Member State authorises the investment in units of the master UCITS resulting from the merger.

## **15 Applicable law, place of jurisdiction and authoritative language**

The UCITS is subject to Liechtenstein law. The exclusive place of jurisdiction for all disputes between the investors, the Management Company and the Depositary is Vaduz. However, the Management Company and/or the Depositary may submit to the jurisdiction of the countries in which units are offered and sold with regard to claims by investors from these countries. The right to submit to other mandatory legal jurisdictions is reserved.

The legally binding language for the Prospectus, the Trust Agreement and Annex A "Sub-funds at a glance" is German.

This prospectus enters into force on 8 May 2024.

## 16 Specific information for individual sales countries

Under current law in the Principality of Liechtenstein, the constituent documents are authorised by the FMA. This authorisation only relates to information concerning the implementation of the provisions of the UCITSG. For this reason, Annex B "Specific information for individual distribution countries", which is based on foreign law, is not subject to review by the FMA and is excluded from approval.

# PART II: THE TREATMENT OF THE COMMISSION

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## Preamble

The trust agreement and Appendix A "Sub-funds at a glance" form an essential unit.

Insofar as a matter is not regulated in this trust agreement, the legal relationships between the investors and the Management Company are governed by the Law of 28 June 2011 on certain undertakings for collective investment in transferable securities (UCITSG) and the Ordinance of 5 July 2011 on certain undertakings for collective investment in transferable securities (UCITSV) and, insofar as no provisions are made therein, by the provisions of the Persons and Companies Law (PGR) on trusteeship.

## I. General provisions

### Art. 1 The UCITS

The **EMCORE One Fund** (hereinafter: UCITS) was established on 24 May 2023 as an undertaking for collective investment in transferable securities (UCITS) under the law of the Principality of Liechtenstein.

The Trust Agreement and Annex A "Sub-fund overview" were approved by the FMA on 24 May 2023 and the UCITS was entered in the Liechtenstein Commercial Register at the Office of Justice on 26 May 2023. The trust agreement and Appendix A "Sub-fund overview" entered into force for the first time on 24 May 2023.

The trust agreement and Appendix A "Sub-fund overview" were approved by the FMA on 30 April 2024 and entered into force on 8 May 2024.

The UCITS is subject to the Law of 28 June 2011 on certain undertakings for collective investment in transferable securities (UCITSG).

The UCITS has the legal form of a collective trusteeship. A collective trusteeship is the entering into of a substantively identical trusteeship with an indefinite number of investors for the purposes of investment and management for the account of the investors, whereby the individual investors participate in this trusteeship in proportion to their share and are only personally liable up to the amount of the investment.

The UCITS is an umbrella structure that may comprise several sub-funds. The various sub-funds are segregated in terms of assets and liability.

The sub-funds may invest in securities and other assets in accordance with their investment policy. The investment policy of each sub-fund is determined within the framework of the investment objectives. The net assets of each sub-fund or unit class and the net asset values of the units of these sub-funds or unit classes are expressed in the respective reference currency.

The respective rights and obligations of the owners of the units (hereinafter referred to as "investors") and the Management Company and the Depositary are governed by this Trust Agreement.

With the acquisition of units (the "units") of one or more sub-funds, each investor recognises the Trust Agreement, which defines the contractual relationships between the investors, the Management Company and the Depositary, as well as the duly executed amendments to this document.

## **Art. 2 Management Company**

The UCITS is managed by IFM Independent Fund Management AG, domiciled in Schaan, Principality of Liechtenstein, which was established in the legal form of a public limited company, in accordance with the present trust agreement. The management company is authorised by the Liechtenstein Financial Market Authority (FMA) in accordance with the UCITSG and is entered on the list of management companies authorised in Liechtenstein, which is officially published by the FMA.

The Management Company manages the UCITS for the account and in the interests of the investors in accordance with the principle of risk diversification and in accordance with the provisions of the Trust Agreement and Annex A "Sub-funds at a glance".

The Management Company is authorised to dispose of the assets belonging to the UCITS in its own name in accordance with the statutory provisions and the Trust Agreement and to exercise all rights arising therefrom.

## **Art. 3 Transfer of duties**

In compliance with the provisions of the UCITSG and the UCITSV, the Management Company may delegate some of its tasks to third parties for the purpose of efficient management. The precise execution of the mandate is regulated in a contract concluded between the Management Company and the authorised agent.

## **Art. 4 Depositary**

The Management Company has appointed a bank or investment firm in accordance with the Banking Act with its registered office or branch in the Principality of Liechtenstein as custodian for the UCITS or its sub-funds. The assets of the individual sub-fund assets may be held in custody by different custodians. The function of the depositary is governed by the UCITSG, the depositary agreement, this trust agreement and the prospectus.

## **Art. 5 Auditor**

The audit of the annual reports of the UCITS must be entrusted to an auditor authorised in the Principality of Liechtenstein.

## **Art. 6 Calculation of the net asset value per unit**

The net asset value (the "NAV") per unit is calculated by the management company at the end of the financial year and on the respective valuation day on the basis of the last known prices, taking into account the valuation interval. The Management Company may make different arrangements for individual sub-funds, taking into account that the NAV per unit must be calculated at least twice a month.

The NAV of a unit in a unit class of a sub-fund is expressed in the accounting currency of the sub-fund or, if different, in the reference currency of the corresponding unit class and is calculated by dividing the proportion of the assets of this sub-fund attributable to the relevant unit class, less any debt obligations of the same sub-fund allocated to the relevant unit class, by the number of units of the corresponding unit class in circulation. It is rounded as follows when units are issued and redeemed:

- ◆ to EUR 0.01 if the currency is the euro;

- ◆ to USD 0.01 if it is the US dollar; and
- ◆ to CHF 0.01 if the currency is the Swiss franc.

The respective net sub-fund assets are valued at market value in accordance with the following principles:

1. securities that are officially listed on a stock exchange are valued at the last available price. If a security is officially listed on several stock exchanges, the last available price of the stock exchange that is the main market for this security is decisive.
2. Securities that are not officially listed on a stock exchange but are traded on a market open to the public are valued at the last available price. If a security is traded on various markets open to the public, the last available price of the market with the highest liquidity shall be taken into account in case of doubt.
3. Securities or money market instruments with a remaining term of less than 397 days can be amortised or written up on a straight-line basis at the difference between the cost price (purchase price) and the redemption price (price at final maturity). A valuation at the current market price can be omitted if the redemption price is known and fixed. Any changes in creditworthiness are also taken into account.
4. investments whose price is not in line with the market and those assets that do not fall under clauses 1, 2 and 3 above are valued at the price that would probably be realised in a diligent sale at the time of valuation and that is determined in good faith by the management of the management company or under its direction or supervision by agents.
5. OTC derivatives are valued on a daily basis on the basis of a verifiable valuation to be determined by the Management Company in good faith and in accordance with generally recognised valuation models verifiable by auditors on the basis of the probable realisable sales value.
6. UCITS or undertakings for collective investment (UCIs) are valued at the last determined and available net asset value. If the redemption of units is suspended or, in the case of closed-end UCIs, there is no redemption right or no redemption prices are set, these units and all other assets are valued at the respective market value as determined by the management company in good faith and in accordance with generally recognised valuation models that can be verified by auditors.
7. if no tradable price is available for the respective assets, these assets, as well as the other legally permissible assets, are valued at the respective market value as determined by the management company in good faith and in accordance with generally recognised valuation models verifiable by auditors on the basis of the probable realisable sales value.
8. Cash and cash equivalents are recognised at their nominal value plus accrued interest.
9. The market value of securities and other investments denominated in a currency other than the respective sub-fund currency is converted into the corresponding sub-fund currency at the last mean rate of exchange.

The valuation is carried out by the management company.

The Management Company is authorised to temporarily apply other adequate valuation principles for the sub-fund assets if the above-mentioned valuation criteria appear impossible or inappropriate due to extraordinary events. In the event of massive redemption requests, the Management Company may value the units of the

corresponding sub-fund assets on the basis of the prices at which the necessary sales of securities are likely to be made. In this case, the same calculation method is used for issue and redemption applications submitted at the same time.

## **Art. 7 Issue of shares**

Units are issued on each valuation day (issue date) from at the net asset value per unit of the corresponding unit class of the relevant sub-fund, plus any issue premium, plus any taxes and duties.

The shares are not securitised.

Subscription applications must be submitted to the Depositary by the acceptance deadline at the latest. If a subscription application is received after the acceptance deadline, it will be reserved for the following issue date. Earlier closing times for the submission of applications may apply to applications placed with distributors in Liechtenstein and abroad in order to ensure that applications are forwarded to the depositary in Liechtenstein in good time. These can be obtained from the respective distributors.

Information on the issue date, the acceptance deadline and the amount of the maximum issue premium, if any, can be found in Appendix A "Sub-funds at a glance" at.

Payment must be made within the period specified in Appendix A "Sub-fund overview" after the valuation date (issue date) to.

The Management Company shall ensure that the issue of units is settled on the basis of a net inventory value per unit unknown to the investor at the time of application (forward pricing).

All taxes and duties arising from the issue of units are also charged to the investor.

If units are acquired via banks that are not entrusted with the distribution of the units, it cannot be ruled out that such banks will charge additional transaction costs.

If payment is made in a currency other than the reference currency, the equivalent value from the conversion of the payment currency into the reference currency, less any fees, is used to purchase units.

The minimum investment that must be held by an investor in a particular unit class can be found in Appendix A "Sub-funds at a glance". The minimum investment may be waived at the Management Company's discretion.

Contributions in kind are not permitted.

The Management Company may also decide to suspend the issue of units completely or temporarily if new investments could jeopardise the achievement of the investment objective.

The Depositary and/or the Management Company and/or the Distributor may at any time reject a subscription application or temporarily restrict, suspend or permanently discontinue the issue of units if this appears necessary in the interests of the investors, in the public interest, for the protection of the Management Company or the respective sub-fund or the investors. In this case, the Depositary will immediately refund payments received for subscription orders that have not already been executed to without interest, if necessary with the assistance of the paying agents.

Trading may be suspended in cases where Art. 12 applies.

## Art. 8 Redemption of units

Units are redeemed on each valuation day (redemption day) at the net asset value per unit of the corresponding unit class of the corresponding sub-fund, less any redemption discounts and any taxes and duties.

Redemption applications must be received by the depositary by the acceptance deadline at the latest. If a redemption application is received after the acceptance deadline, it will be earmarked for the following redemption day. For applications placed with domestic and foreign distributors, earlier closing times for the submission of applications may apply in order to ensure timely forwarding to the custodian in Liechtenstein. These can be obtained from the respective distribution agent.

Information on the redemption date, the valuation interval, the acceptance deadline and the amount of the maximum redemption discount, if any, can be found in Appendix A "Sub-fund overview" at neh.

Since an appropriate proportion of liquid assets must be ensured in the assets of the respective sub-fund, the payment of units will be made within the period specified in Appendix A "Sub-funds at a glance" after the valuation date (redemption date). This does not apply in the event that the transfer of the redemption amount proves to be impossible in accordance with statutory provisions such as foreign exchange and transfer restrictions or due to other circumstances beyond the control of the Depositary.

If, at the request of the investor, payment is to be made in a currency other than the currency in which the units in question are issued, the amount to be paid is calculated from the proceeds of the exchange from the reference currency into the payment currency, less any fees and charges.

The corresponding unit expires upon payment of the redemption price.

Material expenses are not permitted.

The Management Company and/or Depositary may unilaterally redeem units against payment of the redemption price if this appears necessary in the interests of or for the protection of the investors, the Management Company or one or more sub-funds, in particular if

1. there is a suspicion that the respective investor is engaging in market timing, late trading or other market techniques with the acquisition of the units that could harm the investors as a whole,
2. the investor does not fulfil the conditions for acquiring the units or
3. the units are distributed in a country in which the respective sub-fund is not authorised for distribution or have been acquired by a person for whom the acquisition of the units is not permitted.

The Management Company shall ensure that the redemption of units is settled on the basis of a net asset value per unit that is unknown to the investor at the time the application is submitted (forward pricing).

If the execution of a redemption request results in the relevant investor's holding falling below the minimum investment of the corresponding unit class of the sub-fund listed in Appendix A "Overview of the sub-fund", the Management Company may, without further notice to the investor, treat this redemption request as a request to redeem all units held by the corresponding investor in this unit class or as a request to convert the remaining units into another unit class of the same sub-fund with the same reference currency whose participation requirements the investor fulfils.

The redemption of fund units may be suspended in cases where Art. 12 applies.

## Art. 9 Exchange of shares

The conversion of units into another sub-fund or unit class is only possible if the investor fulfils the conditions for the direct purchase of units of the respective sub-fund or unit class.

If different unit classes are offered, units of one unit class may also be exchanged for units of another unit class, both within one and the same sub-fund and from one sub-fund to another sub-fund. In the event of an exchange within one and the same sub-fund, no exchange fee will be charged. If an exchange of units is not possible for certain sub-funds or unit classes, this will be mentioned for the sub-fund or unit class concerned in Appendix A "Sub-funds at a glance".

The number of units into which the investor wishes to convert his holding is calculated using the following formula:

$$A = \frac{(B \times C)}{(D \times E)}$$

- A = Number of units of the new sub-fund or unit class, if applicable, into which the conversion is to take place
- B = number of units of the sub-fund or unit class, if any, from which the conversion is to be carried out
- C = net asset value or redemption price of the units presented for conversion
- D = exchange rate between the sub-funds or unit classes concerned. If both sub-funds or unit classes are valued in the same accounting currency, this coefficient is 1.
- E = net asset value of the units of the sub-fund or any unit class into which the switch is to be made, plus taxes, fees or other charges

In some cases, duties, taxes and stamp duties may be incurred when switching sub-funds or unit classes in individual countries.

