



# **UCITS V**

## **Prospectus**

with

## **Articles of Association**

and

## **Investment Conditions**

**including sub-fund specific annexes**

Date of Publication: 01. April 2025

## **LGT Multi-Assets SICAV**

**UCITS established under Liechtenstein law  
in the legal form of a Société d'investissement à capital variable  
(investment company with variable capital)**

(the "UCITS")

(Umbrella structure comprising several sub-funds)

## Overview of the Organizational Structure of the UCITS

<b>UCITS</b>	<b>LGT Multi-Assets SICAV</b>
<b>Board of Directors of the UCITS</b>	Andrea Wenaweser, Deputy Head of Tax & Products, LGT Group Holding Ltd., Vaduz, President Stefan F. Oehri, Chief Operating Officer, LGT Bank Ltd., Vaduz, Vice-President Dr. Konrad Bächinger, Director Dr. Urs Gähwiler, Director
<b>Management Company</b>	LGT PB Fund Solutions Ltd. Herrengasse 12 FL-9490 Vaduz, Principality of Liechtenstein
<b>Management Company Board of Directors</b>	Stefan F. Oehri, Chief Operating Officer LGT Bank Ltd., Vaduz, President Thomas Marte, CEO LGT Fund Management Company Ltd., Vaduz, Vice President Dr. Magnus Pirovino, Director
<b>Management Company Executive Board</b>	Cornel Schiesser, CEO Martin Oehry, member
<b>Depositary</b>	LGT Bank Ltd. Herrengasse 12 FL-9490 Vaduz, Principality of Liechtenstein
<b>Administrator</b>	LGT Financial Services Ltd. Herrengasse 12 FL-9490 Vaduz, Principality of Liechtenstein
<b>Distributors</b>	As set out in Annex A
<b>Auditor</b>	PricewaterhouseCoopers Ltd. Birchstrasse 160 8050 Zürich, Switzerland
<b>Legal structure</b>	UCITS in the legal form of an investment company with variable capital under the laws of Liechtenstein in accordance with the Law of 28 June 2011 concerning Specific Undertakings for Collective Investment in Transferable Securities, as amended (the " <b>UCITS Act</b> ") and the Ordinance of 5 July 2011 concerning Specific Undertakings for Collective Investment in Transferable Securities, as amended (" <b>UCITS Ordinance</b> ")
<b>Umbrella structure</b>	Umbrella structure which may comprise several sub-funds
<b>Date of Incorporation</b>	01 September 2017
<b>Jurisdiction / Incorporation</b>	Liechtenstein
<b>Financial year</b>	As set out in Annex A
<b>Base currency</b>	As set out in Annex A
<b>Competent supervisory authority</b>	Financial Market Authority of Liechtenstein (Finanzmarktaufsicht Liechtenstein, (" <b>FMA</b> ") <a href="http://www.fma-li.li">www.fma-li.li</a> )
<b>Publication medium</b>	<a href="http://www.lafv.li">www.lafv.li</a>

## Notice to Investors and Selling Restrictions

The purchase of units of the UCITS is effected on the basis of this Prospectus, the Articles of Association, the Investment Conditions and the Key Information Document (the "**KID**") as well as the most recent annual and semi-annual report, if already published. Only the information contained in this Prospectus, the Articles of Association and specifically the Investment Conditions including Annex A is authoritative. By acquiring units, an investor is deemed to have read, understood and approved such information.

This Prospectus does not constitute an offer or a solicitation to subscribe units of the UCITS to a person in any jurisdiction where any such offer or solicitation would be unlawful, or where the person who makes any such offer or solicitation is not deemed to be qualified to do so, or where any such offer or solicitation is made vis-à-vis a person in relation to whom any such offer or solicitation would be unlawful. Any information not contained in this Prospectus, the Articles of Association and the Investment Conditions, or in documents that are available to the public, is deemed to be unauthorized and is not to be relied upon.

Potential investors should inform themselves about possible tax consequences, legal requirements and any possible currency restrictions or exchange control laws that may apply in the countries of their citizenship, residence or domicile and that may be relevant to the subscription, holding, conversion, redemption or sale of units. Further tax considerations are explained in section 11 "**Tax Provisions**" of the Prospectus.

Annex B contains information regarding the distribution in various countries.

The units of the UCITS are not registered for distribution in all countries of the world. If units are issued, converted or redeemed in another country, the provisions of that country shall apply.

Investors should read and understand the risk description in section 8 "**Risk Warning Notice**" of the Prospectus before purchasing any units of the UCITS.

### Selling Restrictions

Units of the UCITS must not be offered, sold or otherwise made available in the United States (as defined below).

The units of the UCITS have not been and will not be registered in accordance with the United States Securities Act of 1933, as amended (the "**Act of 1933**"), or in accordance with the securities laws of a state or any other political subdivision of the United States of America or its territories, possessions or other areas subject to its sovereignty, including the Commonwealth of Puerto Rico (the "**United States**"). The UCITS is not and will not be registered under the United States Investment Company Act of 1940, as amended, or under any other U.S. federal laws.

The units of the UCITS may not be offered, sold or otherwise transferred in the United States nor to or for the account of U.S. persons (within the meaning of Regulation S under the Act of 1933). Subsequent transfers of units of the UCITS within the United States or to U.S. persons are also not permissible. The units of the UCITS are offered and sold on the basis of an exemption from the registration requirements of the Act of 1933 pursuant to Regulation S of said Act.

The units of the UCITS have not been reviewed or approved by the U.S. Securities and Exchange Commission (the "**SEC**") or by any other regulatory or supervisory authority in the United States; furthermore, neither the SEC nor any other regulatory or supervisory authority in the United States has reviewed the accuracy or the appropriateness of this Prospectus or the benefits of the units of the UCITS.

This Prospectus may not be brought into circulation within the United States.

Moreover, units of the UCITS may not be offered, sold or delivered to the following persons/vehicles: (i) citizens of or persons domiciled in the United States; (ii) partnerships or stock companies established under the laws of the United States or one of its federal states; (iii) a trust for which (a) a court in the United States has primary supervision over its management and (b) for which one or more U.S. persons are authorized to exercise control over all material decisions of the trust; (iv) an estate (the "**Estate**") whose earnings, irrespective of their origin, are liable to U.S. income tax, other natural persons or legal entities whose income and/or earnings, irrespective of their origin, are liable to U.S. income tax, and/or legal entities with U.S.

beneficial owners, U.S. controlling persons or U.S. partners/grantors/beneficiaries and/or (v) a person/legal entity who is treated or qualifies as a "Non-participating Foreign Financial Institution" (NPFFI), a "Non-Participating Financial Institution" (NFI) or a "Recalcitrant Account Holder" pursuant to Sections 1471 to 1474 of the U.S. Internal Revenue Code and present or future regulations of the U.S. Treasury Department or official interpretations thereof or tax or regulatory laws, rulebooks or standards accepted under intergovernmental agreements, contracts or treaties between government authorities that implement the relevant Sections of the U.S. Internal Revenue Code ("FATCA"), or (vi) persons who qualify as U.S. persons in accordance with Regulation S of the Act of 1933 and/or the U.S. Commodity Exchange Act as amended from time to time. Therefore, the investment may in particular not be acquired by the following investors (this list is not exhaustive):

- U.S. nationals, including dual citizens;
- Persons who live or are domiciled in the United States;
- Persons who are resident in the United States (Green Card Holders) and/or whose primary abode is in the United States;
- Companies, trusts, funds etc. domiciled in the United States;
- Companies that are classed as transparent for U.S. tax purposes and have investors mentioned in this Section and companies whose earnings are attributed to an investor mentioned in this Section within the framework of a consolidated statement for U.S. tax purposes;
- Legal entities with U.S. beneficial owners, U.S. controlling persons or U.S. partners/grantors/beneficiaries;
- "Non-participating Foreign Financial Institutions" (NPFFIs), "Non-participating Financial Institutions" (NFIs) or "Recalcitrant Account Holders" for FATCA purposes; or
- U.S. persons as defined by Regulation S of the Act of 1933, as amended from time to time.

**The distribution of this Prospectus and the offering of units of the UCITS may also be subject to restrictions in other jurisdictions. The distribution of these Constituent Documents and the offering of the units is further subject to the applicable Sanctions Regimes<sup>1</sup> as implemented by the Liechtenstein Law on the Enforcement of International Sanctions (ISG) of 10 December 2008.**

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<sup>1</sup> LGT Group has committed itself to uniformly adhere to the Sanctions as imposed by the United Nations, the United States of America and the European Union, G7 Countries as well as Liechtenstein even if there is no nexus between the LGT Group company in question and such regimes.

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## Part I: Prospectus of LGT Multi-Assets SICAV

The issuance and redemption of units of each sub-fund will be effected on the basis of the Articles of Association as currently in effect and the Investment Conditions. The Articles of Association and the Investment Conditions are supplemented by the most recent annual report. Where the reporting date, on which the annual report is based, dates back more than eight months, the semi-annual report must also be offered to the purchaser. In good time prior to the purchase of the units, the investor will be provided with the Key Information Document (the "**KID**") free of charge.

Statements that deviate from the Prospectus, the Articles of Association, the Investment Conditions, Annex A "Overview of the Sub-Funds" ("**Annex A**") or the Key Information Document are not permissible. The UCITS will not be liable for statements that deviate from the current Prospectus, Articles of Association, Investment Conditions or Key Information Document.

The Prospectus, the Articles of Association, the Investment Conditions, Annex A, Annex B "Specific Information for Individual Distribution Countries" ("**Annex B**") and Annex C "Remuneration Policies and Practices" ("**Annex C**") are outlined in this document. The constituent documents of the UCITS are the Articles of Association and the Investment Conditions including Annex A. Merely the Articles of Association and the Investment Conditions including the special investment policy provisions contained in Annex A are subject to substantive legal examinations conducted by the Liechtenstein Financial Market Authority (FMA).

### 1 Sales Documentation

The Prospectus, the Key Information Document, the Articles of Association and the Investment Conditions including the special investment policy provisions as well as the most recent annual and semi-annual report (if already published) are available, free of charge, on a durable data carrier from the Management Company, the Depositary, the Paying Agents and all authorized Distributors in Liechtenstein and abroad as well as on the website of the Liechtenstein Investment Fund Association ("**LAFV**") at [www.lafv.li](http://www.lafv.li).

### 2 Articles of Association and Investment Conditions

The Articles of Association may be amended under consideration of the corporate laws. The Investment Conditions and Annex A may be amended or supplemented by the Management Company, in whole or in part, at any time. Such amendments require prior approval of the Liechtenstein Financial Market Authority in order to become effective.

Any and all amendments to the Articles of Association, the Investment Conditions and Annex A will be published in the publication medium of the UCITS and, thereafter, will be legally binding for all investors. The publication medium of the UCITS is the website of the LAFV [www.lafv.li](http://www.lafv.li).

### 3 General Information about the UCITS

The UCITS has been established as Specific Undertakings for Collective Investment in Transferable Securities in the legal form of an investment company with variable capital under Liechtenstein law in accordance with the Act of 28 June 2011 concerning Specific Undertakings for Collective Investment in Transferable Securities, as amended (the "**UCITS Act**") and the Ordinance of 5 July 2011 concerning Specific Undertakings for Collective Investment in Transferable Securities, as amended (the "**UCITS Ordinance**").

The Articles of Association, the Investment Conditions and Annex A have been initially approved by the Liechtenstein Financial Market Authority (FMA) on 1 September 2017 and the UCITS has been registered in the Liechtenstein commercial register on 1 September 2017.

Based on its Articles of Association, the UCITS has issued founder shares with a par value of CHF 1'000 and units for investors, which are bearer units, with no par value. The investors participate in the value of and income generated on the assets of the relevant sub-funds in proportion to the units they have acquired. The units do not confer any right to participate in the general meeting, do not carry any voting rights and, moreover, do not confer any right to participate in the profits of the UCITS's own assets.

The UCITS has been established for an indefinite time and without any capital limits. The UCITS is an umbrella structure which may comprise several sub-funds. The sub-funds are separated in terms of assets and liabilities. The primary objective of the management of the UCITS is the collective investment of the capital raised from the public in transferable securities and/or in other liquid financial assets referred to in Art. 51 UCITS Act, applying the principle of risk diversification.

The UCITS and its sub-funds shall form separate funds in favor of the investors. In the event of liquidation and insolvency of the Management Company, the separate funds shall not form part of the bankruptcy estate of the Management Company. In the event of the liquidation and dissolution of the UCITS' own assets, the assets managed for the purpose of collective investment for the investors shall not be included in its bankruptcy estate.

The Management Company may invest in assets, and in accordance with the provisions, as set out in the UCITS Act, the Investment Conditions and Annex A.

The Investment Conditions and Annex A, as well as any amendment thereto - provided that it is a substantive legal amendment - require the approval of the Liechtenstein Financial Market Authority (FMA) to become effective.

The securities and other assets of a sub-fund are managed in the interests of the investors. Only the investors of a sub-fund are entitled to the assets of the relevant sub-fund in proportion to their units. These assets are segregated from the assets of other sub-funds. Claims of investors and creditors that are directed against a sub-fund, or that have arisen at the formation, during the existence or at the dissolution of a sub-fund are limited to the assets of the relevant sub-fund.

The UCITS may dissolve existing sub-funds and/or launch new sub-funds as well as different unit classes with specific characteristics within these sub-funds at any time. This Prospectus, Articles of Association and Investment Conditions including Annex A shall be updated when a new sub-fund is launched, or an additional unit class is created.

The UCITS will not be exclusively distributed to any of the LGT entities or their employees.

#### **4 General Information about the Sub-Funds**

The investors participate in the assets of a sub-fund of the UCITS in proportion to the units they hold in the sub-fund.

The units are not securitized but are held on a book-entry basis only, i.e. no certificates are issued. A general meeting of investors is not provided for. By subscribing or purchasing units, the investor accepts the Articles of Association, the Investment Conditions and Annex A.

Investors, heirs or other beneficiaries are not entitled to request the division or dissolution of the sub-funds or the liquidation of the UCITS. Annex A contains more detailed information about the relevant sub-funds.

The UCITS may launch additional sub-funds at any time and amend the Prospectus, the Articles of Association, the Investment Conditions and Annex A accordingly.

All units of a sub-fund generally embody the same rights unless the UCITS resolves to issue different unit classes within a sub-fund.

Each sub-fund is deemed to be a separate fund as regards the relationship between the investors of the UCITS. The rights and obligations of the investors in one sub-fund are separate from the rights and obligations of the investors in other sub-funds.

Vis-à-vis third parties, each sub-fund will be liable with its assets only for the liabilities contracted by the relevant sub-fund.

This Prospectus, the Articles of Association and the Investment Conditions including Annex A pertain to all sub-funds of the UCITS.

The UCITS will not be exclusively distributed to any of the LGT entities or their employees.

##### **4.1 Duration of the Sub-Funds**

The duration of each sub-fund is set out in Annex A.

##### **4.2 Unit Classes**

The UCITS may resolve to create one or more unit classes for any sub-fund, which may differ, for instance, with respect to the application of income, subscription or redemption fees, reference currency, currency hedging, remuneration for management, operations or other services, minimum investment or a combination of these. However, the rights of the investors who have acquired units in the existing unit classes remain unaffected thereby.

The unit classes that are launched for the sub-funds as well as the fees and remuneration arising in connection with the units of the sub-funds are listed in Annex A. For further information on the unit classes, please see sections 9.1 and 9.2 of the Prospectus.

##### **4.3 Past Performance of the Sub-Funds**

The past performance of each sub-fund or unit class is shown on the website of the LAFV at [www.lafv.li](http://www.lafv.li) or in the KID or the corresponding sub-fund related document for the UCITS's distribution countries.

The past performance of a unit is no guarantee of any particular performance, neither in the present nor in the future. The value of a unit may increase or decrease at any time.

#### **5 Organization**

##### **5.1 Country of Incorporation and Domicile / Competent Supervisory Authority**

The country of incorporation and domicile of the UCITS is the Principality of Liechtenstein. The competent supervisory authority is the Liechtenstein Financial Market Authority (FMA) ([www.fma-li.li](http://www.fma-li.li)).



## 5.2 Legal Relationship

The legal relationship between the investors, the UCITS, the Management Company and the Depositary is governed by the Articles of Association and the Investment Conditions, except otherwise provided by the Act of 28 June 2011 concerning Specific Undertakings for Collective Investment in Transferable Securities, as amended (the "**UCITS Act**") and the Ordinance of 5 July 2011 concerning Specific Undertakings for Collective Investment in Transferable Securities, as amended (the "**UCITS Ordinance**") or by EEA law which is mandatory and directly applicable and, to the extent not regulated therein, by the provisions of the Liechtenstein Persons and Companies Act, as amended (the "**PGR**") on public limited companies.

## 5.3 UCITS

The UCITS's registered office is Herrengasse 12, FL-9490 Vaduz, Principality of Liechtenstein.

The UCITS has appointed the company as mentioned in section 5.4 of the Prospectus as the Management Company of the UCITS within the meaning of the UCITS Act. This company administrates and manages the UCITS.

The Board of Directors of the UCITS is:

President:	Andrea Wenaweser
Vice President:	Stefan F. Oehri
Member:	Dr. Konrad Bächinger
Member:	Dr. Urs Gähwiler

## 5.4 Management Company

Pursuant to the Management Agreement, the UCITS has appointed LGT PB Fund Solutions Ltd., Herrengasse 12, FL-9490 Vaduz, Principality of Liechtenstein (the "**Management Company**") to act as the Management Company of the UCITS within the meaning of the UCITS Act. The Management Company's office is at Herrengasse 12, FL-9490 Vaduz, Principality of Liechtenstein.

The Management Company was incorporated, for an indefinite time, on 22 November 2022 in the form of a public limited company (Aktiengesellschaft) under Liechtenstein law, with its registered office and head office in Vaduz, Principality of Liechtenstein. Pursuant to Chapter III of the UCITS Act, the Management Company has been admitted by the Liechtenstein Financial Market Authority (FMA) and entered into the official list of Liechtenstein management companies.

The Management Company's share capital is CHF 1'000'000 and has been fully paid in.

The Management Company manages the UCITS for the account, and in the sole interest, of the investors in accordance with the principle of risk diversification and pursuant to the provisions of the Investment Conditions and Annex A.

In accordance with the Management Agreement, the Management Company has extensive rights at its disposal to perform any and all administrative and management actions for the account of the UCITS and its sub-funds. In particular, the Management Company is entitled to buy, sell, subscribe or exchange securities and other assets and to exercise any and all rights associated, either directly or indirectly, with the assets of the UCITS and its sub-funds. The object of the Management Company is, inter alia, the management and distribution of UCITS under Liechtenstein law.

The remuneration policies and practices of the Management Company are specified in Annex C.

The website of the LAFV ([www.lafv.li](http://www.lafv.li)) contains an overview of all UCITS managed by the Management Company.

### 5.4.1 Board of Directors of the Management Company

President:	Stefan F. Oehri, Chief Operating Officer LGT Bank Ltd, Vaduz, President
Members:	Thomas Marte, CEO LGT Fund Management Company Ltd., Vaduz, Vice President Dr. Magnus Pirovino, Director

### 5.4.2 Executive Board of the Management Company

CEO:	Cornel Schiesser
Member:	Martin Oehry

## 5.5 Investment Committee

The Management Company has appointed an Investment Committee (the "**Investment Committee**"), whose members are representatives of different entities of LGT Group Private Banking for the following sub-funds:

- LGT GIM Balanced

- LGT GIM Growth

The Investment Committee consists of members with voting rights (the “**Voting Members**”) who will participate in the decisions taken by the Investment Committee as well as members without any voting rights (the “**Non-Voting Members**”) who provide non-binding recommendations to the Management Company. The appointment of a Voting Member corresponds to a partial delegation of investment management respectively portfolio management under consideration of the applicable regulatory requirements. For this purpose, the Management Company will enter into an investment management agreement with each of the investment managers listed below. The appointment of a Non-Voting Member corresponds to an investment advisory mandate. The details of this mandate are governed by an investment advisory agreement concluded between the Management Company and the respective investment advisor.

The Investment Committee consists of the following members:

Voting Members:

- Management Company
- LGT Investment Management GmbH, Renngasse 6-8/3, 1010 Vienna, Austria
- LGT Investment Management (Asia) Limited, 4203 Two Exchange Square, 8 Connaught Place Central, Hong Kong
- LGT Bank (Switzerland) Ltd., Lange Gasse 15, CH-4002 Basel, Switzerland
- LGT Bank (Singapore) Ltd., 3 Temasek Avenue, #30-01 Centennial Tower, Singapore 039190, Republic of Singapore

(the “**Investment Managers**”)

Non-Voting Members:

- LGT (Middle East) Ltd., DIFC, The Gate Building (East), Level 4, P.O. Box 506793, Dubai, United Arab Emirates
- LGT Securities (Thailand) Ltd., 57 Park Ventures Ecoplex, Level 21, Units 2101-2103 & 2112, Wireless Road, Lumpini, Pathumwan, Bangkok 10330, Thailand
- LGT Bank AG, Zweigniederlassung Deutschland, Maximilianstrasse 13, 80539 Munich, Germany

(the “**Investment Advisors**”)

The general management objectives of the Investment Committee regarding the relevant sub-funds are to track the performance of the Master Funds invested in and to provide for a sound and professional liquidity management that safeguards payment capabilities relating to liabilities (redemptions, fees, costs and other obligations) while serving the best interest of the unitholders.

The Investment Committee’s tasks include (but are not limited to) the following in particular:

#### **Initial and on-going due diligence**

- Initial due diligence of the Master Funds for the creation of new sub-funds
- Ongoing monitoring to review the performance and activities of the Master Funds

#### **Investment decisions**

- Joint discussion and decision in order to minimize performance dilution but ensure that payments for redemptions, fees and other obligations can be met by every sub-fund
- Joint discussion and decision in order to optimize performance of FX hedged share classes
- Joint discussion and decision on how to use the income of a sub-fund (distribution or accumulation)
- Joint discussion and decision on how to exercise membership and creditor’s rights

#### **Investment discussions**

- Joint discussion on how to use liquidity instruments of a sub-fund (e.g. use of credit line, gating mechanism, delay of payment, suspension of subscription/redemption)

The Investment Committee shall meet on a regular basis, at least once per month. The Management Company acts as chairperson of the Investment Committee. Each Voting and each Non-Voting Member nominates one natural person as its respective regular representative to attend the meetings of the Investment Committee. The voting rights of the Voting Members shall be allocated equally, which means that each Voting Member has an equal share of the voting rights available with respect to the relevant sub-fund.

Any decisions of the Investment Committee shall be taken with a simple majority of the voting rights. According to applicable regulatory requirements on the delegation of investment management and portfolio management, the Management Company has at any time and in any case the right to veto any decision taken by the Investment Committee.

Further details regarding composition, tasks, responsibilities, meetings, conflicts of interest management and other topics relevant for the performance of the Investment Committee's management tasks are described in the rules of procedure.<sup>2</sup>

## 5.6 Distributors

If the Management Company has appointed delegated distributors for the sub-funds, this is stipulated in the Annex A. Delegated distributors may have the right to appoint sub-distributors and distribution may be carried out through sales platforms.

The Management Company may appoint additional Distributors in various countries.

## 5.7 Depositary

Unless otherwise specified in Annex A, LGT Bank Ltd., Herrengasse 12, FL-9490 Vaduz, Principality of Liechtenstein, acts as the Depositary (the "**Depositary**").

Assets eligible for safekeeping are held in safe custody for the account of the UCITS by the Depositary. The Depositary is entitled to entrust all or part of the assets to other banks, financial institutions or recognized clearing houses that meet the respective legal requirements.

The function of the Depositary and its liability shall be in accordance with the UCITS Act, the UCITS Ordinance as well as EEA law, if mandatory and directly applicable, as amended from time to time, the Depositary Agreement and the constituent documents of the UCITS. It operates independently of the Management Company and exclusively in the interest of the investors.

The UCITS Act provides for a separation of the management and the safekeeping of UCITS. The Depositary shall keep the assets eligible for safekeeping 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 issued by the Management Company pertaining to the assets correspond to the regulations of the UCITS Act and the constituent documents. For this purpose, the Depositary shall monitor in particular compliance by the UCITS with the investment restrictions and leverage limits. Placing deposits with other credit institutions as well as the disposal of such deposits are only allowed with the consent of the Depositary.

Moreover, the Depositary shall maintain the UCITS's unitholder register on behalf of the Management Company.

The responsibilities of the Depositary are governed by Art. 33 of the UCITS Act as well as Commission Delegated Regulation (EU) 2016/438. The Depositary shall ensure that

- the sale, issue, redemption, paying out and cancellation of units of the UCITS or sub-funds are carried out in accordance with the provisions of the UCITS Act and the constituent documents;
- the valuation of the units of the UCITS or the sub-funds is performed in accordance with the provisions of the UCITS Act and the constituent documents;
- in the case of transactions involving assets of the UCITS or the sub-funds, the equivalent is remitted to the UCITS or the sub-funds within the normal time limits;
- the proceeds of the UCITS or the sub-funds are used in accordance with the provisions of the UCITS Act and the constituent documents;
- the cash-flows of the UCITS or the sub-funds are properly monitored and shall guarantee, in particular, that all payments made upon subscription of units of the UCITS or a sub-fund by investors, or on behalf of investors, are received and that all monies of the UCITS or the sub-funds have been recorded in accordance with the provisions of the UCITS Act and the constituent documents.

### 5.7.1 Sub-Depositaries

The Depositary may delegate its depositary tasks, in accordance with the above-mentioned decrees and provisions, to one or more delegates (the "**Sub-Depositaries**"). Information about the depositary network and the list of Sub-Depositaries, to which the Depositary has delegated the safekeeping of asset eligible for safekeeping, may be accessed via <https://www.lgt.li/custodynetwork>.

In addition, information about the up-to-date status of the depositary network and the list of appointed Sub-Depositaries will be provided by the Depositary upon request. No conflicts of interest arise from the mentioned sub-custodial

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<sup>2</sup> Rules of procedure means the rules of procedure for the Investment Committee appointed by LGT PB Fund Solutions Ltd., as amended from time to time, which describe the composition, tasks, responsibilities, meetings, conflicts of interest management and other topics relevant for the performance of the Investment Committee's management tasks.

relationships for the Depositary. Upon request, the Depositary will provide additional information about any conflicts of interest which may potentially arise from sub-custodial relationships.

### 5.7.2 Information about the Depositary

Investors of the UCITS and its sub-funds can personally request up-to-date information from the Depositary about the latest status of the duties and obligations of the Depositary, the Sub-Depositaries, any potential conflicts of interests associated with the delegation of tasks, and information about the UCITS and its sub-funds from the above-specified contacts at any time.

The Depositary submits to the provisions of the Liechtenstein FATCA Agreement and the related implementing provisions under the Liechtenstein FATCA Act.

### 5.8 Administrator

**Unless otherwise specified in Annex A, the Management Company has delegated fund administration functions to LGT Financial Services Ltd., Herrengasse 12, FL-9490 Vaduz, Principality of Liechtenstein (the "Administrator").**

The specifics of the execution of any such mandate shall be laid down in an Administration Agreement entered into between the Management Company and the Administrator.

### 5.9 Auditor of the UCITS and the Management Company

PricewaterhouseCoopers Ltd., Birchstrasse 160, CH-8050 Zurich, Switzerland, acts as the auditor of the UCITS (the "Auditor").

KPMG (Liechtenstein) AG, Aeulestrasse 2, FL-9490 Vaduz, Principality of Liechtenstein, acts as the auditor of the Management Company.

The UCITS and the Management Company must have their operations audited by an independent auditor recognized by the Liechtenstein Financial Market Authority (FMA) pursuant to the UCITS Act once a year.

### 5.10 Conflicts of Interest

The Management Company, the Investment Managers, their holding companies, their holding companies' shareholders, any subsidiaries of their holding companies and the Depositary and Administrator and their respective affiliates, officers and shareholders, employees, delegates and agents (collectively the "**Parties**") are or may be involved in other financial, investment and professional activities which may on occasion cause a conflict of interest with the management of the UCITS and/or their respective roles with respect to the UCITS. These activities may include investing in, managing or advising other funds, purchases and sales of securities, banking, investment management and investment advisory services, brokerage services, valuation of unlisted securities (in circumstances in which fees may increase as the value of assets increases) and serving as officers, advisers or agents of other funds or companies, including funds or companies in which the UCITS may invest.

In particular, the Management Company and the Investment Managers (or their affiliates, officers and shareholders, employees, delegates and agents) may invest in the UCITS or any sub-fund. The Management Company and the Investment Managers may recommend to other funds which they manage or advise to invest (whether by way of cash or in specie subscriptions) in the UCITS or any sub-fund. The Management Company and the Investment Managers may be involved in advising or managing, or may hold investments in other investment funds which have similar or overlapping investment objectives to or with the UCITS or sub-funds. Each of the Parties will use its reasonable endeavors to ensure that the performance of their respective duties will not be impaired by any such involvement they may have and that any conflicts which may arise will be resolved fairly and in the best interests of Unitholders.

If a performance fee is payable by the UCITS to the Investment Managers in relation to any sub-fund, the amount of the performance fee will depend upon the sub-fund's performance. The Investment Managers may therefore have an incentive to cause a sub-fund to make investments that are riskier or more speculative than would otherwise be the case. The Investment Managers may have an interest in managing the terms and timing of sub-funds' transactions so as to maximize their fees.

There is no prohibition on transactions with the UCITS by the Management Company, the Investment Managers, the Administrator, the Depositary or entities related to each of the Management Company, the Investment Managers, the Administrator or the Depositary provided that such transactions are consistent with the best interests of Unitholders.

## 6 General Investment Conditions and Restrictions

Each sub-fund shall invest in compliance with the principle of risk diversification within the meaning of the UCITS Act, § 27 et seqq. of the Investment Conditions and Annex A, as well as the investment restrictions.

### 6.1 Investment Objective

The investment objective of each sub-fund is set out in Annex A.

## **6.2 Investment Policy**

The investment policy of each sub-fund is set out in Annex A.

The General Investment Conditions and Restrictions, as set out in § 25 et seqq. of the Investment Conditions, apply to each sub-fund, unless the provisions in Annex A differ from or supplement these stipulations.

## **6.3 Base Currency / Reference Currency of the Sub-Funds**

The base currency for each sub-fund as well as the reference currency for each unit class are set out in Annex A.

The base currency is the currency used in the accounting of the sub-funds. The reference currency is the currency in which the performance and the net asset value of the unit classes are calculated.

## **6.4 Profile of a Typical Investor**

The profile of a typical investor in the relevant sub-fund is described in Annex A.

# **7 Investment Rules**

## **7.1 Eligible Investments**

The sub-funds may invest their assets for the account of their investors solely in one or more of the following assets:

### **7.1.1 Securities and Money Market Instruments**

- a) listed or traded on a regulated market as defined in Art. 4 (1) no. 21 of Directive 2014/65/EU;
- b) that are traded on another regulated market of an EEA member state, which is recognized, open to the public and operates properly;
- c) that are officially listed on a securities exchange in a non-member state or traded on another market in a European, American, Asian, African or Pacific country, which is recognized, open to the public and operates properly.

### **7.1.2 Securities from New Issues, if**

- a) the terms and conditions of issue contain the obligation that admission to official listing and/or trading has been applied to at one of the securities exchanges or regulated markets listed under section 7.1.1 a) to c) of the Prospectus; and
- b) said admission has been obtained within one year following issuance.

**7.1.3** Units in a UCITS or other undertakings for collective investment comparable to a UCITS within the meaning of Art. 3 (1) no. 17 of the UCITS Act, provided these may, in accordance with their constituent documents, hold no more than 10% of their assets in units of another UCITS or other undertakings for collective investment comparable to a UCITS.

**7.1.4** Sight deposits or deposits at notice with a term of no more than 12 months held with credit institutions having their registered office in an EEA member state or a non-member state whose supervisory laws are equivalent to those within the EEA.