The Management Company may reject a conversion application for a sub-fund or unit class at any time if this appears to be in the interests of the sub-fund, the Management Company or the investors, in particular if:

1. there is a suspicion that the respective investor is engaging in market timing, late trading or other market techniques with the acquisition of the units that could harm the investors as a whole;
2. the investor does not fulfil the conditions for acquiring the shares; or
3. the units are distributed in a country in which the respective sub-fund or the respective unit class is not authorised for distribution or have been acquired by a person for whom the acquisition of the units is not permitted.

The Management Company shall ensure that the conversion of units is settled on the basis of a net asset value per unit that is unknown to the investor at the time the application is submitted (forward pricing).

## Art. 10 Late Trading and Market Timing

If there is a suspicion that an applicant is engaging in late trading or market timing, the Management Company and/or the Depositary will refuse to accept the subscription, conversion or redemption application until the applicant has dispelled any doubts regarding his application.

### **Late Trading**

Late trading is the acceptance of a subscription, conversion or redemption order received after the cut-off time for orders on the day in question and its execution at the price based on the net asset value applicable on that day. Late trading allows an investor to profit from knowledge of events or information published after the order cut-off time but not yet reflected in the price at which the investor's order is settled. As a result, this investor has an advantage over investors who have complied with the official cut-off time. This investor's advantage is even more significant if he can combine late trading with market timing.

### **Market Timing**

Market timing is the arbitrage process by which an investor systematically subscribes and redeems or converts units of the same unit class in the short term by taking advantage of timing differences and/or errors or weaknesses in the system used to calculate the net asset value of the unit class.

## **Art. 11 Prevention of money laundering and terrorist financing**

The Management Company shall ensure that the domestic distributors undertake vis-à-vis the Management Company to comply with the provisions of the Due Diligence Act applicable in the Principality of Liechtenstein and the associated Due Diligence Ordinance as well as the guidelines of the FMA as amended from time to time.

If domestic distributors accept funds from investors themselves, they are obliged in their capacity as persons subject to due diligence to identify the subscriber in accordance with the Due Diligence Act and the Due Diligence Ordinance, to determine the beneficial owner, to create a profile of the business relationship and to comply with all local regulations applicable to them for the prevention of money laundering. In addition, the distributors and their points of sale must also comply with all regulations for the prevention of money laundering and terrorist financing that are in force in the respective countries of distribution.

## **Art. 12 Suspension of the calculation of the net asset value and the issue, redemption and conversion of units**

The Management Company may temporarily suspend the calculation of the net asset value and/or the issue, redemption and conversion of units of a sub-fund if this is justified in the interests of the investors, in particular:

1. if a market that forms the basis for the valuation of a significant portion of the sub-fund's assets is closed or if trading on such a market is restricted or suspended;
2. in the event of political, economic or other emergencies; or
3. if transactions become impracticable for the UCITS due to restrictions on the transfer of assets.

The suspension of the calculation of the net asset value of a sub-fund does not affect the calculation of the net asset value of the other sub-funds if none of the above conditions apply to the other sub-funds.

The Management Company may also decide to suspend the issue of units completely or temporarily if new investments could jeopardise the achievement of the investment objective.

The issue of units shall be temporarily suspended in particular if the calculation of the net asset value per unit is suspended. If the issue of units is discontinued, investors shall be

informed immediately of the reason for and the date of the discontinuation by means of a notice in the medium of publication and in the media specified in the prospectus and trust agreement or by means of a durable medium (letter, fax, email or similar).

In addition, the Management Company is authorised, while safeguarding the interests of the investors, to make significant redemptions, i.e. to temporarily suspend redemptions, only after corresponding assets of the respective sub-fund can be sold without delay while safeguarding the interests of the investors.

As long as the redemption of units is suspended, no new units of this sub-fund will be issued. Conversions of units whose redemption is temporarily restricted are not possible. The temporary suspension of the redemption of units of a sub-fund does not lead to the temporary suspension of the redemption of other sub-funds that are not affected by the events in question.

The Management Company shall ensure that sufficient liquid assets are available to the respective sub-fund assets so that units can be redeemed or converted at the request of investors without delay under normal circumstances.

The Management Company shall immediately notify the FMA and the investors in an appropriate manner of the suspension of unit redemption and payment. Subscription, redemption and conversion applications shall be settled after the calculation of the net asset value has been resumed. Investors may revoke their subscription, redemption or conversion applications until the resumption of unit trading.

### **Art. 13 Sales restrictions**

The units of the UCITS are not authorised for distribution in all countries of the world. The issue, redemption and conversion of units abroad are subject to the provisions applicable in those countries. Details can be found in the prospectus at.

## **II. Structural measures**

### **Art. 14 Merger**

Within the meaning of Art. 38 UCITSG, the Management Company may at any time and at its own discretion decide to merge the UCITS with one or more other UCITS with the authorisation of the relevant supervisory authority, irrespective of the legal form of the UCITS and whether or not the other UCITS has its registered office in Liechtenstein. Sub-funds and unit classes of the UCITS may also be merged with one another, but also with one or more other UCITS or their sub-funds and unit classes.

All assets of the UCITS or sub-fund may be transferred to another existing UCITS or sub-fund or to a new UCITS or sub-fund established as a result of the merger with the authorisation of the relevant supervisory authority at the end of the financial year (transfer date). The UCITS or sub-fund may also be merged with a UCITS or sub-fund that was launched in another EU or EEA state and also fulfils the requirements of Directive 2009/65/EC. With the approval of the Liechtenstein Financial Market Authority (FMA), a different transfer date may be determined. All assets of another UCITS or a foreign UCITS compliant with the Directive may also be transferred to a UCITS at the end of the financial year or on another transfer date. Finally, it is also possible to transfer only the assets of a foreign UCITS compliant with the Directive without its liabilities to the UCITS.

Investors have up to five working days before the planned transfer date either to redeem their units without a redemption fee or to exchange their units for units of another UCITS

that is also managed by the Management Company and has a similar investment policy to the UCITS to be merged.

On the transfer date, the values of the receiving and transferring investment fund or UCITS are calculated, the exchange ratio is determined and the entire process is audited by the auditor. The exchange ratio is determined according to the ratio of the net asset values of the acquired and absorbing investment fund at the time of the transfer. The investor receives the number of units in the new investment fund that corresponds to the value of his units in the transferring investment fund. It is also possible for investors in the merging fund to be paid up to 10 per cent of the value of their units in cash. If the merger takes place during the current financial year of the transferring fund, its management company must prepare a report on the transfer date that fulfils the requirements for an annual report.

The Management Company shall publish in the publication medium of the UCITS, the website of the LAFV Liechtenstein Investment Fund Association [www.lafv.li](http://www.lafv.li) if the UCITS has absorbed another UCITS and the merger has become effective. Should the UCITS cease to exist as a result of a merger, the management company that manages the absorbing or newly established UCITS shall make the announcement.

The transfer of all assets of this UCITS to another domestic UCITS or another foreign UCITS shall only take place with the authorisation of the Liechtenstein Financial Market Authority (FMA).

### **Art. 15 Investor information, consent and investor rights**

Investors are informed about the planned merger. The investor information must enable investors to make an informed judgement about the impact of the project on their investment and the exercise of their rights under Art. 44 and 45 UCITSG.

The investors have no right of co-determination with regard to the merger.

### **Art. 16 Costs of the merger**

Legal, advisory or administrative costs associated with the preparation and realisation of the merger will not be charged to any of the UCITS or sub-funds involved in the merger or to the investors.

This applies mutatis mutandis to structural measures pursuant to Art. 49 lit. a to c UCITSG.

If a sub-fund exists as a master UCITS, a merger will only become effective if the sub-fund concerned provides its investors and the competent authorities of the home Member State of its feeder UCITS with the information required by law up to 60 days before the proposed effective date. In this case, the sub-fund concerned shall also grant the feeder UCITS the option of redeeming or paying out all units before the merger takes effect, unless the competent authority of the feeder UCITS' home Member State does not authorise the investment in units of the master UCITS resulting from the merger.

## **III. Dissolution of the UCITS, its sub-funds and unit classes**

### **Art. 17 In general**

The provisions on the dissolution of the UCITS also apply to its sub-funds and unit classes.

### **Art. 18 Resolution on dissolution**

The dissolution of the UCITS or one of its sub-funds or unit classes is mandatory in the cases provided for by law. In addition, the Management Company is authorised to dissolve the UCITS or individual sub-funds or an individual unit class at any time.

Investors, heirs and other persons may not request the division or dissolution of the UCITS or an individual sub-fund or an individual unit class.

The resolution on the dissolution of a sub-fund or unit class shall be published on the website of the LAFV Liechtenstein Investment Fund Association ([www.lafv.li](http://www.lafv.li)) as the publication body of the UCITS as well as in other media specified in the prospectus and on permanent data carriers (letter, fax, e-mail or similar). From the date of the dissolution resolution, no more units shall be issued, exchanged for or redeemed.

In the event of the dissolution of the UCITS or one of its sub-funds, the Management Company may liquidate the assets of the UCITS or a sub-fund without delay in the best interests of the investors. In all other respects, the liquidation of the UCITS or the sub-fund shall be carried out in accordance with the provisions of the Liechtenstein Persons and Companies Act (PGR).

If the Management Company dissolves a unit class without dissolving the UCITS or the sub-fund, all units of this class shall be redeemed at their then applicable net asset value. This redemption is published by the Management Company and the redemption price is paid out by the Depositary in favour of the former investors.

#### **Art. 19 Reasons for dissolution**

If the net assets of the UCITS fall below a value required for economically efficient management and in the event of a significant change in the political, economic or monetary environment or as part of a rationalisation, the Management Company may decide to redeem or cancel all units of the UCITS or a sub-fund or unit class at the net asset value (taking into account the actual realisation prices and realisation costs of the investments) on the valuation date on which the corresponding decision takes effect. take or cancel.

#### **Art. 20 Costs of dissolution**

The costs of dissolution shall be charged to the net assets of the UCITS or a sub-fund.

#### **Art. 21 Dissolution and bankruptcy of the management company or the custodian**

In the event of the dissolution and bankruptcy of the Management Company, the assets managed for the purpose of collective investment for the account of the investors shall not become part of its bankruptcy estate and shall not be liquidated together with its own assets. The UCITS or a sub-fund shall form separate assets in favour of its investors. Each special fund shall be transferred to another management company with the approval of the FMA or dissolved by way of separate satisfaction in favour of the investors of the UCITS or a sub-fund.

In the event of the bankruptcy of the depositary, the assets under management of the UCITS or a sub-fund shall be transferred to another depositary with the approval of the FMA or liquidated by way of separate satisfaction in favour of the investors of the UCITS or a sub-fund.

#### **Art. 22 Termination of the depositary agreement**

In the event of termination of the depositary agreement, the net assets of the UCITS or a sub-fund shall be transferred to another depositary with the approval of the FMA or liquidated by way of separate satisfaction in favour of the investors of the UCITS or a sub-fund.

## **IV. The sub-funds**

### **Art. 23 The sub-funds**

The UCITS consists of one or more sub-funds. The Management Company may decide to launch additional sub-funds at any time. The prospectus and the trust agreement, including the sub-fund-specific Annex A "Sub-funds at a glance", must be amended accordingly.

Investors participate in the respective sub-fund assets of the UCITS in proportion to the units they have acquired.

Each sub-fund is considered an independent asset in the relationship between the investors. The rights and obligations of the investors in a sub-fund are separate from those of the investors in the other sub-funds.

The assets of the individual sub-funds are only liable to third parties for liabilities entered into by the sub-funds concerned.

### **Art. 24 Duration of the individual sub-funds**

The sub-funds may be established for a fixed or indefinite period. The duration of a sub-fund is specified for the respective sub-fund in Appendix A "Sub-funds at a glance".

### **Art. 25 Structural measures for sub-funds**

The Management Company may implement all structural measures provided for in Art. 14 et seq. of this Trust Agreement for each sub-fund.

### **Art. 26 Unit classes**

The Management Company is authorised to create several unit classes within a sub-fund, which may differ from the existing unit classes in terms of, for example, the appropriation of profits, the front-end load, the reference currency and the use of currency hedging transactions, the management fee, the minimum investment amount or a combination of these features. However, the rights of investors who have acquired units from existing unit classes remain unaffected.

The unit classes issued in connection with each sub-fund and the fees and remunerations incurred in connection with the units of the sub-funds are listed in Appendix A "Sub-funds at a glance".

## **V. General investment principles and restrictions**

## Art. 27 Investment policy

The sub-fund-specific investment policy is described for the respective sub-fund in Appendix A "Sub-funds at a glance".

The following general investment principles and restrictions apply to all sub-funds, unless deviations or additions for the respective sub-fund are contained in Appendix A "Sub-funds at a glance".

## Art. 28 General investment principles and restrictions

The respective sub-fund assets are invested in compliance with the principle of risk diversification in accordance with the rules of the UCITSG and in accordance with the policy principles described below at la ge and within the investment restrictions.