**7.1.5** Derivatives, whose underlying is an asset within the meaning of Art. 51 of the UCITS Act or financial indices, interest rates, foreign exchange rates or currencies. In the event of transactions with OTC derivatives, the counterparties must be supervised institutions of a category approved by the Liechtenstein Financial Market Authority (FMA) and the OTC derivatives must be subject to reliable and verifiable valuation on a daily basis and can be sold, liquidated or closed by an offsetting transaction at any time at their fair value at the initiative of the UCITS or the Management Company.

**7.1.6** Money market instruments that are not traded on a regulated market, provided that the issue or the issuer of such instruments is subject to the statutory provisions governing deposit and investor protection and provided that such money market instruments are:

- a) issued or guaranteed by a central, regional or local authority, a central bank of an EEA member state, the European Central Bank, the European Community or the European Investment Bank, a non-member state or, in the case of a federal state, by one of the members making up the federation, or by an international body of a public-law nature to which one or more EEA member states belong;
- b) issued by an undertaking whose securities are traded on the regulated markets specified under letter a) above;

- c) issued or guaranteed by an institution subject to supervision in accordance with the criteria prescribed by EEA law, or by an institution subject to and compliant with regulatory provisions that are equivalent to those laid down by EEA law; or
- d) issued by other issuers belonging to the categories approved by the Liechtenstein Financial Market Authority (FMA), provided that the investments in such instruments are subject to investor protection provisions that are equivalent to those under letters a) to c) above and provided that the issuer is either a company whose equity capital amounts to at least EUR 10'000'000, and which prepares and publishes its financial statements in accordance with Directive 78/660/EEC (implemented by the PGR in the Principality of Liechtenstein), or an entity that belongs to a group consisting of one or more exchange-listed undertakings and is responsible for financing of that group, or an entity entrusted with the provision of security for debt by means of a credit line provided by a bank.

**7.1.7** In addition, the sub-funds may hold cash and cash equivalents.

**7.1.8** A sub-fund may acquire movable and immovable assets that are essential for the direct performance of its activities.

## **7.2 Non-Eligible Investments**

The sub-funds may not:

**7.2.1** invest more than 10% of the assets of each sub-fund in securities and money market instruments other than those listed in section 7.1 of the Prospectus;

**7.2.2** acquire precious metals or precious metal certificates;

**7.2.3** carry out uncovered short sales.

## **7.3 Investment Limits**

**A. The following investment limits must be complied with for each sub-fund:**

**7.3.1** Each sub-fund may invest no more than 5% of its assets in securities or money market instruments of the same issuer and no more than 20% of its assets in deposits of the same issuer.

**7.3.2** The default risks from transactions of the UCITS in OTC derivatives with a credit institution as a counterparty that has its registered office in an EEA member state or a non-member state whose supervisory laws are equivalent to those in the EEA must not exceed 10% of the sub-fund's assets; for other counterparties, the maximum default risk is set at 5% of said assets of the sub-fund.

**7.3.3** Where 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 set in section 7.3.1 of the Prospectus will be raised from 5% to 10%. The 40% limit does not apply to deposits or OTC derivative transactions with supervised banks. When raising the issuer limit, any securities and money market instruments under section 7.3.5 of the Prospectus and any debt instruments under section 7.3.6 of the Prospectus are not taken into consideration.

**7.3.4** Notwithstanding the individual maximum limits as per sections 7.3.1 and 7.3.2 of the Prospectus, a sub-fund may not combine the following assets if this would lead to an investment of more than 20% of its assets with one and the same entity:

- a) securities or money market instruments issued by said entity;
- b) deposits with said entity;
- c) OTC derivatives acquired from this entity.

**7.3.5** Where the securities or money market instruments have been issued or guaranteed by an EEA member state, its local authorities, a non-member state or an international body of a public-law nature to which one or more EEA member states belong, the issuer limit set in section 7.3.1 of the Prospectus shall be raised from 5% to a maximum of 35%.

**7.3.6** Where debt securities are issued by a credit institution which has its registered office in an EEA member state and is subject by law to special public supervision designed to protect the holders of these debt securities and which, in particular, must invest the proceeds from the issue of these debt securities in assets that during the entire term of the debt securities are sufficient to cover the liabilities arising from the debt securities and which, upon default of the issuer, would have priority with regard to the repayment of principal and interest as they fall due, the upper limit referred to in section 7.3.1 of the Prospectus shall be raised for such debt securities

from 5% to a maximum of 25%. In this case, the total value of these investments must not exceed 80% of the relevant sub-fund's assets.

**7.3.7** The limits specified in sections 7.3.1 to 7.3.6 of the Prospectus may not be combined. The maximum issuer limit is 35% of the relevant sub-fund's assets.

Due to the applicable exemption granted by the Liechtenstein Financial Market Authority (FMA), the maximum limit of 35% may be exceeded.

In derogation of section 7.3.3 of the Prospectus and in accordance with Art. 56 of the UCITS Act as well as in accordance with the principle of risk diversification, up to 100% of the fund assets may be invested in securities and money market instruments, provided that any such security or instrument is issued or guaranteed by one and the same sovereign issuer. The sub-fund must hold securities of at least six different issues, with the securities of one single issue not exceeding 30% of the aggregate amount of the assets.

The UCITS may, on behalf of a sub-fund, invest more than 35% of the assets of a sub-fund in debentures of the following issuers, provided that the issuers and guarantors are the following public-law entities or international organizations:

- all OECD countries;
- all public-law entities from OECD countries;
- the African Development Bank;
- the Asian Development Bank;
- the Council of Europe Social Development Fund;
- Eurofima;
- the European Atomic Energy Community;
- the European Bank for Reconstruction & Development;
- the European Economic Community;
- the European Investment Bank;
- the European Patent Organization;
- the IBRD (World Bank);
- the Inter-American Development Bank;
- the International Finance Corporation;
- the Nordic Investment Bank.

**7.3.8** For the purposes of calculating the investment limits in section 7.3 of the Prospectus, companies of the same group are deemed to be one single issuer. For investments in securities and/or money market instruments of the same group, the issuer limit shall be raised to a total of 20% of the assets of the relevant sub-fund.

**7.3.9** Each sub-fund may invest no more than 20% of its assets in units of the same UCITS or in units of a collective investment comparable to a UCITS.

**7.3.10** Each sub-fund may invest no more than 20% of its assets in equities and/or debt securities of one and the same issuer if it is the objective of the relevant sub-fund, in accordance with its investment policy, to track the performance of a specific stock or bond index that is recognized by the Liechtenstein Financial Market Authority (FMA), provided that

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

This limit is 35% if this is justified by exceptional market conditions, in particular on regulated markets where specific transferable securities or money market instruments are particularly dominant. Investments up to this upper limit are only possible with one single issuer.

If the limits specified under sections 7.1 and 7.3 of the Prospectus are exceeded unintentionally or as a result of exercising subscription rights, the Management Company shall endeavor as a matter of priority to normalize

this situation when making sales, taking into account the interests of the investors. A sub-fund may deviate from the provisions of section 7.3 of the Prospectus within the first six months following its launch. The provisions under sections 7.1 and 7.2 of the Prospectus are not covered by this exemption and must be complied with at any time. The principle of risk diversification must constantly be observed.

**7.3.11** The sub-funds may subscribe, acquire and/or hold units that were issued or are to be issued by one or more other sub-funds of the same UCITS, provided that:

- the target sub-fund does not, in turn, invest in the sub-fund that is invested in this target sub-fund; and
- the proportion of assets, which the target sub-funds, whose acquisition is intended, are entitled to invest, in total, in units of other UCITS or undertakings for collective investment comparable to UCITS as per their prospectuses or constituent documents, does not exceed 10%; and
- any voting rights that are tied to the securities concerned are suspended for the period during which they are held by the relevant sub-fund, irrespective of any appropriate evaluation in the financial statements and the periodic reports; and
- the value of said securities is taken into consideration, without exemption and as long as said securities are held by the relevant sub-fund, when calculating the relevant sub-fund's net asset value, as prescribed by the UCITS Act, in order to verify the minimum amount of net assets in accordance with the UCITS Act; and
- the fee for the issuance or redemption of units is not applied several times, i.e. 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 hand.

**7.3.12** Where the investments as per section 7.3.9 of the Prospectus account for a material part of the sub-fund's assets, the sub-fund specific Annex must contain information on the maximum amount and the annual report must contain information on the maximum share of management fees which the sub-fund itself and the UCITS or the undertakings for collective investment comparable to a UCITS under section 7.3.9 of the Prospectus, whose units have been acquired, shall bear.

**7.3.13** Where units are managed, either directly or indirectly, by the Management Company of the UCITS or by a company linked to the Management Company of the UCITS via joint management, control or a qualifying holding, neither the Management Company of the UCITS nor the other company may charge a fee for the issuance or redemption of units of the sub-fund.

**7.3.14** A UCITS does not acquire voting shares of the same issuer for a sub-fund managed by it that would enable the UCITS to exercise material influence over the management of the issuer. Material influence is deemed to exist when the shareholding corresponds to 10% or more of the voting rights with regard to the issuer's shares. Where a lower threshold for the acquisition of voting rights with regard to the same issuer exists in another EEA member state, this threshold shall apply to the UCITS if acquires shares of an issuer with registered offices in this EEA member state for the UCITS or a sub-fund.

**7.3.15** The sub-funds may acquire financial instruments of one and the same issuer up to the following limits:

- a) 10% of the share capital of the issuer, provided this relates to non-voting shares;
- b) 10% of the total nominal value of debt securities or money market instruments of the issuer in circulation, where debt securities or money market instruments are involved. This limit does not have to be observed if the total nominal value cannot be determined at the time of acquisition.
- c) 25% of the units of the same undertaking, where units of other UCITS or undertakings for collective investment comparable to a UCITS are involved. This specific limit does not have to be observed if the net amount cannot be determined at the time of acquisition.

**7.3.16** Sections 7.3.14 and 7.3.15 of the Prospectus do not apply to:

- a) securities and money market instruments issued or guaranteed by a sovereign issuer;
- b) shares held by a sub-fund in the capital of a company based in a non-member state, that invests its assets mainly in the securities of issuers domiciled in the same non-member state, where under the legislation of said state, such holding represents the only way for the sub-fund to invest in securities of issuers domiciled in said state. In this respect, the requirements of the UCITS Act must be complied with;
- c) shares held by UCITS in the capital of their subsidiaries that organize the repurchase of shares upon request of investors, exclusively for the UCITS in their country of domicile.

In addition to the limitations listed in sections 7.3.1 to 7.3.16 of the Prospectus, any further limits set out in Annex A must be observed.

**B. A deviation from the investment limits is permissible in the following cases:**



- 7.3.17** Sub-funds are not required to comply with the investment limits when exercising subscription rights of transferable securities or money market instruments that form part of their assets. However, compliance must be restored within an appropriate time.
- 7.3.18** If the investment limits are exceeded, the Management Company shall strive, as a primary objective, for a normalization of this situation through sales, taking into account the best interest of the investors.
- 7.3.19** Sub-funds may deviate from the investment limits specified under 7.3 of the Prospectus during the first six months from their launch. The provisions under sections 7.1 and 7.2 of the Prospectus are not covered by this exemption and must be complied with at any time. The principle of risk diversification must constantly be observed.

**C. Active breach of investment limits/rules:**

- 7.3.20** A loss that is suffered on account of an active breach of the investment limits/rules must be reimbursed to the UCITS without undue delay in accordance with the respective valid code of conduct.

**7.4 Borrowing Restriction and Prohibition of Lending and Furnishing of Guarantees**

- 7.4.1** The assets of a sub-fund must not be pledged or otherwise encumbered, used or assigned as security or collateral, unless in connection with loans within the meaning of the following section 7.4.2 of the Prospectus or margins provided for the settlement of transactions involving financial instruments.
- 7.4.2** Sub-funds may take up temporary loans, provided that the loans do not exceed 10% of the sub-fund's assets; this limit does not apply to the purchase of foreign currency by way of a back-to-back loan.
- 7.4.3** Sub-funds may neither grant loans to, nor act as guarantor for, third parties. Any agreements entered into in violation of these prohibitions will bind neither the UCITS nor the sub-funds nor the investors.
- 7.4.4** The provision of section 7.4.3 of the Prospectus does not preclude the acquisition of not yet fully paid-in financial instruments.

**7.5 Use of Derivatives, Techniques and Instruments**

The overall exposure associated with derivatives shall not exceed the total net asset value of the relevant sub-fund, subject to further limitations specified in Annex A. As part of the investment strategy and within the limits specified in Art. 53 UCITS Act, the Management Company may use derivatives, provided that the overall exposure of the underlying assets does not exceed the limits specified in Art. 54 UCITS Act. Such exposure is determined taking into account the market value of the underlyings, the counterparty risk, future market movements and the time available to liquidate positions.

Unless precluded by investor protection considerations or public interest, investments the UCITS may hold in the form of index-based derivatives do not count towards the upper limits of Art. 54 UCITS Act.

Subject to approval from the Liechtenstein Financial Market Authority (FMA), the UCITS or a sub-fund may use techniques and instruments, involving securities and/or money market instruments, for the efficient management of the portfolios in compliance with the provisions of the UCITS Act. Such transactions have to be taken into account when determining the overall exposure.

**7.5.1 Risk Management Process**

The Management Company shall use a basic model for calculating the risks arising from the investment instruments, in particular with regard to derivatives, and shall use generally recognized calculation methods for this purpose. It shall ensure that overall exposure associated with derivatives does not exceed the total net asset value of the relevant sub-fund at any time and, in particular, that no positions are taken that represent an unlimited risk for the assets. When measuring the overall exposure, both its default risk and the leverage achieved with derivatives must be taken into account. Combinations of derivatives and securities must comply with these provisions at any time.

The Management Company may in particular use the following derivatives, techniques and instruments for the relevant sub-fund:

**7.5.2 Derivatives**

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

Subject to further limitations specified in Annex A, the overall exposure associated with derivatives shall not exceed 100% of the total net asset value of the relevant sub-fund. In this context, the overall exposure shall not exceed 200% of the total net asset value of the relevant sub-fund. In case of borrowing permitted under the UCITS Act (section 7.4.2 of the Prospectus), the total exposure shall not exceed 210% total net asset value of the relevant sub-fund.

The Commitment Approach is used as risk management method by the Management Company.

The Management Company may use for the sub-funds only the following basic forms of derivatives or combinations of these derivatives or combinations of these derivatives with other assets which may be acquired for the relevant sub-fund.

- 7.5.2.1** Forward contracts on securities, money market instruments, financial indices within the meaning of Art. 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 Art. 9 (1) of Directive 2007/16/EC, interest rates, exchange rates or currencies and on futures contracts pursuant to section 7.5.2.1 of the Prospectus, 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 other sign;
- 7.5.2.3** Interest rate swaps, currency swaps or cross-currency interest rate swaps;
- 7.5.2.4** Options on swaps pursuant to section 7.5.2.3 of the Prospectus, provided they have characteristics described in section 7.5.2.2 of the Prospectus (Swaptions);
- 7.5.2.5** Credit default swaps, provided that they serve exclusively and verifiably to hedge credit risk of precisely allocable assets of the UCITS or its sub-funds.

The above financial instruments may be assets on their own or components of assets.

### **Forwards**

Forwards represent an unconditional binding commitment for both contractual parties, in which a specific quantity of a specific underlying is bought or sold at a pre-defined future date and price. The Management Company may use for the account of the sub-funds forward contracts on securities and money market instruments as well as on financial indices within the meaning of Art. 9 (1) of Directive 2007/16/EC, interest rates, exchange rates or currencies, taking into account the provisions of the investment conditions and restrictions.

### **Options**

An option is the right, in return for a fee ("option premium"), to buy ("call option") or to sell ("put option") a specific asset at a pre-determined time ("time of exercise") or during a pre-determined period for a pre-determined price ("exercise price"). The option must be exercisable during the entire period or at the end of the term. In addition, the option value must be a fraction or a multiple of the difference between the exercise price and the market price of the underlying security, or is zero. The Management Company may conclude call options or put options for the account of the sub-funds on the securities and money market instruments as well as on financial indices within the meaning of Art. 9 (1) of Directive 2007/16/EC, interest rates, exchange rates or currencies, and may also trade in warrants, taking into account the provisions of the investment conditions and restrictions.

### **Swaps**

A swap is an agreement between two parties that involves the swapping of cash flows, assets, income, or risks. The Management Company may enter into swaps for the account of the sub-funds, provided that the Investment Conditions are adhered to. The swap transactions that may be concluded for the sub-funds include interest rate, currency, asset, equity and credit default swaps. This is not an exhaustive list.

### **Swaptions**

A swaption is an option on a swap. 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 under specified conditions at a certain point in time or within a certain period. In addition, the principles outlined in connection with options apply.

### **Credit Default Swaps**

Credit default swaps are credit derivatives that allow a potential credit default volume to be transferred to others. In exchange for assuming the credit default risk, the seller of the risk pays a premium to its counterparty. The Management Company may only acquire standardized credit default swaps for the sub-funds, which are used to hedge individual credit risks in the sub-funds. In all other respects, the principles outlined in connection with swaps apply.

### **Securitized Financial Instruments**

The Management Company may also acquire the aforementioned financial instruments if they are securitized. Transactions involving financial instruments may also be only partially securitized (e.g. warrant bond). The statements on opportunities and risks shall apply accordingly to such securitized financial instruments, subject, however, to the provision that the risk of loss for securitized financial instruments is limited to the value of the security.

#### **OTC Derivatives**

The Management Company may enter into derivative transactions which are admitted to trading on an exchange or included in any other organized market as well as so-called over-the-counter (OTC) transactions.

Derivative transactions which are neither admitted to trading on an exchange nor included in any other organized market may only be entered into by the Management Company with suitable credit institutions or financial service institutions on the basis of standardized master agreements. The counterparty risk for OTC derivatives shall be limited to 5% of the value of the sub-fund's assets for each counterparty. Where the counterparty is a credit institution with its registered office in the European Union, the European Economic Area or a non-member state with a comparable level of supervision, the counterparty risk may amount to up to 10% of the value of the sub-fund's assets. OTC-traded derivative transactions which were entered into with a central clearing house of a stock exchange or another organized market as contracting party shall not be taken into account when determining counterparty limits if such derivatives are subject to a daily valuation at market prices and subject to daily margin calls.

Where the sub-fund's assets comprise claims against an intermediary, such claims shall, however, be taken into account for the limits, even if the derivative is traded on a stock exchange or any other organized market.

#### **7.5.3 Securities Lending**

The UCITS does not engage in securities lending transactions.

#### **7.5.4 Repurchase Agreements**

The UCITS does not engage in repurchase transactions.

#### **7.5.5 Collateral Policy and Investment of Collateral**

##### **General Remarks**

In the context of OTC derivative transactions and efficient portfolio management techniques, the Management Company may receive collateral on behalf of and for the account of the sub-funds with a view to reduce its counterparty risk. This section sets out the collateral policy applied by the Management Company in such cases. All assets received by the Management Company on behalf of and for the account of the sub-funds in the context of efficient portfolio management techniques (securities lending, securities repurchase agreements, reverse repurchase agreements) shall be treated as collateral for the purpose of this section.

##### **Eligible Collateral**

Collateral received by the Management Company may be used to reduce its counterparty risk provided that it meets the criteria stipulated in the relevant applicable laws, regulations and guidelines issued by the Liechtenstein Financial Market Authority, in particular in terms of liquidity, valuation, issuer creditworthiness, correlation and risks related to the administration and enforceability of collateral. Above all, collateral should comply with the following conditions:

##### *Liquidity*

Any collateral other than cash or sight deposits shall be highly liquid at a transparent price and shall be traded on a regulated market or within a multilateral trading facility. In addition, collateral with a short settlement cycle shall be preferred over collateral with a long settlement cycle, as it can be converted into cash more quickly.

##### *Valuation*

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

##### *Credit Rating*

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

##### *Correlation*

The collateral is not issued or guaranteed by the counterparty or by a company belonging to the counterparty's group and does not show a high correlation with the counterparty's performance. However, investors' attention is drawn to the fact that in a difficult market environment, experience has shown 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 as well as 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 sub-fund's net asset value. In the case of collateral arising from multiple securities lending transactions, OTC derivative transactions and repurchase agreements attributable to the same issuer, originator or guarantor, the total exposure to such issuer shall be aggregated for the purpose of calculating the overall risk limit. By way of derogation from this sub-item, UCITS may be fully collateralized by various securities and money market instruments issued or guaranteed by an EEA Member State, one or more of its local authorities, a non-member state, or a public international body to which at least one EEA member state belongs. These UCITS should hold securities issued within the scope of 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 the above in accordance with the provisions set out in sections 7.3.5 - 7.3.7 of the Prospectus.

### **Safekeeping and Realization**

Provided that ownership of the transferred collateral has passed to the Management Company of the UCITS, the collateral received shall be held in safekeeping by the Depositary of the UCITS. Otherwise, the collateral must be held by a third-party custodian which is subject to prudential supervision and is independent of the service provider or is legally secured against the default of the related party.

It must be ensured that the UCITS can realize the value of the collateral at any time without delay and without taking recourse to or obtaining the consent of the counterparty.

### **Investment of Collateral**

Non-cash collateral, may not be sold, reinvested or pledged.

Cash collateral may only be:

- a) placed on deposit with a term of no more than 12 months with credit institutions which have their registered office in an EEA member state or a non-member state, whose supervisory laws are equivalent to those within in the EEA;
- b) invested in investment grade government bonds;
- c) used for the purpose of reverse repurchase transactions, provided that such transactions are entered into with credit institutions which have their registered office in an EEA member state or a non-member state, whose supervisory laws are equivalent to those within in the EEA;
- d) invested in short-term money market funds as defined in the Guidelines on a Common Definition of European Money Market Funds.

Any invested cash collateral should be diversified in accordance with the principle of risk diversification applicable to non-cash collateral.

In order to assess the value of collateral which is exposed to a non-negligible fluctuation risk, the UCITS must apply conservative haircuts. The Management Company shall have a haircut policy for the UCITS for each type of asset received as collateral and shall 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 performed. The haircut policy shall be documented and, with respect to the respective types of assets, shall make any decision to apply or refrain from applying a haircut transparent.

### **Amount of Collateral**

The Management Company shall determine the amount of collateral required for OTC derivative transactions and efficient portfolio management techniques by reference to the applicable counterparty risk limits set out in the Prospectus and by taking into consideration the nature and characteristics of transactions, the creditworthiness and identity of counterparties as well as the prevailing market conditions.

### **Haircut Policy**

Collateral shall be valued on a daily basis using available market prices and taking into account suitably conservative haircuts which shall be determined by the Management Company for each asset class based on its haircut policy. The policy takes into account a variety of factors, depending on the nature of the collateral received, such as the issuer's creditworthiness, the term to maturity, the currency, the price volatility of the assets and, where applicable, the outcome of liquidity stress tests conducted by the Management Company under normal and extraordinary liquidity conditions. The table below sets out the minimum haircuts deemed suitable by the Management Company as of the date of this Prospectus. These amounts may be stricter in individual cases and are subject to change.

<b>Collateral Instrument</b>	<b>Valuation Multiple (%)</b>
Cash (CHF, EUR, GBP, JPY, USD)	100
Government Bonds (OECD member states and supranational organizations and institutions (e.g. IMF))	100
Corporate Bonds	99
Convertible Bonds	95
Equities (only instruments included in the main indices; further restrictions to mitigate concentration risks)	95
Exchange Traded Funds (only fully secured ETF if they do not hold the securities themselves)	95

#### **7.5.6 Investments in Units of other UCITS or other Undertakings for Collective Investment comparable to a UCITS**

In line with its specific investment policy, a sub-fund may invest its assets in units of other UCITS or other undertakings for collective investment comparable to a UCITS. These other undertakings for collective investment must be limited by their prospectus or their constituent documents to hold no more than 10% of their assets in units of another UCITS or other undertakings for collective investment comparable to a UCITS. The investment limits in section 7.3 of the Prospectus allowing the sub-funds to invest up to 20% of their assets in the above-mentioned UCITS, must be complied with. Therefore, the sub-funds do not have a fund-of-fund structure.

Investors are advised that indirect investments incur additional indirect costs and fees, as well as remunerations and fees that are charged directly to the individual indirect investments.

#### **7.5.7 Additional Investment Provisions – German Investment Tax Act**

Where a Sub-Fund is classified as either an "Equity Fund" or a "Mixed Fund" pursuant to the requirements of the German Investment Tax Act, dated 19th July 2016, as may be amended from time to time ("Investmentsteuergesetz vom 19. Juli 2016 (BGBl. I S. 1730)" – InvStG 2018 – hereafter referred to as "**GITA**") the following additional investment provisions shall apply. Such classification will be set out in the investment policy in Annex A for such Sub-Fund.

A Sub-Fund shall qualify as an "Equity Fund" under GITA where such Sub-Fund, according to its investment guidelines, continuously invests at least 51% of its Net Asset Value in equity participations. A Sub-Fund shall qualify as a "Mixed Fund" under GITA where such Sub-Fund, according to its investment guidelines, continuously invests at least 25% of its Net Asset Value in equity participations.

For the purposes of the above classifications, equity participations are as defined in GITA and as summarised below:

- (1) shares of a corporation, which are admitted for trading on the official market of a stock exchange or listed on another organised market;
- (2) shares of a corporation which is not a real estate company and which:
  - a) is domiciled in a member state of the European Union or in another signatory state to the agreement on the European Economic Area and is subject to and not exempt from corporate taxation; or
  - b) is domiciled in a third country and subject to corporate taxation (without exemption) of a rate of at least 15%;
- (3) fund units in "Equity Funds" (as defined above and which meet the relevant criteria set out in GITA) in the amount of 51% of the net asset value of the fund unit or, if higher, in the amount of the equity quota of their net asset value published per each valuation day;
- (4) fund units in "Mixed Funds" (as defined above and which meet the relevant criteria set out in GITA) in the amount of 25% of the net asset value of the fund unit or, if higher, in the amount of the equity quota of their net asset value published per each valuation day;
- (5) fund units neither classified as "Equity Fund" nor as "Mixed Fund" in the amount of the equity quota of their net asset value published per each valuation day (at the frequency legally required) or in the amount of the minimum equity quota as outlined in their investment guidelines (i.e. documents of inception or prospectus, as applicable).

With the exception of the cases as described under paragraph numbers (3), (4) or (5) of this section 7.5.7, investment units in other investment funds do not qualify as equity participations.

Investment by a Sub-Fund in "equity participations" shall be subject to the investment restrictions in the Prospectus and Annex A for the relevant Sub-Fund.

## **8 Risk Warning Notice**

### **8.1 Sub-Fund Specific Risks**

The performance of the units depends on the investment policy as well as on market trends of individual investments of the relevant sub-funds and cannot be determined in advance.

**In this context, it should be noted that the value of the units may rise above or fall below the issue price at any time. There is no guarantee that investors will recover the full amount they initially invested.**

The sub-fund specific risks are set out in Annex A.

### **8.2 General Risks**

In addition to the sub-fund specific risks, the investments of the sub-funds may be subject to general risks. All investments in the sub-funds entail risks. Each of these risks can occur together with other risks. Some of these risks are covered briefly in this section. It should be noted, however, 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 make an investment decision only once they have obtained comprehensive advice from their legal, tax and financial advisers, auditors and other experts with regard to the suitability of an investment in units of the sub-funds of this UCITS against the background of their individual financial and tax situation as well as any other circumstances, the information contained in this Prospectus and the Investment Conditions and the investment policy of the relevant sub-fund.**

#### **Exogenous Conditions**

The operating results, financial conditions, activities, and prospects of a sub-fund could be materially affected by changes in market, economic, political, technological, regulatory and social conditions, as well as by numerous other factors outside the control of the Management Company.

#### **Limited Investment History**

Although the Management Company or the Investment Managers may have significant experience in the financial industry and with investment strategies similar to those employed by the sub-funds, sub-funds recently launched have no or a limited investment record. Accordingly, the past performance of the Management Company or the Investment Managers in respect of any one of the sub-funds as well as other funds managed by the Management Company or the Investment Managers should not be considered as an indication of future results.

#### **Market Risk**

This is a general risk inherent in all investments, stemming from the fact that the value of a certain investment may possibly change to the detriment of the UCITS or the sub-funds.

#### **Price Risk**

Losses in value of the investments in which the UCITS or the sub-funds invest may occur. In this case, the market value of the investments develops unfavorably compared to the cost price. Investments are also exposed to different price fluctuations (volatility). In extreme cases, the complete loss of value of the respective investments may be imminent.

#### **Economic Risk**

This is the risk of price losses resulting from the economic development not being taken into account to a sufficient degree, or not accurately, when making the investment decision, resulting in securities investments being carried out at the wrong time or securities being held during an unfavorable phase of the economic cycle.

#### **Concentration Risk**

The investment policy may provide for a certain focus, which may lead to a concentration of investments, i.e. in certain assets, countries, markets or sectors. In these cases, the UCITS and its sub-funds would be highly dependent on the development of any such asset, country, market or sector.

#### **Single country/specific region risk**

For single country/specific region sub-funds, the investments may be concentrated in a single country or a small number of countries or a specific region. The value of such sub-fund may be more volatile than a sub-fund having a more diversified portfolio of investments covering multiple countries. The value of such sub-fund may be more susceptible to an adverse economic, political, policy, foreign exchange, liquidity, tax, legal or regulatory event affecting the relevant market.

#### **Geographic concentration risk**

For sub-funds with a global investment universe, the sub-fund(s) may at times invest a large portion of its assets that are concentrated in certain geographical area. Therefore, its performance will be more strongly affected by any adverse social, political, government policy, foreign exchange, liquidity, tax, legal, regulatory, economic, environmental or market conditions within that area. This can mean higher volatility and risk of loss as compared to a sub-fund that invests more broadly.

#### **Sector concentration risk**

Some sub-funds may invest a large portion of its assets in a particular economic sector, and consequently, its performance may be more strongly affected by any business, industry, economic, financial or market conditions affecting that sector. This can mean higher volatility and risk of loss as compared to a sub-fund that invests more broadly.

#### **Emerging markets risk**

Sub-funds may invest in emerging and less developed markets. Investing in emerging and less developed markets is subject to greater risks than investing in securities of developed countries such as ownership and custody risks, political and economic risks, market and settlement risks, liquidity and volatility risk, legal and regulatory risks, taxation risk, execution and counterparty risk, and currency risk, which may adversely affect the net asset value per share of such sub-fund and investors may as a result suffer losses.

#### **Small-capitalization / Mid-capitalization Companies Risk**

The stock of small-capitalization / mid-capitalization companies may have lower liquidity and their prices are more volatile to adverse economic developments than those of larger capitalization companies in general.

#### **Depository Receipts Risk**

Investment into a given country may be made via direct investments into that market or by depository receipts traded on other international exchanges in order to benefit from increased liquidity in a particular security and other advantages. Investments in depository receipts may be subject to counterparty risk, in which a significant or even total loss might be suffered in the event of the liquidation of the depository or custodian bank.

#### **Currency Risk**

Where the UCITS or sub-funds hold foreign currency assets, such assets are exposed to a direct currency risk, unless its foreign currency positions are hedged. Falling exchange rates would lead to a decrease in the value of foreign currency investments. Conversely, the foreign exchange market also offers profit potential. In addition to direct currency risks there are also indirect currency risks. Internationally active companies are exposed to exchange rate developments to a greater or lesser extent. This may also have an indirect impact on the price development of investments.

#### **Inflation Risk**

Inflation may reduce the value of the investments. The purchasing power of the invested capital declines if the inflation rate is higher than the income generated from the investments.

#### **Psychological Market Risk**

Market sentiment, opinion and rumor may result in a significant price decline, even if the earnings situation and prospects of the companies in which investments are made might not have changed considerably. The psychological market risk has a particularly strong effect on equities.

#### **Derivatives Risk**

The UCITS or the sub-funds may make use of derivatives. These instruments may be used not only for hedging purposes but also as part of the investment strategy. The use of derivatives for hedging purposes may alter the general risk profile by reducing opportunities and risks. The use of derivatives for investment purposes can have an impact on the general risk profile by creating additional opportunities and risks.