## Art. 29 Authorised installations

Each sub-fund may invest the assets for the account of its investors from finally slich in one or more of the following assets at:

1. securities and money market instruments:
  - a) which are listed or traded on a regulated market within the meaning of Art. 4 (1) no. 21 of Directive 2014/65/EU;
  - b) which are traded on another regulated market of an EEA member state that is recognised, open to the public and operates regularly;
  - c) which are officially listed on a stock exchange of a third country or traded on another market worldwide which is recognised, open to the public and operates regularly.
2. securities from new issues, if:
  - a) the terms and conditions of issue contain the obligation that admission to official listing or trading on one of the stock exchanges mentioned under no. 1 a) to c) or on a market regulated there has been applied for and
  - b) this authorisation is obtained no later than one year after the issue.
3. Units of UCITS and other collective investment schemes comparable to a UCITS within the meaning of Art. 3 (1) (17) UCITSG, provided that these may invest no more than 10% of their assets in units of another UCITS or comparable collective investment scheme in accordance with their constitutive documents;
4. demand deposits or deposits redeemable at notice with a maximum term of twelve months with credit institutions domiciled in an EEA member state or a third country whose supervisory law is equivalent to that of EEA law;
5. derivatives whose underlying assets are investment objects within the meaning of this article or financial indices, interest rates, exchange rates or currencies. In the case of transactions with OTC derivatives, the counterparties must be supervised institutions of a category authorised by the FMA and the OTC derivatives must be subject to a reliable and verifiable valuation on a daily basis via and must be able to be sold, liquidated or closed by a transaction at gen fair value at any time at the initiative of the UCITS;
6. money market instruments that are not traded on a regulated market, provided that the issue or the issuer of these instruments is subject to regulations on investment and investor protection, provided that they are traded on a regulated market:
  - a) issued or guaranteed by a central, regional or local authority or the central bank of an EEA Member State, the European Central Bank, the Community or

the European Investment Bank, a third country or, if the latter is a federal state, a member state of the federation or by a public international body of which at least one EEA Member State is a member;

- b) issued by a company whose securities are traded on the regulated markets referred to under a);
- c) issued or guaranteed by an institution that is subject to supervision in accordance with the criteria laid down in EEA law or by an institution whose supervisory law is equivalent to EEA law and which complies with that law; or
- d) issued by an issuer belonging to a category authorised by the FMA, provided that investments in these instruments are subject to investor protection provisions equivalent to points (a) to (c) and the issuer is either a company with equity capital of at least EUR 10 million and prepares its annual financial statements in accordance with the provisions of Directive 78/660/EEC a to c apply to investments in these instruments and the issuer is either a company with equity capital of at least EUR 10 million and prepares and publishes its annual financial statements in accordance with the provisions of Directive 78/660/EEC, implemented in Liechtenstein by PGR, or is a group-affiliated legal entity that is responsible for financing the group of companies with at least one listed company at all times or is a legal entity that is intended to finance the securitisation of liabilities by using a credit line granted by a bank.

7 The Management Company may also hold liquid assets.

### **Art. 30 Non-authorised installations**

The management company may not:

- 1. invest more than 10% of the assets of each sub-fund in securities and money market instruments other than those specified in Art. 29;
- 2. acquire precious metals or certificates for precious metals;
- 3. make uncovered short sales.

### **Art. 31 Use of derivatives, techniques and instruments**

The total risk associated with derivatives may not exceed the total net value of the respective sub-fund assets. As part of the investment policy, the UCITS or the sub-fund may invest in derivatives within the limits set out in Art. 53 UCITSG. When calculating this risk, the market value of the underlying assets, the default risk, future market fluctuations and the liquidation period of the positions are taken into account. The sub-fund may invest in derivatives as part of its investment policy and within the limits of Art. 53 UCITSG, provided that the overall risk of the underlying assets does not exceed the investment limits of Art. 54 UCITSG.

Provided that the protection of investors and the public interest do not conflict with this, investments of the UCITS or the sub-fund in index-based derivatives are not to be taken into account with regard to the upper limits of Art. 54 UCITSG.

If a derivative is embedded in a security or a money market instrument, it must also be taken into account with regard to compliance with the provisions of Art. 54 UCITSG.

With the authorisation of the FMA, the Management Company may use techniques and instructions relating to securities and money market instruments for the efficient management of the portfolios in compliance with the provisions of the UCITSG. Borrowing, securities lending and repurchase agreements are permitted within the limits set out in the UCITSG and the corresponding ordinance.

## Art. 32 Investment limits

### A. The following investment limits must be observed for each individual sub-fund:

1. The sub-fund may invest a maximum of 5% of its assets in securities or money market instruments of the same issuer and a maximum of 20% of its assets in deposits of the same issuer.
2. The default risk from transactions of the sub-fund with OTC derivatives with a credit institution as counterparty that has its registered office in an EEA member state or a third country whose supervisory law is equivalent to that of EEA law may not exceed 10% of the sub-fund's assets; for other counterparties, the maximum default risk is 5% of the assets.
3. If the total value of the securities and money market instruments of the issuers in which the sub-fund invests more than 5% of its assets does not exceed 40% of its assets, the issuer limit of 5% referred to in item 1 is raised to 10%. The limit of 40% does not apply to deposits or to transactions with OTC derivatives with financial institutions supervised by. When utilising the increase, the securities and money market instruments in accordance with item 5 and the bonds in accordance with item 6 are not taken into account.
4. Irrespective of the individual upper limits set out in sections 1 and 2, a sub-fund may not combine the following assets if this would result in more than 20% of its assets being invested in one and the same institution:
  - a) securities or money market instruments issued by this institution;
  - b) Deposits with this institution;
  - c) OTC derivatives acquired by this institution.
5. If the securities or money market instruments are issued or guaranteed by an EEA member state or its local authorities, by a third country or by an international institution under public law to which at least one EEA member state belongs, the upper limit of 5% specified in item 1 is raised to a maximum of 35%.
6. If bonds are issued by a credit institution domiciled in an EEA member state that is subject to special public supervision on the basis of statutory provisions to protect the holders of these bonds and, in particular, must invest the income from the issue of these bonds in assets that sufficiently cover the resulting liabilities during the entire term of the bonds and are intended primarily for the repayment of the principal and interest due in the event of the issuer's default, the upper limit of 5% specified in item 1 is raised to a maximum of 25% for such bonds. In this case, the total value of the investments may not exceed 80% of the sub-fund's assets.
7.
  - a. The limits specified in sections 1 to 6 may not be accumulated. The maximum issuer limit is 35% of the assets per sub-fund assets.
  - b. In the case of exceptional authorisation by the FMA, this limit may also exceed 35%. This must be clearly stated in the prospectus and in the advertising.
8. Companies of the same corporate group are deemed to be a single issuer for the calculation of the investment limits provided for in this article. For investments in securities and money market instruments of the same group of companies, the issuer limit is raised to a total of 20% of the sub-fund's assets.
9. A sub-fund may invest a maximum of 10% of its assets in units of other UCITS or other undertakings for collective investment comparable to a UCITS.

10. The sub-funds may subscribe, acquire and/or hold units that are to be or have been issued by one or more other sub-funds, provided that
  - ◆ the target sub-fund does not in turn invest in the sub-fund that invests in this target sub-fund; and
  - ◆ the proportion of the assets that the target sub-funds whose acquisition is intended may invest in total in units of other target sub-funds of the same undertaking for collective investment comparable to UCITS, in accordance with their prospectus or constitutive documents, does not exceed 10%; and
  - ◆ any voting rights attached to the securities concerned are suspended for as long as they are held by the sub-fund concerned, notwithstanding any appropriate evaluation in the financial statements and periodic reports; and
  - ◆ in any case, the value of these securities is taken into account in the calculation of the net assets of the sub-fund imposed by the UCITSG for the purpose of verifying the minimum measure of net assets pursuant to the UCITSG for as long as these securities are held by the respective sub-fund; and
  - ◆ there is no multiple charging of fees for the issue or redemption of units at the level of the sub-fund that has invested in the target sub-fund on the one hand and at the level of the target sub-fund on the other.
11. If the investments pursuant to item 9 make up a significant portion of the sub-fund's assets, the sub-fund-specific Annex A "Sub-fund overview" must provide information on the maximum amount and the annual report on the maximum proportion of the management fees to be borne by the sub-fund itself and by the UCITS or collective investment undertakings pursuant to item 9 whose units have been acquired.
12. If units are managed directly or indirectly by the Management Company or by a company with which the Management Company is affiliated through joint management, control or qualified participation, neither the Management Company nor the other company may charge fees for the issue or redemption of units to or from the sub-fund assets.
13. A management company shall not acquire voting shares of the same issuer for any UCITS or sub-funds it manages with which it can exercise a significant influence on the management of the issuer. Significant influence is presumed to exist from 10% of the issuer's voting rights. If a lower limit for the acquisition of voting shares of the same issuer applies in another EEA member state, this limit is decisive for the management company if it acquires shares of an issuer domiciled in this EEA member state on behalf of a UCITS.
14. Each sub-fund may hold financial instruments from the same issuer in a maximum amount of:
  - a) 10% of the share capital of the issuer may be acquired, insofar as non-voting shares are concerned;
  - b) 10% of the total nominal amount of the outstanding bonds or money market instruments of the issuer are acquired, insofar as bonds or money market instruments are concerned. This limit need not be observed if the total nominal amount cannot be determined at the time of acquisition;
  - c) 25% of the units of the same undertaking are acquired, insofar as units of other UCITS or undertakings for collective investment comparable to a UCITS are concerned. This specific limit need not be observed if the net amount cannot be determined at the time of acquisition.
15. Clauses 13 and 14 are not applicable:
  - a) on securities and money market instruments issued or guaranteed by a government issuer;

- b) to shares held by a sub-fund in the capital of a company of a third country which invests its assets mainly in securities of issuers domiciled in that third country, if such a holding represents the only way for the sub-fund to invest in securities of issuers of that country under the legislation of that third country. The requirements of the UCITSG must be observed;
- c) to shares held by management companies in the capital of their subsidiaries or companies, which in the country of establishment exclusively for the management company or organise the repurchase of shares at the request of the investors.

In addition to the restrictions listed in accordance with Art. 32, letter A, clauses 1 - 15, any further restrictions in Appendix A "Sub-fund overview" must be observed.

#### **B. Deviations from the investment limits are permitted in the following cases:**

1. A sub-fund does not have to comply with the investment limits when exercising subscription rights from securities or money market instruments belonging to its assets.
2. If the aforementioned limits are exceeded, the sub-fund's primary objective when making sales is to normalise this situation, taking into account the interests of the investors.
3. Sub-funds may deviate from the investment limits in this chapter "Investment policy provisions" within the first six months of their issue. Articles 29 and 30 remain unaffected by this exception and must be complied with at all times. The requirement of risk diversification must continue to be complied with.

#### **C. Active investment limit violations:**

Any loss incurred as a result of an active breach of the investment limits/investment regulations must be compensated immediately to the UCITS or the corresponding sub-fund in accordance with the applicable rules of conduct.

#### **D. Special techniques and instruments relating to securities and money market instruments**

As stipulated under Art. 29 (5) of this trust agreement, the management company may, under the conditions and within the limits laid down by law, use special techniques and financial instruments whose underlying assets are securities, money market instruments and other financial instruments as a central element in achieving the investment policy for each sub-fund.

The management company must use a **risk management procedure** that allows it to monitor and measure the risk associated with the investment positions and their respective share in the overall risk profile of the investment portfolio at all times; it must also use a procedure that allows a precise and independent assessment of the value of the OTC derivatives. The management company must submit reports to the FMA at least once a year containing information that provides a true and fair view of the derivatives used for each managed sub-fund, the underlying risks, the investment limits and the methods used to estimate the risks associated with the derivative transactions.

The Management Company is also authorised, subject to the conditions and limits laid down by the FMA, to use techniques and instruments involving securities and money market instruments, provided that these techniques and instruments are used with a view to the efficient management of the portfolio. If these transactions relate

to the use of derivatives, the conditions and limits must comply with the provisions of the UCITSG.

Under no circumstances may the sub-funds deviate from their investment objectives in these transactions.

The Management Company shall ensure that the overall risk associated with derivatives does not exceed the total net value of the UCITS or a sub-fund. The market value of the underlying assets, the default risk, foreseeable future market developments and the liquidation period of the positions are taken into account when calculating the risks.

The Management Company may make investments in derivatives as part of its investment strategy in accordance with Art. 29 (5), provided that the overall risk of the underlying assets does not exceed the investment limits in Art. 32 "Investment limits".. A sub-fund's investments in index-based derivatives do not have to be taken into account in the investment limits of Art. 32 "Investment limits".

If a derivative is embedded in a security or a money market instrument, it must also be taken into account with regard to compliance with the provisions of Art. 32 "Investment limits".

The Management Company does not engage in **securities lending transactions**.

The Management Company does not engage in **repurchase agreements**.

### **Art. 33 Joint administration**

In order to reduce operating and management costs and at the same time enable a broader diversification of investments, the Management Company may decide to manage some or all of the assets of one or more sub-funds jointly with assets belonging to other undertakings for collective investment.

The assets of this UCITS or its sub-funds are currently managed individually and therefore not jointly with assets belonging to other undertakings for collective investment in transferable securities.

## **VI. Costs and fees**

### **Art. 34 Current fees**

#### **A. Flat fee dependent on assets**

##### **Administration, investment decisions, risk management and distribution**

The Management Company shall receive a flat fee for the management of the UCITS in accordance with Annex A "UCITS at a glance". The flat fee is calculated on the basis of the average net fund assets of the UCITS or the corresponding unit class at each valuation and is subsequently deducted from the assets of the UCITS on a quarterly basis. The fees of the UCITS or the respective unit class can be found in Annex A "UCITS at a glance". The fees actually charged are shown in the annual report. The Management Company is free to set different flat fees for one or more unit classes.

The flat fee is used in particular to pay for administration, investment decisions (asset management), risk management, the depositary and distribution.

This also includes portfolio management commissions that can be paid to third parties for the brokerage and support of investors.

## B. Expense independent of assets (individual expense)

In addition to the remuneration from the above paragraphs, the following expenses independent of the assets may be charged to the assets of the sub-fund:

- ◆ Costs for the audit of the sub-funds by the auditor and fees of tax advisors, insofar as these expenses are incurred in the interests of the investors;
- ◆ Fees and costs for authorisations and the supervision of the UCITS or the sub-funds in Liechtenstein and abroad;
- ◆ all taxes levied on the assets of the sub-fund and its income and expenses charged to the corresponding sub-fund assets;
- ◆ any taxes incurred in connection with the costs of administration and safekeeping;
- ◆ Fees, costs and professional fees in connection with the determination and publication of tax factors for the countries of the EU/EEA and/or all countries where distribution licences exist and/or private placements exist, in accordance with the actual expenses at market rates;
- ◆ Costs for the preparation, printing and dispatch of the annual and semi-annual reports and other publications required by law;
- ◆ Costs for the publication of the sub-fund's notices to investors in the publication media and any additional newspapers or electronic media specified by the Management Company, including price publications;
- ◆ Costs incurred in connection with the fulfilment of the requirements and follow-up obligations of a distribution of the units in Germany and abroad (e.g. fees for paying agents, representatives and other representatives with a comparable function, fees for fund platforms (e.g. listing fees, setup fees, etc.), advisory, legal and translation costs);
- ◆ Costs and expenses for regular reports and reporting, including to insurance companies, pension funds and other financial services companies (e.g. GroMiKV, Solvency II, VAG, MiFID II, ESG/SRI reports and sustainability ratings, etc.);
- ◆ Costs for the preparation or amendment, translation, filing, printing and dispatch of the prospectus and the constituent documents (trust agreement, PRIIP KID, SRRI/SRI calculation, etc.) in the countries in which the units are distributed;
- ◆ Costs incurred in connection with obtaining, maintaining and terminating stock exchange listings of the shares;
- ◆ Costs for the determination, the publication of the tax bases and the certificate that the tax information was determined in accordance with the rules of the respective foreign tax law;
- ◆ Expenses in connection with the exercise of voting rights or creditors' rights by the sub-fund, including fees for external advisors;
- ◆ Administrative fees and reimbursement of costs by government agencies;
- ◆ Costs for legal representation and tax advice incurred by the Management Company or the Depositary when acting in the interests of the investors in the relevant sub-fund;

- ◆ Internal and external costs for the reclaiming of foreign withholding taxes, insofar as these can be carried out for the account of the UCITS or the respective sub-fund. With regard to the reclaiming of foreign withholding taxes, it should be noted that the Management Company does not undertake to reclaim such taxes and will only do so if the procedure is justified according to the criteria of the materiality of the amounts and the proportionality of the costs in relation to the possible amount to be reclaimed. With regard to investments that are the subject of securities lending, the Management Company will not reclaim withholding tax;
- ◆ Costs for the credit rating of the respective sub-fund assets or its target investments by nationally or internationally recognised rating agencies;
- ◆ an appropriate share of costs for printed matter and advertising incurred directly in connection with the offering and sale of units.
- ◆ Fees and costs arising from other legal or regulatory requirements to be met by the management company in the implementation of the investment strategy (such as reporting and other costs incurred in complying with the European Market Infrastructure Regulation (EMIR, EU Regulation 648/2012));
- ◆ Research costs
- ◆ External costs for the assessment of the sustainability ratings (ESG research) of the sub-fund's assets or its target investments;
- ◆ Licence fees for the use of any reference values ("benchmarks");
- ◆ Costs for the establishment and maintenance of additional counterparties, if it is in the interest of the investors;

The applicable amount of expenses per sub-fund is stated in the semi-annual and annual reports.

#### **Transaction costs**

In addition, the sub-funds bear all ancillary costs arising from the management of the assets for the purchase and sale of the investments (brokerage fees in line with the market, commissions, duties) as well as all taxes levied on the assets of the respective sub-fund and its income and expenses (e.g. withholding taxes on foreign income). The sub-funds also bear any external costs, i.e. third-party fees incurred when buying and selling investments. These costs are offset directly against the purchase or sale value of the relevant investments.

#### **Any costs for currency hedging of unit classes**

Any currency hedging costs for unit classes are allocated to the corresponding unit class.

#### **Service fee**

Any periodic service fees for additional services provided by the Depositary can be found in Appendix A "Sub-funds at a glance".

#### **Liquidation fees**

In the event of the dissolution of the UCITS or the sub-fund, the Management Company may levy a liquidation fee of up to CHF 10,000 in its favour. In addition to this amount, all third-party costs incurred shall be borne by the UCITS or the sub-fund concerned.

#### **Extraordinary disposition costs**

In addition, the Management Company may charge costs for extraordinary dispositions to the respective sub-fund assets.

Extraordinary disposition costs consist of the expenses incurred in the course of regular business activities and which were not foreseeable at the time the UCITS or the corresponding sub-fund was established. Extraordinary disposition costs are, in particular, costs for legal action in the interests of the UCITS or the corresponding sub-fund or the investors. In addition, all costs of any extraordinary dispositions that may become necessary pursuant to UCITSG and UCITSV (e.g. amendment of the fund documents, etc.) are to be understood as extraordinary disposition costs.

### **Contributions**

In connection with the acquisition and disposal of assets and rights for the UCITS or its sub-funds, the Management Company, the Custodian and any authorised agents shall ensure that, in particular, inducements directly or indirectly benefit the UCITS or its sub-funds.

### **Ongoing fees (total expense ratio, TER)**

The total ongoing charges before any performance-related expenses (total expense ratio before performance fee; TER) is calculated in accordance with the general principles set out in the Wohl rules of conduct and, with the exception of transaction costs, includes all costs and fees that are charged to the respective sub-fund assets on an ongoing basis. The TER of the respective sub-fund or unit class must be stated in the semi-annual and annual report and published on the website of the LAFV Liechtenstein Investment Fund Association at [www.lafv.li](http://www.lafv.li) when the next semi-annual or annual report is published.

## **Art. 35 Costs to be borne by the investors**

Issue, redemption and conversion fees as well as any associated taxes and duties shall be borne by the investor.

## **Art. 36 Fee dependent on investment performance (performance fee)**

In addition, the Management Company may charge a performance fee. Insofar as a performance fee is charged, this is described in detail in Appendix A "Sub-funds at a glance".

## **Art. 37 Formation costs**

The costs for the formation of the UCITS and the initial issue of units are amortised over three years at the expense of the assets of the sub-funds existing at the time of formation. The formation costs are allocated pro rata to the respective sub-fund assets. Costs incurred in connection with the launch of further sub-funds are amortised over three years at the expense of the respective sub-fund assets to which they are attributable.

# **VII. Final provisions**

## **Art. 38 Utilisation of income**

The realised income of a sub-fund is made up of the net income and the net realised capital gains. Net income comprises income from interest and/or dividends as well as other or miscellaneous income received less expenses.

The Management Company may distribute the net income and/or the net realised capital gains of a sub-fund or a unit class to the investors of the sub-fund or the corresponding unit class or reinvest this net income and/or these net realised capital gains in the sub-fund or the respective unit class (reinvestment) or carry them forward to new account.

The net income and the net realised capital gains of those unit classes that have a distribution in accordance with Appendix A "Sub-funds at a glance" may be distributed in full or in part annually or more frequently.

The net income and/or the net realised capital gains as well as the net income carried forward and/or the net realised capital gains carried forward of the sub-fund or the respective unit class may be distributed. Distributions of net income carried forward and/or net realised capital gains carried forward are permitted between.

Distributions are paid out on the units issued on the distribution date. No interest is paid on declared distributions from the date on which they fall due.

### **Art. 39 Use of reference values ("benchmarks")**

In accordance with the provisions of Regulation (EU) 2016/1011 of the European Parliament and of the Council on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of a collective investment undertaking, regulated entities (such as UCITS management companies and AIFMs) may use benchmarks within the meaning of the Benchmarks Regulation ("Benchmarks Regulation") in the EU if the benchmark is provided by an administrator that is registered in the list of administrators and benchmarks maintained by ESMA in accordance with the Benchmarks Regulation (the "List").

Benchmarks may be used by the UCITS or its sub-funds in the key information documents (PRIIP-KID) and in any marketing documents as a reference for comparison purposes in order to measure the performance of the UCITS or its sub-funds against them. The UCITS or the sub-funds are actively managed and the asset manager is therefore free to decide which securities to invest in. Consequently, the performance may deviate significantly from that of the benchmark. The benchmark index, if used by the Management Company or the Asset Manager on its behalf, is specified in Appendix A "Sub-funds at a glance".

The benchmark index may change over time. In this case, the prospectus and Annex A "Sub-funds at a glance" of the constituent documents will be updated at the next opportunity and investors will be informed by means of a notice in the medium of publication and in the media specified in the prospectus or by means of a durable medium (letter, fax, email or similar).

In addition, the UCITS or its sub-funds may use benchmarks when calculating performance fees. Detailed information on any fees dependent on investment performance (performance fee) can be found in section 12.2 of the prospectus and in Annex A "Sub-funds at a glance".

With regard to a benchmark index, the Management Company accepts no liability for the quality, accuracy or completeness of the data of the benchmark index, nor for the fact that the respective benchmark index is managed in accordance with the index methods described.

The Management Company has drawn up a written plan with measures that it will take with regard to the UCITS or its sub-funds in the event that the index changes significantly or is no longer provided. Information in relation to this plan is available free of charge on request from the registered office of the Management Company.

### **Art. 40 Benefits**

The Management Company reserves the right to grant inducements to third parties for the provision of services. The measurement basis for such inducements is generally the

commissions, fees etc. charged and/or assets/asset components placed with the management company. Their amount corresponds to a percentage share of the respective assessment basis. Upon request, the management company shall disclose further details of the agreements made with third parties at any time. The investor hereby expressly waives any further right to information from the Management Company; in particular, the Management Company is under no obligation to provide a detailed account of inducements actually paid.

The investor acknowledges and accepts that the Management Company may be granted inducements by third parties (including group companies) in connection with the introduction of investors, the acquisition/distribution of collective investment schemes, certificates, notes, etc. (hereinafter referred to as "Products"; this also includes those managed and/or issued by a group company). (hereinafter referred to as "Products"; this also includes those that are managed and/or issued by a group company), inducements may generally be granted in the form of portfolio payments. The amount of such grants varies depending on the product and product provider. As a rule, portfolio payments are based on the volume of a product or product group held by the management company. Their amount usually corresponds to a percentage of the management fees charged for the respective product, which are paid periodically during the holding period. In addition, distribution commissions may also be paid by securities issuers in the form of discounts on the issue price (percentage discount) or in the form of one-off payments, the amount of which corresponds to a percentage of the issue price. Unless otherwise agreed, the investor may at any time before or after the provision of the service (purchase of the product) request further details of the agreements made with third parties regarding such inducements from the management company. However, the right to information on further details regarding transactions already carried out is limited to the 12 months preceding the request. The investor expressly waives any further right to information. If the investor does not request any further details before the service is provided or if he obtains the service after obtaining further details, he waives any claim for surrender within the meaning of Section 1009 of the Austrian Civil Code (Allgemeines Bürgerliches Gesetzbuch - ABGB).

## **Art. 41 Information for investors**

The publication medium of the UCITS is the website of LAFV Liechtensteiner Anlagefondsverband ([www.lafv.li](http://www.lafv.li)) as well as other media specified in the prospectus.

All notices to investors, including those relating to amendments to the trust agreement and Annex A "Sub-funds at a glance", are published on the website of the LAFV Liechtensteiner Anlagefondsverband ([www.lafv.li](http://www.lafv.li)) as the UCITS' organ of publication, as well as on other media and data carriers specified in the prospectus.

The net asset value as well as the issue and redemption price of the units of the UCITS or of each sub-fund or unit class shall be published on each valuation day in the above-mentioned organ of publication of the UCITS as well as in other media and permanent data carriers (letter, fax, e-mail or similar) specified in the prospectus.

The annual report audited by an auditor and the semi-annual report, which does not have to be audited, are made available to investors free of charge at the registered office of the Management Company and the Depositary.

## **Art. 42 Reports**

The Management Company shall prepare an audited annual report and a semi-annual report for each UCITS in accordance with the statutory provisions of the Liechtenstein Commercial Code (Fürstentum Liechtenstein).

No later than four months after the end of each financial year, the Management Company shall publish an audited annual report in accordance with the provisions of the Principality of Liechtenstein.

Two months after the end of the first six months of the financial year, the management company publishes an unaudited semi-annual report.

Audited and unaudited interim reports can also be created.

### **Art. 43 Financial year**

The financial year of the UCITS begins on 1 January of each year and ends on 31 December of the same year. Appendix A "Sub-funds at a glance" shows whether the first financial year is an extended or a shortened financial year.

### **Art. 44 Amendments to the trust agreement**

This Trust Agreement may be amended or supplemented by the Management Company in whole or in part at any time.

Amendments to the trust agreement require the prior approval of the FMA.

### **Art. 45 Statute of limitations**

Investors' claims against the management company, the liquidator, the custodian or the depositary shall become time-barred five years after the occurrence of the loss, but no later than one year after the redemption of the unit or after knowledge of the loss.

### **Art. 46 Applicable law, place of jurisdiction and authoritative language**

The UCITS is subject to Liechtenstein law. The exclusive place of jurisdiction for all disputes between the investors, the Management Company and the Depositary is Vaduz.

However, the Management Company and/or the Depositary may subject themselves and the UCITS to the jurisdiction of the countries in which units are offered and sold at with regard to claims by investors from these countries. The right is reserved to submit to other mandatory legal jurisdictions.

The legally binding language for this trust agreement is German.

### **Art. 47 General**

In all other respects, reference is made to the provisions of the UCITSG, the provisions of the ABGB, the provisions of the Personen- und Gesellschaftsrecht (PGR) on collective trusteeship and the general provisions of the PGR as amended.

### **Art. 48 Entry into force**

This trust agreement enters into force on 8 May 2024.