Derivatives are not investment instruments in their own right, but rather rights whose value is primarily derived from the price and price fluctuations as well as expectations of an underlying instrument. Investments in derivatives are subject to general market risks, management risks, credit risks and liquidity risks.

Depending on the special features of derivatives (i.e. leverage), the aforementioned risks may take different forms and, in some cases, be greater than the risks incurred when investing in the underlying. The use of derivatives therefore not only requires an understanding of the underlying, but also sound knowledge of the derivatives themselves.

Derivatives also entail the risk that the UCITS or the respective sub-funds incur losses if another party involved in the derivative transaction (usually a "counterparty") defaults on its obligations.

The credit risk for derivatives traded on an exchange is usually lower than the risk associated with derivatives traded over the counter ("OTC derivatives"), as the clearing agency that acts as the issuer of or counterparty for every derivative traded on an exchange guarantees settlement. To reduce the aggregate default risk, this guarantee is backed by a payment system maintained by the clearing agency, which is used to calculate the amount of assets which are required to provide cover. There is no comparable clearing agency guarantee for OTC derivatives, and the UCITS or the relevant sub-funds must take the credit quality of each counterparty for an OTC derivative into consideration when assessing the potential credit risk. An OTC derivative may potentially not be closed out.

Moreover, there are liquidity risks, as certain instruments may be difficult to purchase or sell. In the event of large-scale derivative transactions or if the relevant market is illiquid (as may be the case for OTC derivatives), it may not always be possible to fully execute certain transactions, or it may only be possible to liquidate a position at a higher cost.

Additional risks encountered when using derivatives are incorrect price determination or incorrect valuation of derivatives. Many derivatives are complex and their valuation is often based on subjective assessments. Inappropriate valuations may result in higher claims for cash payments from counterparties or a loss in value for the UCITS or the relevant sub-funds. Derivatives are not always directly correlated with, and do not always develop in parallel with, the value of the assets, interest rates or indices they are derived from. Therefore, the use of derivatives by the UCITS or its sub-funds is not always an effective means of achieving the investment objective of the UCITS or the relevant sub-funds, and may even have the opposite effect.

### **Risk from Collateral Management in Connection with OTC Derivatives and Efficient Portfolio Management Techniques**

If the UCITS or the sub-funds carry out over-the-counter transactions (OTC transactions/efficient portfolio management techniques), they may be exposed to risks in connection with the creditworthiness of the OTC counterparties. When concluding forward contracts, options and swap transactions, securities lending, repurchase agreements, reverse repurchase agreements, or using other derivative techniques, the UCITS or the sub-funds are subject to the risk that an OTC counterparty does not (or cannot) meet its obligations under one specific or more transactions.

The counterparty risk can be reduced by depositing collateral. If collateral is owed to the UCITS or a sub-fund pursuant to applicable agreements, it will be held in custody by the Depositary for the benefit of the respective sub-fund. Cases of bankruptcy and insolvency or other credit default events at the Depositary or within its sub-depositary/correspondent bank network may result in the rights of the UCITS or the sub-funds in connection with the collateral being postponed or otherwise restricted.

If the UCITS or the sub-fund owes a security to the OTC counterparty pursuant to applicable agreements, such security 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 at the OTC counterparty, the Depositary, or within its sub-depositary/correspondent bank network may result in the rights or recognition of the UCITS or the sub-fund in connection with the collateral being postponed or impaired, which would force the UCITS or the sub-fund to fulfill its obligations under the OTC transaction notwithstanding any collateral provided in advance to cover such obligation.

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

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

A UCITS or a sub-fund may incur losses when investing the cash collateral received. Such a loss may result from a decrease in the value of the investment made with the cash collateral received. If the value of the invested cash collateral decreases, this will reduce the amount of collateral that is available to the sub-fund for return to the counterparty when the transaction is 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**

The UCITS or its sub-funds may also acquire assets that are not admitted to an exchange or included in any other organized market. This may result in securities not being tradable at the desired time and/or not in the desired quantity and/or not at the targeted price.

Assets that are traded on an organized market may also be subject to the risk that the market is not liquid at certain times. This may result in securities not being tradable at the desired time and/or not in the desired quantity and/or not at the targeted price.

### **Counterparty Risk**

There is a risk that the contractual partner (counterparty) fails to fulfill its contractual obligations. This may result in a loss for the UCITS or the relevant sub-fund.

### **Settlement Risk**

Particularly when investing in non-listed securities, there is a risk that settlement via a transfer system is not effected as planned due to delayed or non-compliant payment or delivery.

### **Issuer Risk (Credit Risk)**

Any deterioration of the issuer's solvency, or any insolvency on the part of the issuer, could mean a loss of the assets involved, or at least part thereof.

### **Country or Transfer Risk**

Country risk refers to the situation that arises when a foreign debtor, although not insolvent, is unable to fulfil its obligations on time, or unable to fulfil them at all, as a result of the fact that the country in which the debtor has its



registered office is either unable or unwilling to permit transfers (e.g. due to currency restrictions, transfer risks, moratoriums or embargoes). This may result in the non-receipt of payments to which the UCITS or the sub-fund is entitled or in payments being received in a currency that is no longer convertible as a consequence of currency restrictions.

### **Operational risks (including cyber security and identity theft)**

An investment in the UCITS or a sub-fund, like any fund, can involve operational risks arising from factors such as processing errors, human errors, inadequate or failed internal or external processes, failure in systems and technology, changes in personnel, infiltration by unauthorized persons and errors caused by service providers such as the Management Company or the Administrator. While the UCITS or a sub-fund seeks to minimize such events through controls and oversight, there may still be failures that could cause losses to the UCITS or a sub-fund.

The Management Company, the Administrator and the Depositary (and their respective groups) each maintain information technology systems. However, like any other system, these systems could be subject to cyber security attacks or similar threats resulting in data security breaches, theft, a disruption in the Management Company, the Administrator's and/or the Depositary's service or ability to close out positions and the disclosure or corruption of sensitive and confidential information. Notwithstanding the existence of policies and procedures designed to detect and prevent such breaches and ensure the security, integrity and confidentiality of such information as well as the existence of business continuity and disaster recovery measures designed to mitigate any such breach or disruption at the level of the UCITS or a sub-fund and its delegates, such security breaches may potentially also result in loss of assets and could create significant financial and or legal exposure for the UCITS or a sub-fund.

### **Valuation Risk**

Valuation of the investments of the UCITS may involve uncertainties and judgmental determinations. If such valuation turns out to be incorrect, this may affect the net asset value calculation of the UCITS.

### **Key Personnel Risk**

The UCITS or sub-funds whose investment performance is particularly positive during a certain period owe this success, among other things, to the skill of their specialists and thus to the correct decisions of their management. However, the composition of the management may change. New decision-makers might be less successful in their endeavors.

### **Portfolio Turnover**

Sub-funds may have relatively high turnover at times. Although the Management Company and/or the Investment Managers intend to limit turnover, the Management Company and/or the Investment Managers have the discretion to buy or sell investments at a rate that may result in high transaction costs.

### **Legal and Tax Risks**

The buying, holding or selling of investments of the sub-funds may be subject to tax provisions (e.g. withholding tax) outside of the UCITS's or the sub-funds country of domicile. Moreover, the legal and tax treatment of the sub-funds may change in an unforeseeable fashion, and the sub-funds may have no control over such changes. Amendments to the UCITS's or sub-funds' tax bases for previous financial years, which were proven to be incorrect (e.g. in tax audits), may lead to a correction that is disadvantageous to the investor from a tax perspective. As a consequence, the investor may have to bear the tax burden resulting from an amended tax assessment for previous financial years, even if the investor was not invested in the UCITS or the sub-funds at that time. Conversely, the investor may be faced with a situation where a favorable amended tax assessment for the current and previous financial years, in which the investor was invested in the UCITS or the sub-funds, does not benefit the investor as a result of the investor having redeemed or sold the units before the amendment took effect. Furthermore, the correction of tax data may result in taxable profits or tax benefits actually being assessed in a different tax assessment period from the correct one. This may have a negative impact on the individual investor.

### **Custody Risk**

The custody of assets involves a risk of loss that may result from insolvency or breaches of the custodian's duty of care or from force majeure.

### **Changes in Investment Policy**

The risk associated with the sub-funds may change if the investment policy changes within the legally and contractually permissible investment spectrum. Within the scope of the applicable Investment Conditions, the Management Company may at any time materially alter the investment policy of the sub-funds by amending the Prospectus and the Investment Conditions, including Annex A ).

### **Sustainability Risk**

Sustainability risks are environmental, social and governance (ESG) events or conditions that could potentially have negative impacts on the value of an investment. Sustainability risks, among others, may be divided into physical risks and transition risks. Further explanations on how sustainability risks are included in investment decisions and the expected impact on returns can be found in Annex A.

Physical sustainability risks: Physical sustainability risks are sustainability risks that arise from the impacts of climate change. They can arise from short-term events (e.g., periods of heat and drought, flooding, storms, hail, forest fires,

avalanches, etc.), as well as from long-term changes in climate (e.g., precipitation frequency and amounts, weather instability, sea-level rise, changes in ocean and air currents, ocean acidification, increases in average temperatures with regional extremes, etc.), and lead to market, credit, and operational losses.

Transition risks: Transition risks are the risks of any negative financial impact stemming from the current or prospective impacts of the transition to an environmentally sustainable economy.

### **Amendments to the Articles of Association and the Investment Conditions**

The Management Company reserves the right to amend the Investment Conditions as well as the Articles of Association under consideration of the applicable legal provisions. Moreover, it has the right under the Investment Conditions to completely dissolve a sub-fund or to merge it with another sub-fund. For the investor, this entails the risk that the investor may not achieve its envisaged holding period.

### **Risk of Suspension of Redemption**

In principle, investors may request their units to be redeemed in accordance with the sub-fund's valuation frequency. However, the Management Company may opt to temporarily suspend the redemption of units in extraordinary circumstances, and only redeem the units at a later time at the price applicable at that time (for further details see "Suspension of Calculation of the Net Asset Value and the Issuance, Redemption and Conversion of Units"). This price may be lower than the price prior to the suspension of redemption. A suspension of the redemption of units may be directly followed by a liquidation of the sub-fund.

### **Hedging Risk**

Unit classes whose reference currency is not the base currency can be hedged against exchange rate fluctuations. 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 benefit fully from positive exchange rate developments. Due to fluctuations in the volume hedged in the portfolio as well as ongoing subscriptions and redemptions, it is not always possible to maintain hedges at exactly the same level as the net asset value of the unit class being hedged. It is therefore possible that the net asset value per unit in a hedged unit class will not develop identically to the net asset value per unit in an unhedged unit class.

### **Political and Regulatory**

The value of a sub-fund's assets may be affected by uncertainties such as international political developments, changes in government policies, changes in taxation, restrictions on foreign investment and currency repatriation, currency fluctuations and other developments in the laws and regulations of countries in which investment may be made. Furthermore, the legal infrastructure and accounting, auditing and reporting standards in certain countries in which investment may be made may not provide the same degree of investor protection or information to investors as would generally apply in major securities markets.

### **Interest Rate Risk**

To the extent that the UCITS or its sub-funds invest in interest-bearing securities, they are exposed to interest rate risk. If market interest rates rise, the price of the interest-bearing securities may fall considerably. This applies even more so if the investments also include interest-bearing securities having a longer residual term and a lower nominal rate of interest.

### **Sovereign Debt Risk**

Investment in sovereign debt obligations issued or guaranteed by governments or their agencies of certain developing countries and certain developed countries may expose the fund to political, social and economic risks. A government entity's willingness or ability to repay principal and interest due in a timely manner may be affected by various factors. In the event that a government entity defaults on its sovereign debt, holders of sovereign debt, including the fund, may be requested to participate in the rescheduling of such debt and to extend further loans to the relevant government entity. The fund may suffer significant losses in such events.

### **Credit Ratings Risk**

Credit ratings of debt securities assigned by rating agencies are subject to limitations and do not guarantee the creditworthiness of the security and/or issuer at all times.

### **Credit risk / Default risk**

If the issuer of any of the fixed interest securities in which the sub-fund's assets are invested defaults, the performance of the sub-fund will be negatively affected, and the sub-fund could suffer substantial loss. For fixed income securities, a default on interest or principal may adversely impact the performance of the sub-fund. Decline in credit quality of the issuer may adversely affect the valuation of the relevant bonds and the sub-fund. The credit ratings assigned by credit rating agencies are subject to limitations and do not guarantee the creditworthiness of the security and/or the issuer at all times. Furthermore, most emerging market fixed interest securities are not given a rating by internationally recognized credit rating agencies and subject to the "Emerging market risk" set out in this section 8.2.

### **Below Investment Grade / Lower Rated or Unrated Investment Risk**

For sub-funds which may invest in bonds and other debt securities which are unrated or rated below investment grade by international accredited rating agencies. Such investment will be accompanied by a higher degree of credit and liquidity risk than is present with investment in higher rated securities. During economic downturns such bonds typically fall more in value than investment grade bonds as such are often subject to a higher risk of issuer default. The net asset value of the sub-funds may decline or be negatively affected if there is a default of any of the bonds with credit rating of below investment grade that the sub-fund invests in or if interest rates change.

### **Investment Grade Bond Risk**

Investment grade bonds are assigned ratings within the top rating categories by rating agencies (including but not limited to Fitch, Moody's and/or Standard & Poor's) on the basis of the creditworthiness or risk of default of a bond issue. Rating agencies review such assigned ratings and bonds may therefore be downgraded in rating if economic circumstances (e.g. subject to market or other conditions) impact the relevant bond issues. Downgrading of the bonds may adversely affect the value of the relevant bonds and therefore the performance of a sub-fund. A sub-fund may or may not be able to dispose of the bonds that are downgraded. Also, a sub-fund may face higher risks of default in interest payment and principal repayment. As a result, investors may get back less than they originally invested.

### **Credit Downgrading Risk**

The credit rating of debt securities or their issuers may subsequently be downgraded. In the event of such downgrading, the value of a sub-fund may be adversely affected. Such securities may not be able to be disposed of immediately and a sub-fund may therefore be subject to additional risk of loss.

### **Risks associated with Investments in Debt Instruments with Loss-Absorption Features**

Debt instruments with loss-absorption features are subject to greater risks when compared to traditional debt instruments as such instruments are typically subject to the risk of being written down or converted to ordinary shares upon the occurrence of pre-defined trigger events (e.g. when the issuer is near or at the point of non-viability or when the issuer's capital ratio falls to a specified level), which are likely to be outside of the issuer's control. Such trigger events are complex and difficult to predict and may result in a significant or total reduction in the value of such instruments. In the event of the activation of a trigger, there may be potential price contagion and volatility to the entire asset class. Debt instruments with loss-absorption features may also be exposed to liquidity, valuation and sector concentration risk. A sub-fund may invest in contingent convertible debt securities, commonly known as CoCos, which are highly complex and are of high risk. Upon the occurrence of the trigger event, CoCos may be converted into shares of the issuer (potentially at a discounted price), or may be subject to the permanent write-down to zero. Coupon payments on CoCos are discretionary and may be cancelled by the issuer at any point, for any reason, and for any length of time. A sub-fund may invest in certain types of senior non-preferred debts. While these instruments are generally senior to subordinated debts, they may be subject to write-down upon the occurrence of a trigger event and will no longer fall under the creditor ranking hierarchy of the issuer. This may result in total loss of principal invested.

### **Real estate and REITs risks**

Investments in equity securities issued by companies principally engaged in the business of real estate, and REITs in particular, will involve risks associated with the direct ownership of real estate. Such risks include, among others, possible declines in the value of real estate; risks associated with general and local economic conditions; possible lack of availability of mortgage funds; overbuilding; extended vacancies of properties; increases in competition; property taxes and transaction, operating and foreclosure expenses; changes in zoning laws; costs resulting from the clean-up of, and liability to third parties for damages resulting from, environmental problems; casualty or condemnation losses; uninsured damages from floods, earthquakes or other natural disasters and acts of terrorism; limitations on and variations in rents; and changes in interest rates. The underlying mortgage loans may be subject to the risks of default or of prepayments that occur earlier or later than expected, and such loans may also include so-called "sub-prime" mortgages. The value of REITs will also rise and fall in response to the management skill and creditworthiness of the issuer. In addition, the value of these securities may decline when interest rates rise and will also be affected by the real estate market and by the management of the underlying properties. REITs may be more volatile and/or more illiquid than other types of securities. A sub-fund and its shareholders will indirectly bear their proportionate share of expenses, including management fees, paid by each REIT in which they invest in addition to the expenses of the sub-fund.

### **China market risk**

For sub-funds that may invest in securities linked to the China markets, including China A Shares via the QFII/RQFII, the Stock Connects, equity linked or participation notes and collective investment schemes investing in China A Shares, such investments are subject to risks associated with investing in the China markets, including liquidity and volatility risk, foreign exchange, currency and repatriation risk, changes in social, political or economic policies, legal or regulatory event and uncertainties with respect to taxation policies. Securities exchanges in China typically have the right to suspend or limit trading in any security traded on the relevant exchange. The government or the regulators may also implement policies that may affect the financial markets. All of the above may have a negative impact on the sub-funds. The China A Share markets may have a lower level of liquidity. This could potentially lead to severe price volatility. High market volatility and potential settlement difficulties in the Chinese market may also result in significant fluctuations in the prices of the securities traded on these markets and thereby may adversely affect the value of the sub-funds. The sub-funds' investments in the China markets may therefore incur significant losses.

### **Payment of distributions out of capital risk**

For distributing share class, payment of dividends out of capital amounts to a return or withdrawal of part of an investor's original investment or from any capital gains attributable to that original investment. Any dividend payments, irrespective of whether such payment is made up or effectively made up out of income, realized and unrealized capital gains or capital, may result in an immediate reduction of the net asset value per share. A positive distribution yield does not imply a positive return on the total investment.

## 9 Participation in the UCITS

### 9.1 Selling Restrictions

As a general rule, units of the sub-funds may not be offered in jurisdictions or to persons in which or to whom it is unlawful to make such offer. The units of the UCITS are not registered for distribution in all countries of the world.

If units are issued, converted or redeemed in another country, the provisions of that country shall apply.

#### United States

Units of the UCITS must not be offered, sold or otherwise made available in the United States (as defined below).

The units of the UCITS have not been and will not be registered in accordance with the United States Securities Act of 1933, as amended (the "**Act of 1933**"), or in accordance with the securities laws of a state or any other political subdivision of the United States of America or its territories, possessions or other areas subject to its sovereignty, including the Commonwealth of Puerto Rico (the "**United States**"). The UCITS is not and will not be registered under the United States Investment Company Act of 1940, as amended, or under any other U.S. federal laws.

The units of the UCITS may not be offered, sold or otherwise transferred in the United States nor to or for the account of U.S. persons (within the meaning of Regulation S under the Act of 1933). Subsequent transfers of units of the UCITS within the United States or to U.S. persons are also not permissible. The units of the UCITS are offered and sold on the basis of an exemption from the registration requirements of the Act of 1933 pursuant to Regulation S of said Act.

The units of the UCITS have not been reviewed or approved by the U.S. Securities and Exchange Commission (the "**SEC**") or by any other regulatory or supervisory authority in the United States; furthermore, neither the SEC nor any other regulatory or supervisory authority in the United States has reviewed the accuracy or the appropriateness of this Prospectus or the benefits of the units of the UCITS.

#### **This Prospectus may not be brought into circulation within the United States.**

Moreover, units of the UCITS may not be offered, sold or delivered to the following persons/vehicles: (i) citizens of or persons domiciled in the United States; (ii) partnerships or stock companies established under the laws of the United States or one of its federal states; (iii) a trust for which (a) a court in the United States has primary supervision over its management and (b) for which one or more U.S. persons are authorized to exercise control over all material decisions of the trust; (iv) an estate (the "Estate") whose earnings, irrespective of their origin, are liable to U.S. income tax, other natural persons or legal entities whose income and/or earnings, irrespective of their origin, are liable to U.S. income tax, and/or legal entities with U.S. beneficial owners, U.S. controlling persons or U.S. partners/grantors/beneficiaries and/or (v) a person/legal entity who is treated or qualifies as a "Non-participating Foreign Financial Institution" (NPFFI), a "Non-Participating Financial Institution" (NFI) or a "Recalcitrant Account Holder" pursuant to Sections 1471 to 1474 of the U.S. Internal Revenue Code and present or future regulations of the U.S. Treasury Department or official interpretations thereof or tax or regulatory laws, rulebooks or standards accepted under intergovernmental agreements, contracts or treaties between government authorities that implement the relevant Sections of the U.S. Internal Revenue Code ("FATCA"), or (vi) persons who qualify as U.S. persons in accordance with Regulation S of the Act of 1933 and/or the U.S. Commodity Exchange Act as amended from time to time. Therefore, the investment may in particular not be acquired by the following investors (this list is not exhaustive):

- U.S. nationals, including dual citizens;
- Persons who live or are domiciled in the United States;
- Persons who are resident in the United States (Green Card Holders) and/or whose primary abode is in the United States;
- Companies, trusts, funds etc. domiciled in the United States;
- Companies that are classed as transparent for U.S. tax purposes and have investors mentioned in this Section and companies whose earnings are attributed to an investor mentioned in this Section within the framework of a consolidated statement for U.S. tax purposes;
- Legal entities with U.S. beneficial owners, U.S. controlling persons or U.S. partners/grantors/beneficiaries;
- "Non-participating Foreign Financial Institutions" (NPFFIs), "Non-participating Financial Institutions" (NFIs) or "Recalcitrant Account Holders" for FATCA purposes; or
- U.S. persons as defined by Regulation S of the Act of 1933, as amended from time to time.

The proposal or offer of units of the UCITS, which is the subject of this Prospectus, does not relate to a collective investment scheme which is authorized under section 286 of the Securities and Futures Act, 2001 of Singapore (the "**SFA**") or recognized under section 287 of the SFA. The UCITS is not authorized or recognized by the Monetary Authority of Singapore (the "**MAS**") and the units must not be offered to retail investors in Singapore. This Prospectus and any other document or material issued in connection with the offer or sale do not constitute a prospectus as defined in the SFA. Therefore, the statutory liability provisions under the SFA governing the contents of prospectuses do not apply. Investors are advised to consider carefully whether the investment is suitable for them.

This Prospectus has not been registered as a prospectus with the MAS. Accordingly, this Prospectus and any other document or material in connection with the offer or sale of units, or recommendation to subscribe or purchase units may not be circulated or distributed, nor may units be offered or sold, or be made the subject of a recommendation to subscribe or purchase, whether directly or indirectly, vis-à-vis persons in Singapore other than (i) to an institutional investor under section 304 of the SFA, (ii) to a relevant person pursuant to section 305 (1), or any person pursuant to section 305 (2), and in accordance with the conditions specified in section 305, of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

In the event that units are subscribed for or purchased, in accordance with section 305 of the SFA, by a relevant person:

- (a) which is a company (not being an accredited investor pursuant to the definition in section 4A of the SFA) whose sole business is to hold investments and whose entire share capital is owned by one or more persons each of whom is an accredited investor; or
- (b) which is a unit trust company (with the trustee not being an accredited investor) whose sole purpose is to hold investments and the beneficiaries of which are persons who are accredited investors;

the securities of this company described in (a) or the rights and interests of the beneficiaries (independent of their form or name) of this trust company described in (b) may not be transferred for a period of six months after this company or this trust company has purchased such securities in an offering made in accordance with section 305 of the SFA, except:

- (1) if to an institutional investor or a relevant person as defined in section 305 (5) of the SFA or to a person emerging from an offering mentioned in section 275 (1A) or section 305A (3)(i)(B) of the SFA;
- (2) if a transfer is not or must not be taken into consideration;
- (3) where the transfer is by operation of law;
- (4) as specified in section 305A (5) of the SFA; or
- (5) as specified in Regulation 36 of the Securities and Futures (Offers of Investments) (Collective Investment Schemes) Regulations 2005 of Singapore.

## Hong Kong

**WARNING:** The content of this document has not been reviewed by any regulatory authority in Hong Kong. Investors are advised to exercise caution in relation to the offer. Where an investor has any doubt whatsoever as to the content of this document, he is advised to consult an independent professional adviser.

The UCITS is a collective investment scheme but is not authorized under Section 104 of the Securities and Futures Ordinance of Hong Kong by the Securities and Futures Commission of Hong Kong. Accordingly, the distribution of this Prospectus, and the placement of units in Hong Kong, is restricted. This Prospectus may only be distributed, circulated or issued to persons who are professional investors under the Securities and Futures Ordinance and any rules made under that Ordinance or as otherwise permitted by the Securities and Futures Ordinance.

The distribution of this Prospectus and the offering of units of the UCITS may also be subject to restrictions in other jurisdictions.

## 9.2 Unit Classes

The UCITS or the Management Company may resolve to create one or more unit classes for any sub-fund as well as to terminate or consolidate existing unit classes. The unit classes may differ with respect to the application of income; distribution policy; subscription fees; redemption fees; denomination; currency hedging; remuneration for management; operations or other services; the minimum investment and minimum holding amount; distribution network; qualifying investors or other relevant differentiating terms / characteristics. As a result, due to the aforementioned differences in the terms / characteristics of a specific unit class, the investment performance may vary across different unit classes of a sub-fund despite that all unit classes of such sub-fund feed into the same portfolio of assets.

If a unit class is issued in a currency different from the base currency of that sub-fund (as set out in Annex A), the Management Company may enter into currency hedging transactions to hedge against exchange rate fluctuations between such unit class and the sub-fund. These hedging activities may cause both profit and loss, as the case may be. There can be no assurance that the currency hedging program will be entirely successful. The Management Company may terminate the currency hedging program. The profits and losses of such currency hedging will be allocated to the relevant unit class.

In setting up the unit classes, the UCITS seeks to adhere to the following convention:

- Unit class A units are generally distributing units, while unit classes B, C, and I1 are generally reinvesting units.
- Unless the UCITS or the Management Company determines otherwise in its sole discretion, unit class TH shall be open for investment by access collective investment vehicles domiciled in Thailand which are exclusively distributed by LGT Securities (Thailand) Ltd.
- Subject to the decision of the UCITS or the Management Company in each particular case, unit classes A and B are generally available to all eligible investors while unit class I1 is generally reserved for either (a) institutional investors who invest directly or (b) private-law foundations, where such relevant foundation is investing indirectly on behalf of an institutional investor who is a beneficiary of such foundation or (c) foundations with a charitable purpose according to private-law in their country of incorporation.
- Unit class C comprises retrocession-free units. Unless the UCITS or the Management Company determines otherwise in its sole discretion, unit class C shall be open for investment by (i) institutional investors; (ii) clients of banks in the United Kingdom of Great Britain and Northern Ireland and in the Netherlands; (iii) clients of LGT Group companies after signing a client services agreement; (iv) investors that have entered into advisory or discretionary management agreements with banks or asset management companies non-affiliated with LGT Group; and (v) investors that have entered into a cooperation agreement with the Management Company or its affiliate.

Institutional investors within the meaning of the above-described unit class I1 include in particular both domestic and foreign:

- companies subject to financial markets and insurance supervision (banks, etc.);
- institutions operating private or public-law occupational pension plans, including those of supranational organisations (pension funds, investment foundations, vested benefits foundations, banking foundations, etc.);
- institutions operating private or public-law pension schemes, including those of supranational organisations;
- collective investment schemes established under any jurisdiction and any legal form;
- holding, investment or financial services companies or operating companies with professional treasury if investing for their own account;
- single or multi-family offices with professional treasury; and
- national, local or supranational entities established under public-law of any description.

Assessment of institutional investor qualification in relation to clients that are serviced under an asset management agreement, is performed based on look-through to the ultimate beneficial owner; whereas in such relationship professional treasury is considered to be met.

The UCITS, the Management Company and/or the Depositary may at any time require the Unitholders to provide proof that they continue to meet the requirements for participation in a unit class. To the extent that banks, securities traders or other institutional investors hold units for the account of their clients, these organizations must, on request, provide proof that they hold these units for the account of clients who individually meet the specified requirements.

Unitholders who fail to furnish such evidence may be requested to comply or else to convert their units into units for which they meet the relevant requirements or redeem their units or transfer them to a Unitholder who meets these requirements. Where the Unitholder fails to comply with this request, the UCITS, or the Management Company on behalf of the UCITS, may effect a compulsory conversion of the relevant units into the units the requirements of which the Unitholder fulfils or effect a compulsory redemption (see section "Compulsory Redemption").

The UCITS or the Management Company on behalf of the UCITS, have absolute discretion to accept or reject in whole or in part any application for units. Consequently, the UCITS, or the Management Company on behalf of the UCITS, reserves the right to reject subscription applications from investors that do not meet the eligibility requirements of a particular unit class.

For more details including unit-specific fees and expenses, please see Annex A.

The UCITS Documentation pertains to all unit classes. The UCITS or the Management Company may liquidate existing unit classes and launch new unit classes, in which case the UCITS Documentation will be updated accordingly.

### 9.3 Calculation of the Net Asset Value per Unit

The net asset value (the "**NAV**") per unit of a relevant unit class is calculated by the Management Company or its agent/representative on each valuation day and at the end of the financial year (NAV day).

The NAV per unit of a unit class of the sub-funds is expressed in the base currency of the sub-fund or, if different, in the reference currency of the relevant unit class and will be determined as the share of the particular unit class of the assets of this sub-fund, reduced by any liabilities of the same sub-fund that are attributable to the relevant unit class, divided by the number of outstanding units in the relevant unit class. When units are issued or redeemed, the NAV will be rounded to two decimal places of the reference currency.

The net assets of the sub-funds are calculated in accordance with the following guidelines:

1. Securities officially listed on an exchange are valued at their last available price. Where a security is officially listed on more than one exchange, the last available price recorded on the exchange that is the principal market of the relevant security will be authoritative.
2. Securities not officially listed on an exchange, but traded on a market that is open to the public, are valued at their last available price. If a security is traded on various markets that are open to the public, then in case of doubt the most recently available price of the market that reports the highest liquidity shall be taken into account.
3. Securities or money market instruments with a remaining time to maturity of less than 397 days may be valued by adding or deducting the difference between purchase price (acquisition price) and redemption price (price at maturity) in line with the straight-line method. Valuation at the current market price is not required where the redemption price is known and fixed. Any changes in credit ratings are also taken into account.
4. Where the prices of investments are not in line with the market and where assets do not fall under the preceding nos. 1, 2 and 3, such investments and assets are valued at a price which would probably be obtained if the asset was sold, at market value, at the time of valuation and which is determined, in good faith, by the Management Company's Executive Board or by its agents/representatives or under its control or supervision.
5. OTC derivatives are valued on a verifiable daily basis to be determined by the Management Company, in good faith, in accordance with generally accepted valuation models that are verifiable by auditors and based on likely sales values.
6. UCITS or other undertakings for collective investment (UCI) are valued at the last determined and available asset value. Where the redemption of units has been suspended or no redemption prices have been determined, the relevant units as well as any other assets will be valued at the relevant market value, as determined by the Management Company in good faith and in accordance with generally accepted valuation models that are verifiable by auditors.
7. Where no tradable price is available for the relevant assets, such assets as well as any other legally permissible assets will be valued at the relevant market value, as determined by the Management Company in good faith and in accordance with generally accepted valuation models that are based on likely sales values and are verifiable by auditors.
8. Liquid funds are valued at their nominal value plus interest accrued.
9. The market value of securities and other investments denominated in a currency other than that of the fund will be converted into the relevant fund currency using the most recent mean rate of exchange.

The Management Company or a person mandated by it is authorized to temporarily apply other suitable valuation principles for the fund assets if the aforementioned valuation criteria appear to be unfeasible or inappropriate in light of extraordinary events. In the event of a large number of redemptions, the Management Company or a person mandated by it is entitled to value the units of the relevant fund on the basis of those prices that will, in all likelihood, be obtained when the necessary securities sales are effected. In this case, the same valuation method will be applied to any subscriptions or redemptions that were submitted at the same time.