Schaan/Vaduz, 30 April 2024

#### **The management company:**

IFM Independent Fund Management Aktiengesellschaft, Schaan

#### **The depositary:**

Neue Bank AG, Vaduz

# Appendix A: Sub-funds at a glance

The trust agreement and this Annex A "Sub-fund overview" form an essential unit and therefore complement each other.

## Sub-fund 1: EMCORE One Fund - Emcore Green Yield Dynamic

### A1. The sub-fund at a glance

Master data and information on the sub-fund and its unit classes			
Share classes <sup>1</sup>	Unit classes of the sub-fund		
	-EUR-	-CHF-	-USD-
ISIN number	LI1271373303	LI1271373311	LI1271373329
Security number	127.137.330	127.137.331	127.137.332
Suitable as a UCITS target fund	Yes	Yes	Yes
SFDR classification	Article 8		
Duration of the sub-fund	indeterminate		
Listing	no		
Accounting currency of the sub-fund	US Dollar (USD)		
Reference currency of the unit classes	Euro (EUR)	Swiss franc (CHF)	US Dollar (USD)
Minimum investment	EUR 100'000.--	CHF 100,000	USD 100'000.--
Initial issue price	EUR 100.--	CHF 100.--	USD 100.--
First day of subscription	05.06.2023	05.06.2023	05.06.2023
Payment (first value date)	07.06.2023	07.06.2023	07.06.2023
Valuation date <sup>2</sup> (T)	Monday to Friday		
Valuation interval	daily		
Issue and redemption date <sup>3</sup>	each valuation date		
Value date Issue and redemption date (T+2)	two bank working days after calculation of the net asset value (NAV)		
Closing date for share transactions (T-1)	no later than 4.00 p.m. CET on the day before the valuation date		
Denomination	No decimal places		
Securitisation	book-entry / no issue of certificates		
Closing of the financial year	as at 31 December in each case		
End of the first financial year	31 December 2023		
Utilisation of profit	Accumulating		

<sup>1</sup> The currency risks of the currency classes issued in EUR and USD can be fully or partially hedged.

<sup>2</sup> If the valuation date falls on a bank holiday in Liechtenstein, the valuation date will be moved to the next following bank business day in Liechtenstein. business day in Liechtenstein.

<sup>3</sup> There is no issue and redemption date on 31 December. This valuation day is decisive for the annual report of the UCITS. of the UCITS.

Costs borne by the investors			
Share classes	Unit classes of the sub-fund		
	-EUR-	-CHF-	-USD-
Max. Issue premium <sup>4</sup>	none	none	none
Redemption discount in favour of the sub-fund assets	none	none	none
Conversion fee when switching from one sub-fund to another sub-fund	none	none	none
Conversion fee when switching from one unit class to another unit class	none	none	none

Costs charged to the assets of the sub-fund <sup>5,6</sup>			
Share classes	Unit classes of the sub-fund		
	-EUR-	-CHF-	-USD-
Max. Flat rate fee <sup>4</sup>	0.80% p.a. plus max. CHF 75'000.-- p.a.		
Performance fee	15% of the outperformance compared to the Bloomberg Global Aggregate 1-3 Years Index	15% of the outperformance compared to the Bloomberg US Corporate 1-3 Years Total Return Index Hedged CHF	15% of the outperformance compared to the Bloomberg U.S. Aggregate 1-3 Years Index
Calculation model	High-on-High (HoH) model		
Hurdle rate	None	None	None
High-on-High-Mark	Yes	Yes	Yes
Basis: Change PF model	07.08.2023	07.08.2023	07.08.2023

Use of benchmarks			
Share classes	Unit classes of the sub-fund		
	-EUR-	-CHF-	-USD-
Benchmark	The sub-fund does not use a benchmark		

## B1. Transfer of tasks

### a) Asset Manager

The asset manager for this sub-fund is EMCORE AG, Marktgass 11, FL-9490 Vaduz.

### b) Sales office

EMCORE AG, Marktgass 11, FL-9490 Vaduz, acts as distributor for this sub-fund.

## C1. Investment advisor

No investment advisor has been appointed.

## D1. Depositary

The depositary function for the sub-fund is exercised by Neue Bank AG, Marktgass 20, FL-9490 Vaduz, Switzerland.

<sup>4</sup> The commission or fee actually charged is shown in the semi-annual and annual reports.

<sup>5</sup> Plus taxes and other costs and fees: Transaction costs and expenses incurred by the Management Company and the Depositary in the performance of their functions. The details can be found in the prospectus in sections 11 (Tax regulations) and 12.2 (Costs and fees charged to the UCITS) of the prospectus.

<sup>6</sup> In the event of the dissolution of the UCITS or a sub-fund, the Management Company may charge a liquidation fee of up to CHF 10,000 in its favour.

## E1. Auditor

Grant Thornton AG, Bahnhofstrasse 15, FL-9494 Schaan, has been appointed as auditor for the sub-fund.

## F1. Investment principles of the sub-fund

The following provisions govern the sub-fund-specific investment principles of **EMCORE One Fund - Emcore Green Yield Dynamic**.

### a) Investment objective and investment policy

The investment objective of **EMCORE One Fund - Emcore Green Yield Dynamic** is primarily to achieve medium-term capital appreciation through income and capital gains by promoting certain ESG characteristics (i.e. environmental, social and corporate governance characteristics) and integrating sustainability risks into the investment process.

When managing the sub-fund, the asset managers take into account environmental (E) and/or social (S) characteristics, among other things, and invest in companies that apply good governance practices (G). The sub-fund does not make environmentally sustainable investments within the meaning of Art. 2 no. 17 SFDR in environmentally sustainable economic activities.

This sub-fund is a product in accordance with Article 8 of 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.

The sub-fund's assets are invested in securities and other investments as described below in accordance with the principle of risk diversification. It is an actively managed sub-fund. The sub-fund's performance is not linked to any benchmark index and it is therefore free to make its own investment decisions. Insofar as no deviating investment principles are specified for the sub-fund in section F1 of this Annex, section V of the trust agreement "General investment principles and restrictions" applies. **No assurance can be given that the sub-fund will achieve the investment objective. Accordingly, the value of the units and their income may increase as well as decrease.**

**The EMCORE One Fund - Emcore Green Yield Dynamic** invests **primarily (at least 51%)** in fixed and/or floating-rate debt securities **and debt securities** from private, mixed-economy and public-sector borrowers worldwide. The sub-fund will invest at least 51% of its assets in debt securities and debt securities rights that are aligned with the advertised **environmental** and **social characteristics**.

The "avoidance of significant negative impacts" principle only applies to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining part of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

**Further information on the sustainable orientation of the investment fund and the disclosures pursuant to Art. 8 of Regulation (EU) 2019/2088 of the European Parliament and of the Council on sustainability-related disclosures in the financial services sector ("Disclosure Regulation") can be found in Annex D "Sustainability-related disclosures".**

The investment universe includes direct and indirect investments in bonds, annuities, notes, zero bonds, floating rate notes, convertible bonds and bonds with warrants, debentures, asset-backed securities, mortgage-backed securities and other common and less common interest-bearing investments. The sub-fund is permitted

to invest to a limited extent in debt securities and debt securities of non-investment grade companies (high yield bonds).

To achieve its investment objective, the sub-fund invests its assets primarily by means of exclusion and positive criteria in **debt securities and debt securities** of companies that, in the opinion of the asset managers, fulfil a sufficient level of environmental, social and/or governance (ESG) criteria. This is achieved through the use of third party ESG information and/or proprietary analyses. ESG characteristics are assessed as part of the analysis of corporate bond issuers and serve as an additional filter for the sub-fund's ESG exclusion policy.

The average maturity of the sub-fund's securities will vary depending on the asset manager's assessment of economic and market conditions at. As with all debt securities, changes in interest rates will affect the sub-fund's asset value to the extent that when interest rates fall, the prices of the debt securities generally rise and when interest rates rise, the prices of the debt securities generally fall. Price fluctuations are generally higher for debt securities with long maturities, as these react more strongly to interest rate changes than debt securities with short maturities.

The sub-fund also pursues a short position strategy as part of its investment policy or as a fundamental instrument with a view to generating additional income and possibly reducing risks. The sub-fund's assets may be invested in sufficiently diversified equity indices (e.g. SMI, Euro STOXX 50, DAX) via option writer transactions. The sub-fund will make use of the possibility to buy ("long") or sell ("short") options ("call"/("put").

The sale of call options means that the sub-fund does not participate in price increases of the share indices underlying the call options, or only to a certain extent. This is offset by the fact that participation in price losses is limited to the option premiums received. On the other hand, the purchase of call options means that the sub-fund participates in price increases in the share indices underlying the call options. However, the participation in price gains is reduced by the option premiums paid. On the other hand, a price loss means that the maximum loss is limited to the option premiums paid.

The sale of put options means that the sub-fund participates in price increases in the share indices underlying the put options to the extent of the option premiums received. This is offset by the fact that the participation in price losses is reduced by the option premiums received. On the other hand, the purchase of put options means that the maximum loss is limited to the option premiums paid. This is offset by the fact that the participation in price losses of the share indices underlying the put options is reduced by the option premiums paid.

At times when no investment fulfils the sub-fund's selection criteria, the sub-fund is permitted to hold all of its assets in deposits and money market instruments.

The sub-fund may invest a maximum of 10% of its assets in units of other UCITS or other undertakings for collective investment comparable to a UCITS. According to their prospectus or constitutive documents, these other undertakings for collective investment may invest a maximum of 10% of their assets in units of another UCITS or another comparable undertaking for collective investment. Investments in the aforementioned undertakings for collective investment are preferably made in products in accordance with Art. 8 of Regulation (EU) 2019/2088 on sustainability-related disclosure requirements in the financial services sector or in products from management companies that are members of the UNPRI and have a verifiable sustainability approach.

The sub-fund is not subject to any currency allocation restrictions. The proportion of the sub-fund's assets invested in securities not denominated in US dollars will vary depending on the market situation. In order to minimise the currency risk, assets that are not denominated in the US dollar accounting currency can be hedged against the US dollar. In addition, the currency risks of unit classes issued in CHF and EUR can be hedged in full or in part; this may have a negative impact on the NAV of unit classes issued in USD. The possible costs of currency hedging for the CHF and EUR unit classes are allocated to the respective unit class accordingly.

For efficient management, the sub-fund may use derivative financial instruments on securities, equity and bond indices, currencies, volatilities and exchange-traded funds as well as forward exchange transactions and swaps for hedging and investment purposes.

Derivatives, other transferable securities, cash and near cash instruments may not be subject to the same ESG restrictions as other securities held in the sub-fund.

The sub-fund is also authorised to invest in other permitted investments within the investment limits set out in section V of the trust agreement "General investment principles and restrictions".

Further product-specific information is available at [www.ifm.li](http://www.ifm.li).

Further information on sustainability-related disclosures can also be found in Appendix D.

**No assurance can be given that the investment objective will be achieved. Accordingly, the value of the units and their income may increase as well as decrease.**

**The sub-fund-specific risks in section G1 of this Annex and the general risks in section 8.2 of the prospectus must be observed. Information on the risk of ESG investments and sustainability risks can also be found in the general risks in section 7.2 of the prospectus.**

**b) Invoice -/reference currency**

The accounting currency of the sub-fund and the reference currency per unit class are specified in section A1 of this Annex "Sub-fund overview".

The accounting currency is the currency in which the sub-funds' accounts are kept. The reference currency is the currency in which the performance and the net asset value of the unit classes are calculated. Investments are made in the currencies that are best suited to the performance of the sub-fund.

**c) Profile of the typical investor**

The **EMCORE One Fund - Emcore Green Yield Dynamic** is suitable as a medium-term investment for investors who wish to invest in a broadly diversified portfolio consisting of direct and indirect investments in fixed-interest and/or floating-rate debt securities and debt securities from private, mixed-economy and public-sector borrowers and who are able to assess the risks arising from the strategies pursued by the sub-fund.

## **G1. Risks and risk profiles of the sub-fund**

**a) Sub-fund-specific risks**

**The performance of the units depends on the investment policy and the market performance of the sub-fund's individual investments and cannot be determined in advance. In this context, it should be noted that the value of the units may rise or fall at any time compared to the issue price. There is no guarantee that the investor will get back the capital invested.**

Due to the fact that the assets of the **EMCORE One Fund - Emcore Green Yield Dynamic** are predominantly invested in debt securities and debt securities rights, there is an increased risk of interest rate risk with this type of investment, which can have a negative impact on the net assets. Other risks such as issuer risk, currency risk and market risk may also materialise. To the extent that the sub-fund makes investments in the non-investment grade area, there is an increased risk of loss.

In its investment strategy, the sub-fund applies ESG criteria from one or more external ESG data providers, which may be incomplete, incorrect, different or unavailable. There is therefore a risk that the Management Company may incorrectly assess a security or an issuer, with the result that a security is wrongly included in or excluded from the sub-fund's portfolio. The use of ESG criteria may influence the performance of the sub-fund, which is why the sub-fund may perform differently compared to similar funds that do not apply such criteria. If exclusion criteria on an ESG basis have been defined in the investment policy of an ESG fund, this may result in this sub-fund refraining from buying certain securities, even if a purchase would be advantageous, or selling securities due to their ESG characteristics, even if this could be disadvantageous. In order to evaluate a security or an issuer on the basis of ESG criteria, the management company relies on information and data from third-party ESG providers, which may be incomplete, incorrect or unavailable. There is therefore a risk that the management company may incorrectly assess a security or an issuer. There is also a risk that the Management Company may not apply the relevant ESG criteria correctly or that the sub-fund may have indirect exposure to issuers that do not fulfil the ESG criteria used by the sub-fund. Neither the sub-fund or the Management Company nor the Asset Managers make any representations or warranties, express or implied, as to the adequacy, correctness, accuracy, fairness or completeness of any such ESG assessment.