### Swinging Single Pricing

For any sub-fund, the Management Company is entitled to apply a swinging single pricing mechanism for dealing with performance dilution issues that arise in the event of large inflows or outflows in order to ensure that existing investors are not materially disadvantaged by the negative impact from subscriptions, redemptions and/or conversions into and out of a sub-fund.

The swinging single pricing mechanism utilizes a single NAV per unit which may be adjusted upwards (premium) or downwards (discount) for net inflows or outflows by a maximum percentage (the "**Swing Factor**") on a given NAV day. The objective of an adjustment of the NAV per unit is to cover in particular, but not exclusively, the transaction costs, commissions, taxes, spreads and other costs incurred by a sub-fund as a result of subscriptions, redemptions and/or conversions into and out of a sub-fund. As a result, these costs will be borne by subscribing and redeeming investors as they are directly integrated into the calculation of the NAV per unit. The Swing Factor is typically applied when the net inflows or outflows exceed a certain threshold (the "**Swing Threshold**").

Under the swinging single pricing mechanism, the swinging single pricing committee (the "**SSP Committee**") decides upon the application of single swinging pricing to the sub-funds, the effective Swing Threshold and sets the Swing Factors based on an assessment of the above listed costs incurred in the relevant markets. The SSP Committee meets at least semi-annually, and ad-hoc as deemed necessary (such as in the case of substantial changes in financial market conditions or in the case of material changes to the sub-funds' investment policy). The SSP Committee takes into account and may rely upon advice by investment and risk management experts within or outside LGT Group Private Banking.

Annex A specifies whether or not a swinging single pricing mechanism is applied for a sub-fund and sets out the maximum Swing Factor and the Swing Threshold, where applicable.

The investors' attention is drawn to the fact that the performance calculated on the basis of the NAV may not correspond to the actual performance of the sub-fund's assets due to the NAV adjustment.

## 9.4 Issuance of Units

Initially, units may be purchased on the Initial Subscription Day at the Initial Subscription Price (as set out in Annex A). Thereafter, units are available at the Subscription Price on each Subscription Day (as set out in Annex A).

### 9.4.1 Minimum Subscription

The minimum initial subscription and the minimum additional subscription for units per Unitholder in respect of each sub-fund are set out in Annex A.

### 9.4.2 Subscription Process

Requests for subscription must be received by the Depositary on or before the Subscription Deadline (as set out in Annex A). Applications received after the Subscription Deadline will be recorded for subscription on the next following Subscription Day. Exceptions to this require the express consent of the Management Company and the Depositary and are only permitted in compliance with the provisions of forward pricing and in the interest of investors as well as in adherence to the principle of equal treatment of investors.

Subject to compliance with the relevant requirements for subscription in a sub-fund, a subscriber becomes a Unitholder and starts his or her participation in the units performance on and from the relevant Subscription Day.

A subscriber may not withdraw his or her subscription request once it has been submitted and received by the Depositary, unless the UCITS or the Management Company, acting in the best interests of the Unitholders, determines to permit the withdrawal of such request in whole or in part.

Unless the subscriber has made arrangements with the Management Company or the Depositary to make payment in some other currency or by other method, payment must be made in the class currency by the method set out in the constituent documents. Should other arrangements be made, application monies other than in the class currency will be converted into the class currency and all bank charges and other conversion costs will be deducted from the application monies prior to investment in units.

Full payment for units must be received by the Depositary on or before the Subscription Payment Day as set out in Annex A for each sub-fund. The UCITS or the Management Company on behalf of the UCITS may accept payment in securities, commodities, other financial instruments or other interests (the "**In-specie Subscription**"), or partly in cash and partly in specie, provided that such assets fall within the investment objective, policy and restrictions of the relevant sub-fund and the transfer of the said assets is in line with the tactical investment policy of the Management Company.

Unless the UCITS or the Management Company on behalf of the UCITS determines otherwise, no units will be issued until the relevant application monies and/or assets have been received in full by the sub-fund.

No units shall be issued unless full details of registration have been completed and all anti-money laundering requirements met.

Units will be in registered form only, and no unit certificates will be issued. A confirmation notice will be sent by the Depositary to subscribers whose application has been accepted after the net asset value per unit and the number of units issued to the subscribers have been determined.

### 9.4.3 Subscription Price

For each sub-fund, units in each class will be offered to investors on the Initial Subscription Day at the Initial Subscription Price as set out in Annex A for each sub-fund, subject to any Subscription Fee (see Annex A) as well as relevant taxes, levies or charges (see section "Costs and Fees").

Following the Initial Subscription Day, the units will be valued on the relevant Valuation Day. Thus, following the Initial Subscription Day, the subscription price per unit will be the net asset value per unit in respect of the Valuation Day which falls on the Subscription Day at which the units are issued (the "**Subscription Price**") plus the Subscription Fee, if such fee is applicable, as set out in Annex A for each sub-fund and subject to relevant taxes, levies or charges.

### 9.4.4 Subscription Restrictions

The UCITS or the Management Company on behalf of the UCITS, acting in the best interest of the Unitholders, may at any time reject subscription applications or temporarily limit, suspend or ultimately discontinue the issue of units, in which case any payments received in respect of subscription applications not yet processed will be returned without interest to the accounts from which they were originally debited (see section "Anti-Money Laundering and Countering Terrorist Financing Measures" of the Investment Conditions).

No units may be issued during a period of suspension of determination of net asset value, net asset value per class or net asset value per unit or during a period for which the UCITS or the Management Company, acting on behalf of the UCITS, has declared a suspension of the issue of units in one or more class. No application for units made during the period of such suspension shall be accepted by the Depositary.

### 9.4.5 Data Protection



Investors should note that by submitting the subscription application they are providing information to the UCITS and respectively its delegates and agents (in particular the Management Company, the Depositary, Administrator and the distributors, as applicable) which may constitute personal data within the meaning of the EU data protection regime introduced by the General Data Protection Regulation (Regulation (EU) 2016/679) (the "**Data Protection Legislation**"). This data will be used for the purposes of client identification and the subscription process, administration, transfer agency, statistical analysis, market research and to comply with any applicable legal or regulatory requirements and disclosure to the UCITS, its delegates and agents.

Subject to the requirements of the Data Protection Legislation, personal data may be disclosed and / or transferred to third parties including:

- a. regulatory bodies, tax authorities;
- b. delegates, advisers and service providers of the UCITS or the UCITS' duly authorized agents and any of their respective related, associated or affiliated companies wherever located (including to countries outside the EEA which may not have the same data protection laws as in Liechtenstein) for the purposes specified. For the avoidance of doubt, each service provider to the UCITS (including the Management Company, its delegates and its or their duly authorized agents and any of their respective related, associated or affiliated companies) may, subject to the requirements of the Data Protection Legislation, exchange the personal data, or information about the investors in the UCITS, which is held by it with another service provider to the UCITS; and
- c. Target investments that require information regarding investors and beneficial owners of investors according to their local KYC/CTF regulation.

Personal data will be obtained, held, used, disclosed and processed for any one or more of the purposes.

Investors have a right to obtain a copy of their personal data kept by the Management Company and the right to rectify any inaccuracies in personal data held by the Management Company. Investors will also enjoy a right to be forgotten and a right to restrict or object to processing in certain circumstances. In certain limited circumstances a right to data portability may also apply. Where investors give consent to the processing of personal data, this consent may be withdrawn at any time.

## 9.5 Redemption of Units

A Redemption requests for units must be submitted using a redemption form, as provided by the Depositary upon request, by letter, email or facsimile, or by using an established electronic dealing platform.

### 9.5.1 Minimum Redemption Amount / Minimum Holding Amount

A partial redemption may be in an amount not less than the Minimum Redemption Amount as set out in Annex A for each sub-fund, which amount is subject to waiver, decrease or increase by the UCITS or the Management Company on behalf of the UCITS. It is expected that a Unitholder's remaining investment in the class will be at least the Minimum Holding Amount as set out in Annex A for each sub-fund, which amount is subject to waiver, decrease or increase by the UCITS or the Management Company on behalf of the UCITS. The UCITS or the Management Company on behalf of the UCITS may redeem compulsorily all or some of the units held by any Unitholder if the value of the Unitholder's aggregate holding of units in the class falls below the Minimum Holding Amount.

### 9.5.2 Redemption Procedure

Units may be redeemed on a Redemption Day as set out in Annex A for each sub-fund. Requests for redemption must be received by the Depositary on or before the Redemption Deadline as set out in Annex A for each sub-fund. Redemption requests received after the Redemption Deadline will be processed on the next following Redemption Day. Exceptions to this require the express consent of the Management Company and the Depositary and are only permitted in compliance with the provisions of forward pricing and in the interest of investors as well as in adherence to the principle of equal treatment of investors. Under normal circumstances, payment for redeemed units will be made within the Redemption Payment Day as set out in Annex A for each sub-fund.

The UCITS or the Management Company on behalf of the UCITS may under particular circumstances, e.g. in connection with a restructuring involving another sub-fund of the UCITS or other funds or sub-funds managed by the Management Company or a company part of the same group as the Management Company, shorten Redemption Deadlines in relation to a specific Redemption Day and sub-fund, provided always that the interest of the non-redeeming Unitholders shall not be adversely affected thereby.

A Unitholder may not withdraw a redemption request once it has been submitted and received by the Depositary, unless the UCITS or the Management Company on behalf of the UCITS, acting in the best interests of the Unitholders, determines to permit the withdrawal of such request in whole or in part.

A Unitholder will have no rights with respect to units redeemed (whether voluntarily or compulsorily) on and from the relevant Redemption Day (as set out in Annex A for each sub-fund), except the right to receive the redemption proceeds with respect to such units and any dividend or distribution that has been declared prior to such Redemption Day but has not yet been paid. In particular, the Unitholder ceases his or her participation in the units performance on and from the relevant Redemption Day.

Each payment and/or distribution of redemption proceeds (whether made in connection with a redemption request or a distribution to a Unitholder) shall be subject to the limitations on payments and/or distributions imposed by (a) laws, regulations or other restrictions established by applicable regulatory agencies or self-regulatory association, (b) any investment vehicle from which a sub-fund might directly seek to withdraw funds, or (c) any agreements entered into by, or binding upon, the UCITS, the Management Company or their delegates acting on behalf of the sub-fund. The UCITS or the Management Company shall determine the applicability of any such limitations on payments and/or distributions and the applicable amount to be withheld from any payment and/or distribution.

In particular, the UCITS, the Management Company or the Depositary may refuse to make a redemption payment to a Unitholder if the UCITS, the Management Company or the Depositary suspects or is advised that the payment of any redemption proceeds to such Unitholder may result in a breach or violation of any anti-money laundering law by any person in any relevant jurisdiction, or if such refusal is necessary to ensure the compliance by the UCITS, the Depositary, the Management Company, the Management Company delegates or service providers with any anti-money laundering law in any relevant jurisdiction.

### 9.5.3 Compulsory Redemption

The UCITS or the Management Company on behalf of the UCITS has the right to redeem compulsorily all or any of the units held by any Unitholder at any time (even where the redemption of units of any sub-fund or class has been suspended) subject to such liquidity constraints as may be applicable at that time under, but not limited to, the following circumstances:

- a) if it is in the best interest or for the protection of the Unitholders, the UCITS and/or a sub-fund;
- b) if a Unitholder or its beneficiary does not fulfil the eligibility criteria for a particular class;
- c) if a Unitholder is in breach of any law or requirement of any country or governmental authority or by virtue of which such person is not qualified to hold such units;
- d) if a Unitholder is, or has acquired such units on behalf of or for the benefit of a U.S. person, (except in transactions exempt from the registration requirements of the Securities Act and applicable state securities laws);
- e) if a Unitholder is in circumstances which in the opinion of the UCITS or the Management Company might result in regulatory, pecuniary, legal, taxation or material administrative disadvantage for the UCITS, a sub-fund or its Unitholders as a whole;
- f) if a Unitholder is suspected of utilizing "market timing", "late trading" or any other market techniques that may be detrimental to the position of other Unitholders in a sub-fund; or
- g) to give effect to any conversion, transfer, restructuring, split, merger, termination or roll-up policy.

### 9.5.4 Redemption Price

Units will be redeemed at the Redemption Price less the Redemption Fee, if such fee is applicable as set out in Annex A for each sub-fund and subject to relevant taxes, levies or charges (see section "Costs and Fees").

When units are voluntarily or compulsorily redeemed, the redemption proceeds may be paid in cash, or in securities, commodities or other financial instruments or other interests (the "**In-specie Redemption**") or in any combination thereof, unless the investor requests the redemption proceeds in cash.

When cash is distributed for a redemption, the proceeds will generally be paid in the class currency by wire transfer with no interest earned on such settlement. All costs of effecting any money transfer will be borne by the Unitholders and may be deducted from the redemption monies.

### 9.5.5 Redemption Restrictions

#### Delay of Payments

In the event that the UCITS or the Management Company on behalf of the UCITS determines that special circumstances have arisen, which include but are not limited to, (i) situations in which there is a default or delay of payments to a sub-fund by its underlying investments; or (ii) when remittance or transfer of monies upon the redemption of units is not reasonably practicable; or (iii) raising funds would be unduly burdensome to a sub-fund, the UCITS or the Management Company on behalf of the UCITS may resolve to delay payment of redemption proceeds in full or in part. Additionally, in the event redemption orders for a large number of units are received in respect of a Redemption Day, the UCITS or the Management Company on behalf of the UCITS, may decide to postpone the execution of all redemption orders so received until equivalent sub-fund's assets have been sold, without undue delay.

#### Liquidity Gate

In the event that proper notices for redemptions in respect of a particular Redemption Day exceed a certain percentage of the latest available net asset value (adjusted for any unaccounted but occurred subscriptions and/or redemptions) (the "Liquidity Gate Trigger"), as defined in Annex A for each sub-fund, the UCITS or the Management Company on behalf of the UCITS, may decide to limit the proportion of units available for redemption for that period to that number

which represents, at the sole discretion of the UCITS, or the Management Company on behalf of the UCITS, a reasonable estimate of the available liquidity in a sub-fund for that Redemption Day. The redemption proceeds will be distributed pro rata and pari passu to all affected Unitholders seeking redemption on that Redemption Day.

Redemption of units in excess of each affected redeeming Unitholder's pro rata portion shall be automatically carried forward to the next Redemption Day. Redemptions carried forward shall be treated equally with all other Unitholders seeking timely redemption of their units on that same Redemption Day, without regard to whether or not redemption requests were given with respect to previous Redemption Days and subject always to the threshold for each Redemption Day as described above.

### **Suspension of Redemptions**

The UCITS or the Management Company on behalf of the UCITS may suspend redemptions in any sub-fund:

- a) in order to effect orderly liquidation of all or some of the investments;
- b) if the disposal of all or some of the investments is not reasonable or reasonably practicable;
- c) when remittance or transfer of monies upon the redemption of units is not reasonably practicable;
- d) a decision is made to liquidate and wind down the sub-fund; or
- e) where special circumstances exist that warrant suspending redemptions in the best interests of the Unitholders, the UCITS and/or a sub-fund.

Any units the redemption of which has been suspended shall be redeemed once the suspension has ended at the Redemption Price calculated in respect of the next Redemption Day following the end of the suspension. No redemption requests shall be accepted during such period of suspension.

The Unitholders shall be notified of any suspension of redemptions and termination thereof.

### **Suspension of Determination of Net Asset Value**

Units may not be redeemed during a period of suspension of determination of net asset value, net asset value per class and/or net asset value per unit. No redemption requests shall be accepted during such period of suspension.

### **Limited Liquidity as a Result of Wind Down**

The liquidity of redemptions in any sub-fund during its wind down may be partially or fully restricted, as determined by the UCITS or the Management Company. Please see section "Dissolution".

## **9.6 Conversion of Units**

A conversion of units from one unit class to another unit class is only possible if the investor fulfills the requirements for the direct subscription of the respective unit class.

Where various unit classes are offered, investors may convert units of one unit class into units of another class. For the change from one unit class to another at the request of the investor, the Management Company may charge a fee on the net asset value of the original unit class as set forth in Annex A.

Where the conversion of units is not possible with regard to certain unit classes, this will be specified for the relevant unit class in Annex A.