**The EMCORE One Fund - Emcore Green Yield Dynamic** uses options as part of its investment objective as a fundamental instrument for achieving additional returns and potentially reducing risks.

The **EMCORE One Fund - Emcore Green Yield Dynamic** pursues a short position strategy to generate additional income. Due to the investment of the sub-fund's assets in sufficiently diversified equity indices (e.g. SMI, Euro STOXX 50, DAX) via option writer transactions, this type of investment involves a market risk that may have a negative impact on the net assets.

The sale of call options ("covered call writing") means that the sub-fund does not participate in price increases of the share indices underlying the call options, or only to a certain extent. This is offset by the fact that participation in price losses is reduced by the option premiums received.

The sale of put options ("writer in the money") may result in the sub-fund being charged the corresponding loss in the event of cash settlement payments in the event of a sharp fall in equity markets. This can be significantly higher than the premiums received when the position was entered into.

The use of derivative financial instruments that are not used for hedging purposes can lead to increased risks. The risk associated with derivative financial instruments may not exceed 100% of the net assets. The total risk may not exceed 200% of the net assets. In the case of borrowing permitted under the UCITSG, the total risk may not exceed 210% of the net assets. The management company uses the modified commitment approach as a recognised calculation method for risk management purposes.

## **b) General risks**

In addition to the sub-fund-specific risks, the sub-fund's investments may be subject to general risks. An exemplary but not exhaustive list can be found in section 8.2 of the prospectus.

## **H1. Costs reimbursed from the sub-fund**

An overview of the costs reimbursed from the sub-fund can be found in the table "Master data and information on the sub-fund and its unit classes" in section A1 of this Annex A "Overview of the sub-fund".

## **I1. Performance fee**

Furthermore, the Management Company is entitled to receive a performance fee in accordance with Annex A "Overview of the sub-fund" on the increase in the unit value adjusted for any distributions or capital measures, provided that the performance of the net fund assets of the respective unit class outperforms the benchmark of the respective unit class in accordance with Annex A "Overview of the sub-fund" in a financial year. The high-on-high (HoH) model is used to calculate the performance fee as follows:

Any performance fee is calculated and accrued on each valuation date on the basis of the number of units in circulation of the respective unit class, provided that the unit price of the respective unit class cumulatively outperforms the benchmark of the respective unit class in a financial year and is above the high-on-high mark of the respective unit class. Any underperformance of the benchmark at the end of a previous financial year does not have to be made up in the following financial year.

Based on the result of the daily valuation, any calculated outperformance fee within the sub-fund is accrued per unit issued or provisions already recognised are reversed accordingly. Reversals of provisions are allocated to the assets of the sub-fund.

The reference period for the high-on-high mark corresponds to the entire life cycle of the sub-fund.

The accounting period for calculating the performance fee corresponds to the financial year. The settlement period may be shortened in the event of mergers or the dissolution of the sub-fund. The payout refers to the time from which the accrued performance fee is owed to the asset manager on a fixed basis. In addition, an accrued performance fee is deemed to be owed if units are redeemed before the end of the financial year. The performance fee owed due to unit redemptions is calculated in proportion to the unit redemptions. Any performance fee for the respective unit class is paid in arrears at the end of each financial year.

The high-on-high mark principle is used as the basis for calculation (basis: change in the PF model). If the sub-fund or the corresponding unit class loses value, the performance fee is only charged again when the unit price of the corresponding unit class adjusted for any distributions or capital measures after deduction of all costs is higher than the unit price at which the performance fee was last paid out (high-on-high mark).

A schematic calculation example is contained in J1 "Calculation example for the performance fee".

Schaan/Vaduz, 30 April 2024

### **The management company:**

IFM Independent Fund Management Aktiengesellschaft, Schaan

### **The depositary:**

Neue Bank AG, Vaduz

## J1. Calculation example for the performance fee

The following examples schematically describe the calculation of the performance fee on the basis of the respective unit class:

<b>Performance fee</b>	15%
	Bloomberg Global Aggregate 1-3 Years Index
	Bloomberg US Corporate 1-3 Years Total Return Index Hedged CHF
	Bloomberg U.S. Aggregate 1-3 Years Index
<b>Hurdle rate update</b>	No
<b>High-on-High-Mark</b>	Yes
<b>Calculation of performance fee</b>	with every NAV calculation
<b>Payout frequency</b>	at the end of each financial year
<b>Calculation model</b>	High-on-High (HoH) model

Valuation date	NAV Start	BM Start <sup>1)</sup>	High-on High-Mark	NAV before Perf. fee <sup>1)</sup>	BM	Perf. Fairy	cum. Perf. fee	NAV according to Perf. fee
<b>Year 1</b>								
Day 1	100.00	100.00	100.00	105.00	100.25	0.71	0.71	104.29
Day 2	104.29	100.25	100.00	110.50	105.00	0.11	0.83	110.39
Day 3	110.39	105.00	100.00	113.75	112.00	-0.56	0.26	114.31
Day 4	114.31	112.00	100.00	112.50	111.00	-0.04	0.23	112.54
Day 5	112.54	111.00	100.00	112.25	110.00	0.11	0.34	112.14
Day 365	112.14	110.00	100.00	114.25	110.50	0.23	<b>0.56</b>	<b>114.03</b>
<b>Year 2</b>								
Day 1	114.03	114.59	114.25	114.00	113.90	0.00	0.00	114.00
Day 2	114.00	113.90	114.25	113.75	112.75	0.00	0.00	113.75
Day 3	113.75	112.75	114.25	111.50	111.00	0.00	0.00	111.50
Day 4	111.50	111.00	114.25	108.00	105.75	0.00	0.00	108.00
Day 5	108.00	105.75	114.25	105.00	104.75	0.00	0.00	105.00
Day 365	105.00	104.75	114.25	103.00	101.00	0.00	<b>0.00</b>	<b>103.00</b>
<b>Year 3</b>								
Day 1	103.00	103.00	114.25	113.00	103.50	0.00	0.00	113.00
Day 2	113.00	103.50	114.25	115.00	112.00	0.11	0.11	114.89
Day 3	114.89	112.00	114.25	122.00	118.00	0.49	0.60	121.51
Day 4	121.51	118.00	114.25	124.00	122.00	-0.30	0.30	124.30
Day 5	124.30	122.00	114.25	121.00	117.00	0.30	0.60	120.70
Day 365	120.70	117.00	114.25	119.00	113.00	0.11	<b>0.71</b>	<b>118.89</b>
<b>Year 4</b>								
Day 1	118.89	119.60	119.00	121.38	119.05	0.35	0.35	121.03
...								

<sup>1)</sup> The NAV before performance fee includes all current deferrals including performance fee provisions from the previous period.

## Explanations of the calculation example for the performance fee

<b>High-on-High (HoH) model:</b>	A performance fee model in which the performance fee may only be calculated if the net asset value (NAV) is higher than the net asset value before performance fee at which the performance fee was last paid out.
<b>High-on-High-Mark:</b>	The last net asset value (NAV) before performance fee of the financial year in which a performance fee was last paid.
<b>Reference period:</b>	The reference period for the high-on-high mark corresponds to the entire life cycle of the sub-fund.
<b>Benchmark (benchmark index)</b>	<p>A market index against which the performance of a fund is measured.</p> <p>The benchmark is indexed at the beginning of a year. The basis for calculating the Benchmark Start (BM Start) is the net asset value (NAV) after performance fee at the end of the previous financial year plus the cumulative performance fee for the financial year.</p>
<b>Payout frequency:</b>	The frequency with which the accrued performance fee is payable to the management company or the AIFM, if applicable.
<b>Year 1:</b>	A performance fee was charged in year 1, as the unit price at the end of the financial year is cumulatively above the benchmark and above the high-on-high mark. The performance fee is calculated and accrued on each valuation date. The performance fee set aside for the respective unit class during the year was partially reversed due to the decline in the net asset value (NAV) of the respective unit class.
<b>Year 2:</b>	No performance fee was charged in year 2, as the high-on-high mark principle was applied. Any performance fee will only be charged again if the value per unit of the respective unit class after deduction of all costs is cumulatively above the benchmark and above the high-on-high mark.
<b>Year 3:</b>	A performance fee was charged in year 3, as the net asset value (NAV) of the respective unit class cumulatively exceeded the benchmark and the high-on-high mark. The performance fee was partially cancelled out by the fall in the net asset value (NAV) of the respective unit class.
<b>Payout period:</b>	The payout period for calculating the performance fee is one financial year in each case. Any performance fee for the respective unit class is paid in arrears at the end of each financial year (payout date). In addition, an accrued performance fee is deemed to be owed if units are redeemed before the end of the financial year.
<b>Note:</b>	It should be noted that a performance fee may be charged on unrealised gains, even though the unrealised gains may never be realised.

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# Appendix B: Specific information for individual sales countries

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## Information for investors in Switzerland

### 1. Representative

The representative in Switzerland is LLB Swiss Investment AG, Claridenstrasse 20, CH-8002 Zurich.

### 2. Paying agent

The paying agent in Switzerland is Helvetische Bank AG, Seefeldstrasse 215, CH-8008 Zurich.

### 3. Place of reference of the relevant documents

The prospectus, the basic information sheets (PRIIP-KID) and the annual and semi-annual reports can be obtained free of charge from all representatives and from the paying agent in Switzerland.

### 4. Publications

Publications relating to foreign collective investment schemes are made in Switzerland on the electronic platform [www.fundinfo.com](http://www.fundinfo.com).

The issue and redemption prices or the net asset value with the note "excluding commissions" are published daily on the electronic platform [www.fundinfo.com](http://www.fundinfo.com).

### 5. Payment of retrocessions and rebates

#### 5.1 Retrocessions

The management company and its agents as well as the depositary may pay retrocessions to cover distribution and brokerage activities of fund units in Switzerland or from Switzerland. In particular, any activity aimed at promoting the distribution or brokerage of fund units, such as the organization of road shows, participation in events and trade fairs, the production of advertising material, the training of sales staff, etc., shall be deemed to be distribution and brokerage activities.

Retrocessions are not considered rebates, even if all or part of them are ultimately passed on to investors.

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

#### 5.2 Discounts

The Management Company and its agents may pay rebates directly to investors upon request in the distribution in Switzerland. Discounts serve to reduce the fees and/or costs attributable to the investors concerned. Discounts are permissible provided that they

- ◆ are paid from fees of the management company and thus do not additionally burden the fund assets;
- ◆ be granted on the basis of objective criteria;
- ◆ be granted to all investors who meet the objective criteria and request discounts, under the same time conditions, to the same extent.

The objective criteria for granting discounts by the management company are:

- ◆ The volume subscribed or the total volume held by the investor in the collective investment scheme or in the promoter's product range, as the case may be;
- ◆ the amount of fees generated by the investor;

- ◆ the investment behavior practiced by the investor (e.g. expected investment duration);

Upon the investor's request, the Management Company shall disclose the relevant amount of discounts free of charge.

#### **6. Place of performance and jurisdiction**

For units offered in Switzerland, the place of performance is at the registered office of the representative. The place of jurisdiction is at the registered office of the representative or at the registered office or domicile of the investor.

## Information for investors in Germany

The company has notified its intention to distribute shares in the Federal Republic of Germany and has been authorised to do so since the notification procedure was completed.

### Institution according to § 306a KAGB:

IFM Independent Fund Management AG  
Country road 30  
P.O. Box 355  
FL-9494 Schaan  
Email: [info@ifm.li](mailto:info@ifm.li)

Subscription, payment, redemption and conversion applications for the units are processed in accordance with the sales documents.

Investors will be informed by the institution about how the above-mentioned orders can be placed and how redemption proceeds are paid out.

IFM Independent Fund Management AG has established procedures and made arrangements with regard to the exercise and safeguarding of investor rights in accordance with Article 15 of Directive 2009/65/EC. The organisation facilitates access within the scope of this law and investors can obtain information about this from the organisation.

The sales prospectus, the key information documents, the trust agreement of the EU UCITS and the annual and semi-annual reports are available free of charge in paper form from the institution or electronically at [www.ifm.li](http://www.ifm.li) or from the Liechtenstein depositary.

The issue, redemption and exchange prices as well as other information and documents to be published in the Principality of Liechtenstein (e.g. the relevant contracts and laws) are also available free of charge from the institution.

The institution provides investors with relevant information on the tasks that the institution fulfils on a durable medium.

The organisation also acts as a contact point for communication with BaFin.

### Publications

The issue, redemption and conversion prices are published on [www.fundinfo.com](http://www.fundinfo.com). Other information for investors is published on [www.fundinfo.com](http://www.fundinfo.com).

In the following cases, investors will be informed by means of a durable medium in accordance with Section 167 KAGB in German and generally in electronic form:

- Suspension of the redemption of units of the EU UCITS,
- Termination of the management of the EU UCITS or its liquidation,
- Changes to the investment conditions that are not compatible with the previous investment principles or changes to material investor rights that are detrimental to investors or changes that are detrimental to investors that affect the remuneration and reimbursement of expenses that can be withdrawn from the investment fund, including the background to the changes and the rights of investors in a comprehensible manner; it must be stated where and how further information on this can be obtained,
- the merger of EU UCITS in the form of merger information to be drawn up in accordance with Article 43 of Directive 2009/65/EC, and
- the conversion of an EU UCITS into a feeder fund or the changes to a master fund in the form of information to be prepared in accordance with Article 64 of Directive 2009/65/EC.

# Appendix C: Regulatory disclosure

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## Conflicts of interest

The following conflicts of interest may arise with the UCITS:

The interests of the investor may conflict with the following interests:

- ◆ interests of the management company and the companies and persons closely associated with them
- ◆ Interests of the management company and its clients
- ◆ interests of the management company and its investors
- ◆ Interests of the various investors in the management company
- ◆ Interests of an investor and a fund
- ◆ Interests of two funds
- ◆ Interests of the management company's employees

Circumstances or relationships that may give rise to conflicts of interest include in particular

- ◆ Incentive systems for employees
- ◆ Employee transactions
- ◆ Reallocations in the UCITS
- ◆ Positive presentation of fund performance
- ◆ Transactions between the management company and the funds or individual portfolios it manages
- ◆ Transactions between funds and/or individual portfolios managed by the management company
- ◆ Aggregation of several orders (so-called "block trades")
- ◆ Commissioning of closely associated companies and persons
- ◆ Individual installations of considerable size
- ◆ High turnover frequency of assets (so-called "frequent trading")
- ◆ Determining the cut-off time
- ◆ Suspension of the redemption of shares
- ◆ IPO allocation
- ◆ Greenwashing

To deal with conflicts of interest, the Management Company implements the following organisational and administrative measures to avoid and, if necessary, resolve, identify, prevent, settle, monitor and disclose conflicts of interest:

- ◆ Existence of a compliance department that monitors compliance with laws and regulations and to which conflicts of interest must be reported
- ◆ Disclosure obligations
- ◆ Organisational measures such as
  - Assignment of responsibility to prevent improper influence
  - Rules of conduct for employees in relation to employee transactions
  - Rules of conduct regarding the acceptance and granting of gifts, invitations, other benefits and donations
  - Prohibition of insider trading
  - Ban on front and parallel running
- ◆ Establishment of a remuneration policy and practice
- ◆ Principles for the consideration of customer interests
- ◆ Principles for monitoring the agreed investment guidelines
- ◆ Principles for the execution of trading decisions (Best Execution Policy),
- ◆ Principles for splitting partial executions
- ◆ Setting up order acceptance times (cut-off times)

## Processing of complaints

Investors are entitled to submit complaints about the Management Company or its employees, complaints in connection with funds managed by the Management Company, as well as their concerns, wishes and needs to the Management Company in writing or verbally free of charge.

The Management Company's complaints policy and the procedure for dealing with investor complaints can be found free of charge on the Management Company's website at [www.ifm.li](http://www.ifm.li).

## Principles of the voting policy at Annual General Meetings

The Management Company exercises the shareholder and creditor rights associated with the investments of the fund assets under management independently and exclusively in the interests of the investors.

For the individual transactions, the Management Company is free to decide whether to exercise the shareholder and creditor rights for the respective fund assets itself or to delegate the exercise to the Custodian or third parties or to waive the exercise.

Without express instructions from the management company, the respective depositary is authorised, but not obliged, to exercise the rights arising from the investments as shareholder, co-owner, etc.

In the case of transactions that significantly affect the interests of the investors, the Management Company must exercise the voting right itself or issue explicit instructions.

Voting rights are actively exercised in particular in cases where there is a clearly identified need to protect the interests of investors. Voting rights only have to be exercised if long-term interests are affected. If the share positions concerned do not account for a significant proportion of the market capitalisation, no long-term interests are affected.

The Management Company aims to prevent conflicts of interest resulting from the exercise of voting rights or to resolve or regulate them in the interests of the investors.

When exercising voting rights, the Management Company shall take into account the investor interests of the assets of the UCITS as well as the requirement that the exercise of voting rights is in line with the objectives of the investment policy of the assets concerned.

The Management Company's voting rights policy (strategies for exercising voting and creditors' rights, measures, details on avoiding conflicts of interest, etc.) can be accessed free of charge on the Management Company's website at [www.ifm.li](http://www.ifm.li).

## Best possible execution of trading decisions

The Management Company must act in the best interests of the funds it manages when executing trading decisions on their behalf in the management of its portfolios.

The Management Company must take all reasonable measures to achieve the best possible result for the funds (best execution), taking into account the price, costs, speed of execution, probability of execution and settlement, size, type of order and other aspects relevant to the execution of the order.

To the extent that asset managers are authorised to execute transactions, they will be contractually bound to apply the relevant best execution principles, unless they are already subject to the relevant best execution laws and regulations.

The principles for the execution of trading decisions (Best Execution Policy) are available to investors on the Management Company's website at [www.ifm.li](http://www.ifm.li).

## Remuneration principles and practices

IFM Independent Fund Management AG ("IFM") is subject to the regulatory requirements applicable to management companies under the Act on Certain Undertakings for Collective Investment in Transferable Securities (UCITSG) and those applicable to AIFMs under the Alternative Investment Fund Managers Act (AIFMG) with regard to the organisation of its remuneration principles and practices. IFM has set out the detailed structure in an internal directive on remuneration policy and practice, the aim of which is to ensure a sustainable remuneration system while avoiding false incentives to take excessive risks. IFM's remuneration principles and practices are reviewed at least once a year by the members of the Board of Directors to ensure that they are appropriate and comply with all legal requirements. They comprise fixed and variable (performance-related) remuneration elements.

IFM has established a remuneration policy that is compatible with its business and risk policy. In particular, there are no incentives to take excessive risks. Remuneration for the implementation and realisation of the sustainability strategy is included in the fixed salary component of the Sustainability Officer. Either the overall result of IFM and/or the personal performance of the employee concerned and their department are included in the calculation of performance-related remuneration. The target achievement defined as part of the personal performance assessment focuses in particular on sustainable business development and protecting the company from excessive risks. The variable remuneration elements are not linked to the performance of the funds managed by IFM. Voluntary employer benefits in kind or non-cash benefits are permitted.

The definition of ranges for total remuneration also ensures that there is no significant dependency on variable remuneration and that there is an appropriate ratio of variable to fixed remuneration. The amount of the fixed salary component is designed in such a way that an employee can cover his or her living expenses with the fixed salary component in isolation in the case of 100% employment (taking into account salaries in line with the market). The members of the Executive Board and the Chairman of the Board of Directors have the final say in the allocation of variable remuneration. The Chairman of the Board of Directors is responsible for reviewing the remuneration principles and practices.

Special rules apply to the members of IFM's Executive Board and employees whose activities have a significant influence on the overall risk profile of IFM and the funds it manages (risk takers). Employees who can exert a decisive influence on the risk and business policy of IFM have been identified as risk takers. The variable remuneration for these risk takers is paid in arrears over several years. It is mandatory for at least 40% of the variable remuneration to be deferred over a period of at least three years. The portion of the remuneration deferred at is risk-based during this period. The variable remuneration, including the deferred portion, is only paid out or served if it is acceptable in view of IFM's overall financial situation and justified on the basis of the performance of the department and individual concerned. A weak or negative financial performance of IFM generally leads to a significant reduction in total compensation, taking into account both ongoing compensation and reductions in payouts of amounts previously earned.

# Appendix D: Sustainability-related disclosure

Pre-contractual information on the financial products referred to in Article 8(1), (2) and (2a) of Regulation (EU) 2019/2088 and Article 6(1) of Regulation (EU) 2020/852

A **sustainable investment** is an investment in a Economic activity that contributes to the achievement of an environmental or social objective, provided that this investment does not significantly harm environmental or social objectives and that the companies in which the investment is made apply good corporate governance practices.

The **EU taxonomy** is a classification system set out in Regulation (EU) 2020/852 and contains a list of **environmentally sustainable economic activities**. This regulation does not specify a list of socially sustainable economic activities. Sustainable investments with an environmental objective may or may not be taxonomy-compliant.

Name of the product:  
Emcore Green Yield Dynamic

Company identifier (LEI code):  
529900KTTRZLTRSO5M79

## Ecological and/or social characteristics

Does this financial product aim to make sustainable investments?

Yes

No

- A minimum proportion of **sustainable investments with an environmental objective** is thus made: \_\_\_%
- in economic activities that are categorised as environmentally sustainable according to the EU taxonomy
  - in economic activities that are not categorised as environmentally sustainable according to the EU taxonomy

- A minimum proportion of **sustainable investments with a social objective** is thus made: \_\_\_%

- It therefore **promotes environmental/social characteristics** and although no sustainable investments are sought, it contains a minimum proportion of 51% sustainable investments
- with an environmental objective in economic activities that are categorised as environmentally sustainable according to the EU taxonomy
  - With an environmental objective in economic activities that are not categorised as environmentally sustainable according to the EU taxonomy With a social goal
  - Ecological/social features are advertised **no sustainable investments are made.**



### What environmental and/or social features are advertised with this financial product?

The financial product takes into account environmental (E) and/or social (S) characteristics through the application of exclusion and positive criteria and invests in companies that apply good governance practices (G). The financial product pursues a holistic ESG approach in which the sustainable orientation of the financial product is to be ensured by taking various sustainability factors into account.

Furthermore, the financial product utilises both activity-based and norm-based exclusions, which are described in more detail in the investment strategy below.

**With sustainability indicators**

The extent to which the environmental or social benefits advertised with the financial product are social characteristics.

● **Which sustainability indicators are used to measure the achievement of the individual environmental or social characteristics promoted by this financial product?**

- The bonds must be officially categorised as Green Bond, Social Bond, Sustainable Bond, Sustainability-Linked Bond or Transition Bond.
- Number of direct investments with violations of the exclusion criteria;
- Number of direct investments in companies that seriously violate one of the ten principles of the UN Global Compact Compliance (UNGC) of the United Nations;
- Number of direct investments in companies that seriously violate the UN Guiding Principles on Business and Human Rights (UNGPR);
- Number of direct investments that seriously violate the International Labour Organization's (ILO) conventions;
- Average ESG score of the financial product;
- In the case of investments in equity and bond funds, these must be categorised either as a product in accordance with Article 8 or Article 9 of Regulation (EU) 2019/2088.

● **What are the objectives of the sustainable investment that the financial product is partly intended to achieve and how does the sustainable investment contribute to these objectives?**

The investment should promote environmentally and/or socially sustainable activities. By investing in certified green bonds, we ensure that the focus is on an environmentally friendly goal.

● **To what extent will the sustainable investments, some of which are to be made with the financial product, not significantly harm any of the environmental or social sustainable investment objectives?**

Green bonds are certified by an independent body. The certification process checks that they do not significantly harm any of the environmental or social sustainability investment objectives.

— — — *How were the indicators for adverse impacts on sustainability factors taken into account?*

The firmly defined exclusion criteria and the Controversy Risk Assessment take into account the main adverse impacts of investment decisions on sustainability factors in accordance with Annex 1, Table 1 of Delegated Regulation (EU) 2022/1288.

— — — *How are sustainable investments in line with the OECD Guidelines for Multinational Enterprises and the United Nations Guiding Principles on Business and Human Rights? Further information:*

The sub-fund's sustainability process complies with the OECD Guidelines for Multinational Enterprises, the ILO core labour

The **main adverse impacts** are the most significant adverse impacts of investment decisions on sustainability factors in the areas of environment, social and employment, respect for human rights and anti-corruption and bribery.

standards and the UN Global Compact. Respect for human rights standards, fundamental labour rights, child labour and forced labour are taken into account in the selection process.

*The EU taxonomy lays down the principle of "avoidance of significant harm", according to which taxonomy-compliant investments must not significantly harm the objectives of the EU taxonomy, and specific EU criteria are attached.*

The "avoidance of significant negative impacts" principle only applies to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining part of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

*All other sustainable investments must also not significantly impair environmental or social objectives.*



### Does this financial product take into account the main adverse impacts on sustainability factors?

Yes

No



### What investment strategy is pursued with this financial product?

A multi-stage sustainability process consisting of clearly defined and measurable exclusion and positive criteria is used to achieve the sub-fund's investment objective:

#### I. Activity-based negative testing:

In order to achieve their investment objective, asset managers **first** define **exclusion criteria** or thresholds for the acquisition of certain assets.

This excludes **debt securities and debt security rights** issued by companies that generate significant income from one of the following controversial business areas:

- Alcohol<sup>1</sup>
- Gambling<sup>1</sup>
- Conventional or controversial weapons<sup>1</sup>
- Coal<sup>1</sup>
- Adult entertainment<sup>1</sup>
- Components of nuclear power plants<sup>1</sup>
- Oil sands<sup>1</sup>
- Fracking<sup>1</sup>
- Uranium mining<sup>1</sup>
- Tobacco<sup>1</sup>

The following countries are excluded from the **sustainability assessment**:

- Countries that are not legally bound by the Paris Agreement
- Countries that have a score lower than 35 in Transparency International's current Corruption Perceptions Index.
- States that are not legally bound by the Nuclear Non-Proliferation Treaty

The **investment strategy** serves as a guideline for investment decisions, taking into account certain criteria such as investment objectives or risk tolerance.

<sup>1</sup> Exclusion if turnover >5% of total turnover from production and/or sales

The above exclusions only apply to direct investments.

## II. Standards-based negative testing:

The **second step** is to review and assess controversies and possible involvement in unethical business practices. In particular, possible violations of the following international standards are taken into account in the review:

- the United Nations Universal Declaration of Human Rights
- the labour standards of the International Labour Organization (ILO)
- the United Nations Guiding Principles on Business and Human Rights (UNGPs)
- the United Nations Global Compact (UNGC) and
- the OECD Guidelines for Multinational Enterprises

The above exclusions only apply to direct investments.

To perform this analysis, asset managers use data provided by one or more external ESG research services.

Government bonds are excluded if they do not have a sufficient score on the Freedom House Index (<https://freedomhouse.org/>).

## III. Positive criteria:

In a **third step**, an ESG rating is assigned to the sub-fund's assets in order to fulfil environmental and social characteristics. The ESG rating shows the exposure of each company to the most important ESG factors. It is based on a detailed breakdown of business activities, main products and segments, locations, assets and revenues, as well as other relevant metrics such as production outsourcing, etc. By applying positive screening criteria, the asset managers endeavour to select **debt securities and debt securities** from issuers that act in a socially responsible manner.

Further information on how the ESG and sustainability methodology works, how it is integrated into the investment process, the selection criteria and the ESG and sustainability guidelines can be found on the [IFM Independent Fund Management AG sustainability-related disclosure](#) website.

### ● **What are the binding elements of the investment strategy that are used to select investments to fulfil the advertised ecological logical or social objectives?**

The mandatory elements of the investment strategy are, on the one hand, investment in green bonds, social bonds, sustainable bonds, sustainability-linked bonds or transition bonds and, on the other hand, the systematic exclusion of certain companies on the basis of the exclusion policy described above.

In the case of investments in bond funds or other funds, these must be categorised either as a product in accordance with Article 8 or Article 9 of Regulation (EU) 2019/2088.

### ● **By what minimum rate is the size of the investments considered before applying this investment strategy reduced?**

There is no obligation for this sub-fund to reduce the volume of investments by a minimum rate.

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

● **How are the good corporate governance practices of the companies in which investments are made assessed?**

The management company and the asset managers promote the introduction of better practices with regard to environmental, client and social issues.

The management company is convinced that by actively exercising its voting rights it is making a contribution to the values and behaviour of companies. With the commitments of the management company, it encourages companies to adopt best-practice corporate governance standards. When exercising voting rights, the management company takes into account the internal directive on voting rights policy. In structuring its engagement with companies, the management company works closely with a proxy voting provider and combines its analysis with the investment policy of the financial product.

The voting rights policy is available at:

[Voting rights and participation policy of IFM Independent Fund Management AG](#)



The **asset allocation** indicates the respective share of investments in certain assets.

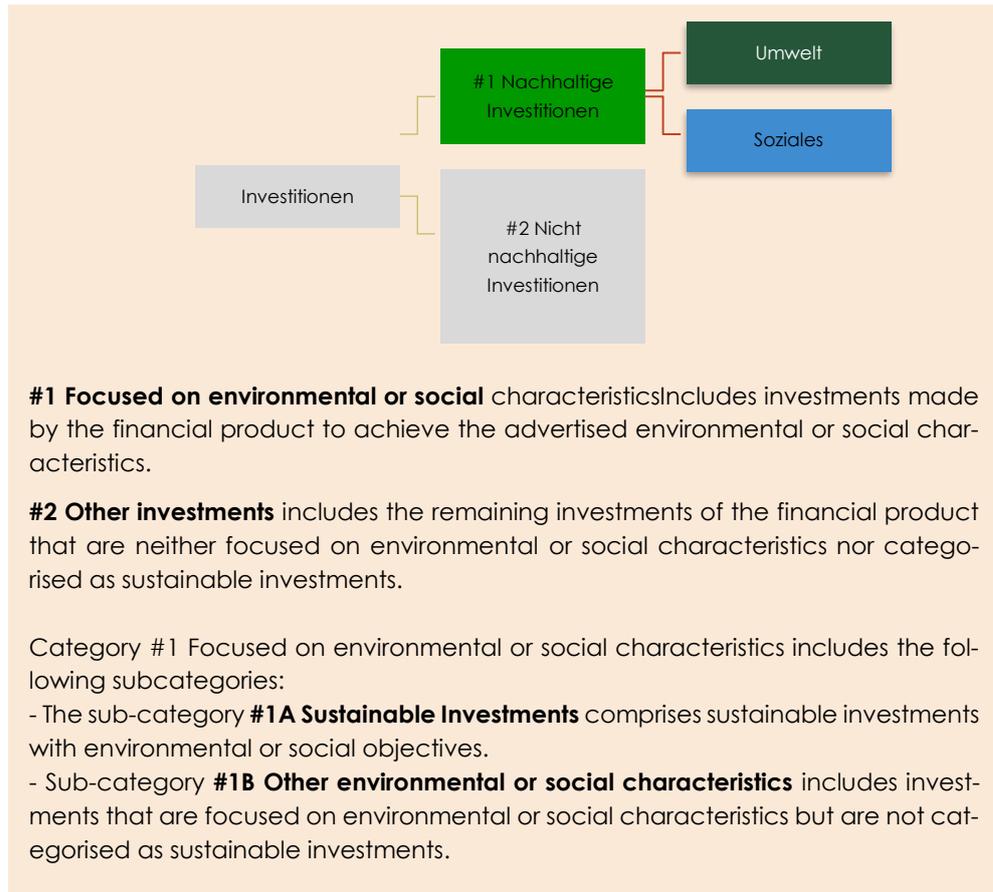
**What asset allocation is planned for this financial product?**

The sub-fund's assets are invested in securities and other investments in accordance with the principle of risk diversification. It is an actively managed sub-fund. The **EMCORE One Fund - Emcore Green Yield Dynamic** invests **primarily (at least 51%)** in fixed-interest and/or variable-interest **debt securities and debt securities** from private, mixed-economy and public-sector borrowers worldwide, each of which is classified as sustainable on the basis of **environmental, social** and **ethical criteria** and thus takes account of the principle of "**sustainability**".

The sub-fund will invest at least 51% of its net fund assets in companies that are aligned with the advertised environmental and social characteristics (#1). Thus, the remaining portion (<49%) will consist of (#2) "Other investments".

Taxonomy-compliant activities, expressed by the proportion of the:

- **Revenues reflecting the** share of revenues from environmentally friendly activities of the companies in which investments are made
- **Capital expenditure (CapEx)**, which shows the environmentally friendly investments of the companies in which investments are made, e.g. for the transition to a green economy.
- **Operating expenses (OpEx)** that reflect the environmentally friendly operational activities of the companies in which investments are made.



● **To what extent does the use of derivatives achieve the environmental or social characteristics advertised with the financial product?**

For efficient management, the financial product may use derivative financial instruments on securities, equity and bond indices, currencies, volatilities and exchange-traded funds as well as forward exchange transactions and swaps for hedging and investment purposes.

Derivatives, other transferable securities, cash and cash equivalents at may not be subject to the same ESG restrictions as other securities held in the financial product's assets.



**To what minimum extent are sustainable investments with an environmental objective compliant with the EU taxonomy?**

The financial product does not take any environmentally sustainable investments within the meaning of the Taxonomy Regulation into account as part of its investment policy. However, it cannot be ruled out that such investments will be made.

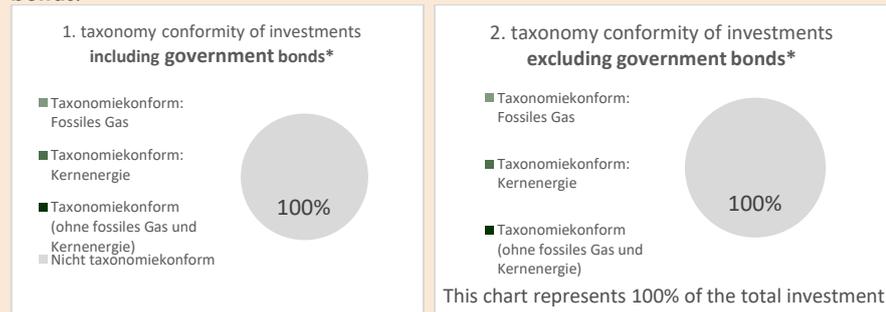
**Enabling activities** have the direct enabling effect of ensuring that other activities make a significant contribution to the environmental objectives.

**Transitional activities** are activities for which no low-carbon alternatives are yet available and which, among other things, have greenhouse gas emission values that correspond to the best performance.

● **Does the financial product invest in EU taxonomy-compliant activities in the fossil gas and/or nuclear energy sector<sup>2</sup> ?**



The two charts below show the minimum percentage of EU taxonomy compliant investments in green colour. As there is no suitable method for determining the taxonomy compliance of government bonds\*, the first graph shows the taxonomy compliance in relation to all investments of the financial product including government bonds, while the second graph shows the taxonomy compliance only in relation to the investments of the financial product that do not include government bonds.



\* For the purposes of these charts, the term "government bonds" includes all risk positions vis-à-vis governments.

● **What is the minimum proportion of investment in transition activities and enabling activities?**

The minimum proportion of investments in transitional and enabling activities is 0%.

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



**What is the minimum proportion of sustainable investments with an environmental objective that do not comply with the EU taxonomy?**

The minimum proportion of sustainable investments with an environmental objective is at least 51%.



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

The minimum proportion of sustainable investments with a social objective is at least 0%.



**Which investments fall under "#2 Other investments", what is their investment purpose and is there a minimum level of environmental or social protection?**

1. Cash and cash equivalents for liquidity purposes
2. Derivative financial instruments

<sup>2</sup> Fossil gas and/or nuclear energy activities are only EU taxonomy compliant if they contribute to climate change mitigation ("climate change mitigation") and do not significantly affect any objective of the EU taxonomy - see explanation in the left margin. The full criteria for EU taxonomy-compliant economic activities in the area of fossil gas and nuclear energy are set out in Commission Delegated Regulation (EU) 2022/1214.

3. Investments for diversification purposes or investments for which data is missing and do not follow minimum E&S protection requirements  
Due to the nature of the installations under points 1 and 2, no minimum environmental or social protection requirements are specified.



### **Has an index been determined as a benchmark to determine whether this financial product is aligned with the advertised environmental and/or social characteristics?**

No, no index is used as a benchmark to determine whether the sub-fund complies with the environmental and/or social characteristics.

- ***To what extent is the benchmark continuously aligned with the environmental and social characteristics advertised with the financial product?***

No reference value is used.

- ***How is the continuous alignment of the investment strategy with the index method ensured?***

No reference value is used.

- ***How does the specific index differ from a relevant broad market index?***

No reference value is used.

- ***Where can the method for calculating the specific index be viewed?***

No reference value is used.

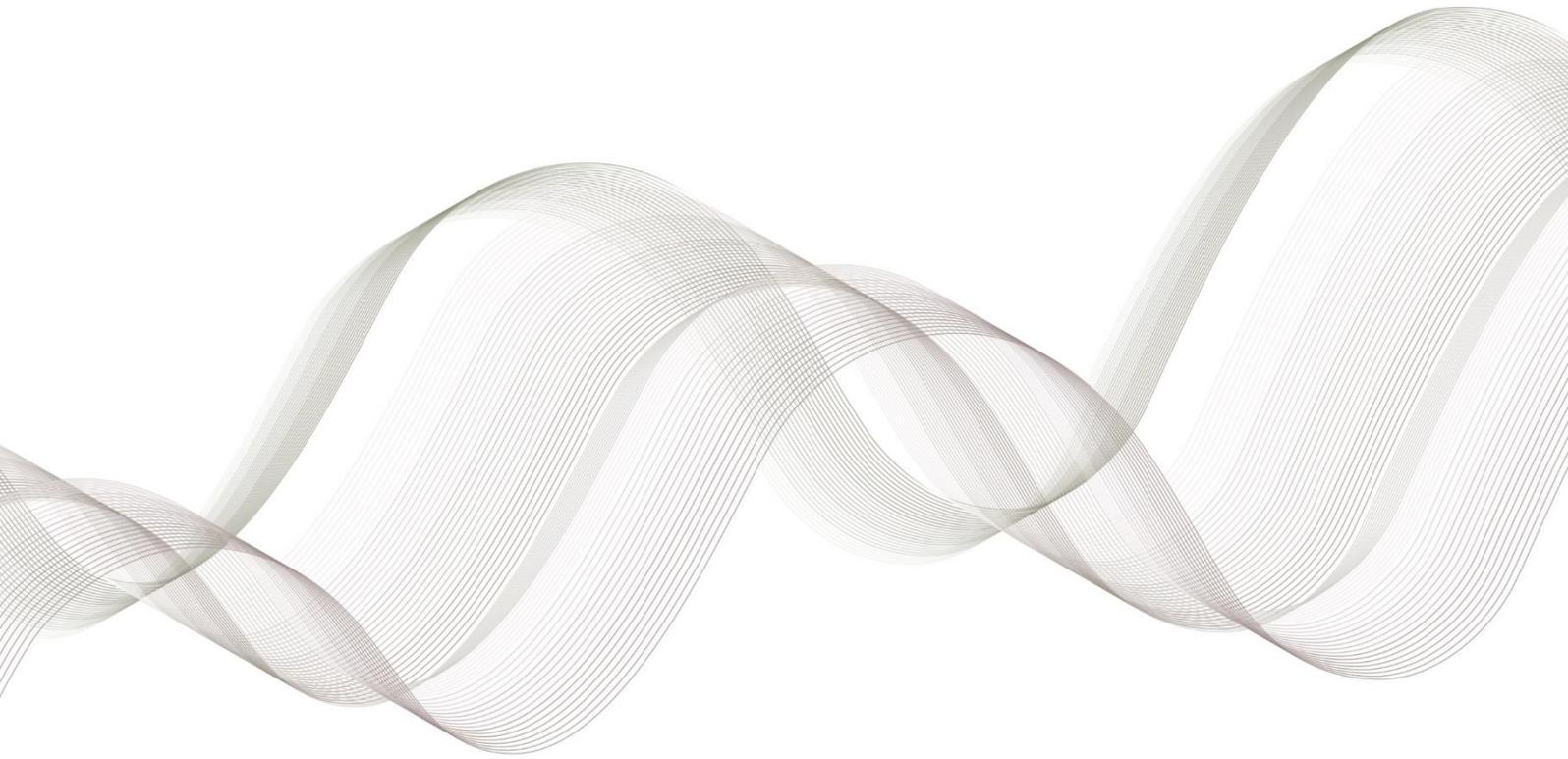
### **Where can I find more product-specific information on the Internet?**

**Further product-specific information is available at:**

Further product-specific information can be found on the website:  
[www.ifm.li](http://www.ifm.li)



The **benchmarks** are indices used to measure whether the financial product fulfils the advertised environmental or social characteristics.



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