The number of units into which the investor wishes to convert the units held by him will be calculated in accordance with the following formula:

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

A = Number of units in any unit class into which the conversion is to be effected.

B = Number of units in any unit class from which existing units are to be converted.

C = Net asset value or redemption price of units submitted for conversion.

D = Currency exchange rate between any unit classes. Where both unit classes are valued in the same currency of account, the coefficient is 1.

E = Net asset value of units in any unit class that is the target of the conversion, plus taxes, fees and other levies.

In some countries, levies, taxes and/or stamp duties may be incurred when switching between unit classes.

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

1. there is a suspicion that the investor is performing "market timing", "late trading" or any other market techniques that may be detrimental to the position of investors as a whole;
2. the investor does not meet the requirements for the purchase of units; or
3. the units are sold in a country in which the sub-fund or the relevant unit class, as applicable, are not registered for distribution or have been acquired by a person who is not permitted to purchase such units.

The UCITS or the Management Company ensures that the conversion of units will be charged on the basis of the net asset value per unit, which is not known to the investor at the time of application (forward pricing).

The conversion of units may be discontinued in cases where section 9.7 of the Prospectus applies.

#### **9.7 Suspension of the Calculation of the Net Asset Value and the Issuance, Redemption and Conversion of Units**

The UCITS or the Management Company may temporarily suspend the calculation of the net asset value and/or the issuance, redemption and conversion of units of a sub-fund if this is warranted in the best interests of the investors, particularly under the following circumstances:

1. if the market which forms the basis for the valuation of a substantial part of the assets of the sub-fund has been closed, or trading in such market has been restricted or suspended;
2. in the event of political, economic or other emergencies; or
3. if trades on behalf of the sub-fund become in-executable due to restrictions on the transfer of assets.

The suspension of the calculation of the net asset value of one sub-fund does not impact the calculation of the net asset value of the other sub-funds, if before mentioned circumstances do not apply to the other sub-funds.

Furthermore, the UCITS may also decide to suspend the issuance of units, either permanently or temporarily, if new investments could impair the achievement of the investment objective.

In particular, the issuance of units will be temporarily discontinued if the calculation of the net asset value per unit is discontinued. If the issuance of units has been discontinued, the investors will be immediately informed about the reason and the time of said discontinuation by notice in the publication medium and the media specified in the Prospectus, Articles of Association and Investment Conditions or via permanent data carriers (letter, e-mail or similar).

Moreover, in order to safeguard the best interests of the investors, the UCITS shall be entitled to carry out larger redemptions only after it has become possible to sell assets of the relevant sub-fund, with due regard to the investors' interests, without delay, i.e. the UCITS shall be entitled to temporarily suspend redemptions.

As long as the redemption of units is suspended, no new units of the relevant sub-fund will be issued. Units whose redemption is temporarily restricted cannot be converted. The temporary suspension of redemptions of units of one sub-fund does not result in the temporary suspension of the redemption of units of other sub-funds that are not affected by the events in question.

The UCITS ensures that the relevant sub-fund has available sufficient liquid funds to enable, under normal circumstances, a redemption or conversion of units as requested by investors without undue delay.

The UCITS will notify the Liechtenstein Financial Market Authority (FMA), without undue delay, as well as the investors, in a suitable manner, of any suspended redemption or payment for units. Any subscription, redemption or conversion shall be settled after resumption of the calculation of the net asset value. Investors may revoke their subscriptions, redemptions or conversions until trading in the units has been resumed.

#### **10 Application of Income**

The unit classes of each sub-fund may either distribute or accumulate the proportion of the sub-fund's earnings to which these unit classes are entitled. Whether the relevant unit class is a distributing or accumulating unit class is set out in Annex A.

With respect to distributing unit classes, the Management Company may, at such times as it thinks fit, declare such dividends as appear to the Management Company to be justified by the profits in respect of such unit class being all or some portion of net income and/or all or some portion of the net realized gains.

Additionally, the Management Company may, at such times as it thinks fit and in accordance with the requirements of the Liechtenstein Financial Market Authority (FMA), also declare such dividends on any distributing unit class out of the capital of the relevant sub-fund to which such unit class is entitled.

No interest will be paid on declared distributions after their due date.

## 11 Tax Provisions

### 11.1 UCITS and Fund Assets

All Liechtenstein-based UCITS are subject to unrestricted taxation in the Principality of Liechtenstein and are subject to income tax. The income from the assets under management is exempt from taxation. Modified equity capital shall only be determined on the basis of equity capital not attributable to assets under management. Income tax is 12.5% of taxable net profits.

#### Issue Levy and Transfer Taxes<sup>3</sup>

The issuance of founder shares or shares in the share capital (as part of the equity capital) of an investment company with variable capital (SICAV) is not subject to any issuance or formation taxes. The same shall apply to the issuance of units in the assets under management. The transfer of title to the units against payment is subject to transfer taxes if one of the parties or an intermediary is a domestic securities trader. The redemption of founder shares or shares in the share capital is exempt from transfer taxes. A UCITS in the legal form of an investment company with variable capital is deemed to be an investor that is exempt from transfer taxes.

It is, however, noted that this assessment may change due to legislative changes, changes to case law as well due to a change in practice or clarification of practice by the relevant tax authorities. The Management Company may levy the stamp duty if, at the discretion of the Management Company, this is required by law, the legal situation so requires.

#### Withholding Taxes and/or Paying Agent Taxes

Both income and capital gains, whether distributed or accumulated, may be subject in part or in full to "tax withheld by the paying agent" (e.g. final withholding taxes, withholding under Foreign Account Tax Compliance Act) depending on the person who holds the units in the UCITS either directly or indirectly.

A UCITS in the legal form of an investment company with variable capital is not subject to withholding taxes in the Principality of Liechtenstein, i.e. it is exempt from coupon taxes or withholding taxes in particular. Where a UCITS in the legal form of an investment company with variable capital or any of its sub-funds generates income and capital gains from abroad, such income or capital gains may be subject to withholding taxes in the country of investment. Double taxation treaties may apply.

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

#### Automatic Exchange of Information (AEOI)

With respect to the UCITS or the sub-funds, a Liechtenstein paying agent may be obliged, in compliance with the AEOI agreements, to report the investors to the local tax authority or to carry out the corresponding statutory reports.

#### FATCA

The UCITS and its sub-funds are subject to the provisions of the Liechtenstein FATCA Agreement and the related implementing regulations as provided for under the Liechtenstein FATCA Act, as amended from time to time.

### 11.2 Natural Persons with Tax Domicile in the Principality of Liechtenstein

Private investors domiciled in the Principality of Liechtenstein must report their units as assets, and these will be subject to wealth tax. Earnings distributions or reinvested earnings of a UCITS in the legal form of an investment company with variable capital or any of its sub-funds are exempt from purchase taxes. Capital gains realized upon the sale of the units are exempt from purchase taxes. Capital losses cannot be deducted from taxable purchases.

### 11.3 Persons with Tax Domicile outside the Principality of Liechtenstein

The taxation of investors domiciled outside the Principality of Liechtenstein as well as any other tax implications of the holding, buying or selling of units is based on the tax laws of their relevant countries of domicile and, particularly with regard to the final withholding taxes, the country of domicile of the paying agent.

### 11.4 Certain Hong Kong Tax Considerations

#### 11.4.1 Taxation of the UCITS and its sub-funds

In general, exposure to Hong Kong profits tax will only arise if the UCITS and its sub-funds are considered as carrying on a trade or business (either by themselves or through an agent) in Hong Kong or are considered as having a permanent establishment in Hong Kong. If the UCITS and its sub-funds are regarded as carrying on a trade or business in Hong Kong, the UCITS and its sub-funds will be liable to Hong Kong profits tax at the standard rate of 16.5% on its Hong Kong sourced profits, excluding gains from sale of capital assets.

For the purpose of the UCITS and its sub-funds, Hong Kong sourced profits would generally include:

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<sup>3</sup> Pursuant to the Treaty regarding the inclusion of the Principality of Liechtenstein in the Swiss Customs Union, Swiss stamp duty law also applies in the Principality of Liechtenstein. The Principality of Liechtenstein is thus considered to be part of the national territory for the purpose of Swiss stamp duty laws.

- a) profits arising from the disposal of securities listed on and transacted through a Hong Kong stock exchange;
- b) profits arising from the disposal of securities listed on a stock exchange outside Hong Kong but traded over-the-counter in Hong Kong or from the disposal of unlisted securities where the contracts of purchase and/or sales are effected in Hong Kong. The term "effected" in this context refers not only to the execution of contracts but also to negotiations and all steps leading to the final conclusion of contracts; and
- c) interest income arising from trading of debt instruments in Hong Kong.

Interest on local bank deposit is statutorily tax exempt provided that certain conditions are fulfilled. Dividend income, subject to the refined FSIE regime that will come into operation from 1 January 2023 onwards, is generally not taxable for Hong Kong profits tax purposes.

Note that pursuant to the proposed refined foreign-sourced income exemption ("FSIE") regime in Hong Kong (i.e. Inland Revenue (Amendment) (Taxation on Specified Foreign-sourced Income) Bill 2022), 4 types of specified non-Hong Kong sourced income that are accrued and received in Hong Kong by an entity of a multinational enterprise group on or after 1 January 2023 may be deemed as Hong Kong sourced and taxable. The 4 types of specified non-Hong Kong sourced income are interest income, dividend income, disposal gain on equity interest and intellectual property income. Nevertheless, if the specified non-Hong Kong sourced income are received by an entity that fulfils the "economic substance" requirement for the purpose of the FSIE regime or the other exemption conditions are met (e.g. the participation exemption), the specified non-Hong Kong sourced income should continue to be non-taxable.

There is no withholding tax on interest or dividends derived in Hong Kong. However, the dividends received from a Hong Kong listed company may be subject to PRC withholding tax if that Hong Kong company is considered as a PRC tax resident enterprise ("TRE"). Disposal gain on shares or debt instruments of such TRE may also be subject to PRC withholding tax.

Notwithstanding the above general rules, the Inland Revenue (Profits Tax Exemption for Funds) (Amendment) Ordinance 2019 (the "Ordinance") provides that the profits earned by an investment fund are exempt from Hong Kong profits tax if certain conditions are met.

These conditions, as they pertain to the UCITS and its sub-funds, include:

- a) the UCITS and its sub-funds must fall into the definition of "fund" (as defined) under the Ordinance;
- b) the profits are derived from "qualifying transactions" or transactions incidental to the carrying out of the qualifying transactions ("incidental transactions"), where income from incidental transactions is subject to a 5% threshold. Please note that currently the Hong Kong Inland Revenue Department considers that interest income is income from incidental transactions and should be taxable if the interest income is Hong Kong sourced and the 5% threshold is exceeded; and
- c) either the "qualifying transactions" of the UCITS and its sub-funds are carried out by or through, or arranged in Hong Kong by, a "specified person" (e.g. a corporation holding any of the types of licenses issued by the SFC under Part 1 of Schedule 5 of the Securities and Futures Ordinance in Hong Kong) or the fund is a "qualified investment fund" (as defined).

"Qualifying transactions" includes a transaction in: "securities", "shares, stock, debentures, loan stocks, funds, bonds or notes of, or issued by, a private company", "futures contracts", "foreign exchange contracts under which the parties to the contracts agree to exchange different currencies on a particular date", "deposits other than those made by way of a money-lending business", "deposits made with a bank", "certificates of deposit", "exchange-traded commodities", "foreign currencies", "over-the-counter derivative products", and "an investee company's shares co-invested by a partner fund and The Innovation and Technology Venture Fund Corporation under the Innovation and Technology Venture Fund Scheme".

In addition, transactions in specified securities of a private company are subject to the following additional conditions:

1. the private company holds (directly or indirectly) not more than 10% of the value of its assets in Hong Kong immovable property (excluding infrastructure); and
2. (a) the investment fund has held the private company for not less than 2 years; or  
(b) the investment fund has held the private company for less than 2 years and does not have a controlling stake in the private company; or  
(c) the investment fund has held the private company for less than 2 years and has a controlling stake in the private company, and the private company does not hold more than 50% of the value of its assets in short-term assets (meaning an asset (i) that is not a qualifying transaction; (ii) that is not immovable property in Hong Kong; and (iii) that has been held by the company for less than 3 consecutive years before the date of disposal).

If the UCITS and its sub-funds carry out transactions that do not fall within the definition of qualifying transactions and incidental transactions, profits from such transactions may be subject to tax if they are Hong Kong sourced.

Whenever the UCITS and its sub-funds sell or purchase "Hong Kong stocks" as defined under the Hong Kong Stamp

Duty Ordinance, stamp duty will be imposed at the current rate of 0.13% on the consideration or the fair market value of the stocks (whichever is higher). The seller and the purchaser (as the case may be for UCITS and its sub-funds) will each be liable for stamp duty (i.e. total 0.26%).

#### **11.4.2 Taxation of Investors**

For a Unitholder where the interests in the UCITS and its sub-funds represent capital assets for Hong Kong profits tax purposes, gains arising from the sale or other disposal of the units in the UCITS and its sub-funds should be capital in nature and not taxable. However, in the case of certain Unitholders (e.g. dealers in securities, financial institutions and insurance companies carrying on a trade or business in Hong Kong), such gains may be considered to be trading gains and be subject to Hong Kong profits tax if the gains are considered Hong Kong sourced.

Distribution received by the Unitholders from the UCITS and its sub-funds should generally not be subject to tax in Hong Kong (whether by way of withholding or otherwise).

Under the Ordinance, there are certain anti-avoidance provisions ("Deeming Provisions") to prevent abuse or "round-tripping" by Hong Kong residents taking advantage of the tax exemption. These Deeming Provisions may apply, *inter alia*, where the Hong Kong resident investor who, alone or jointly with its associates (as defined in the Ordinance), holds beneficial interest of 30 per cent or more, whether direct, indirect or both, in a tax exempt fund, or holds any percentage where the exempt fund is an associate (as defined in the Ordinance) of the Hong Kong resident investors.

Under the Deeming Provisions, the Hong Kong resident investors would be deemed to have derived assessable Hong Kong sourced profits in respect of its proportion of the tax-exempt profits earned by the fund. Please note that this deemed taxable profits will arise even if the Hong Kong resident investors have not actually received any distribution from the tax exempt fund. The Deeming Provisions would not apply if the tax-exempt fund is considered as bona fide widely held.

Hong Kong stamp duty should not be imposed on the issuance of units by the UCITS to its Investors. As such, no Hong Kong stamp duty should be payable by the Unitholders in relation to their subscriptions of units. Provided the register of unitholders of the UCITS and its sub-funds will be maintained outside Hong Kong and the transfer of the units is not registered in Hong Kong, the transfer of units should not be subject to Hong Kong stamp duty.

This Hong Kong tax disclosure is general in nature and does not purport to cover all Hong Kong tax consequences of investing in the UCITS and its sub-funds.

The above is for general reference and Investors should consult their own independent professional advisers on the possible taxation consequences of their subscribing for, buying, holding, transferring, selling, redeeming or otherwise disposal of the units.

#### **11.5 Disclaimer**

The explanations on the tax situation are based on the legal situation and practice as it currently stands. Legislative changes, changes to legal practice and changes to the decrees and practice of the tax authorities are expressly reserved.

Investors are advised to consult their own professional advisers with regard to the relevant tax implications. Neither the UCITS, nor the Management Company, the Investment Managers, the Distributors, the Depositary or their representatives/delegates can be held liable for the investor's individual tax implications that arise from the sale or purchase or the holding of units.

### **12 Costs and Fees**

#### **12.1 Costs and Fees borne by the Investors**

##### **12.1.1 Subscription Fee**

To cover the costs incurred through the placement of units, the Management Company may charge a subscription fee as per Annex A on the net asset value of newly issued units in favor of the Management Company, the Depositary and/or the Distributors in the Principality of Liechtenstein or abroad.

##### **12.1.2 Redemption Fee**

For the payment of redeemed units, the Management Company may charge a redemption fee as per Annex A on the net asset value of the units redeemed in favor of the Management Company, the Depositary and/or the Distributors in the Principality of Liechtenstein or abroad.



### 12.1.3 Conversion Fee

For the change from one unit class to another at the request of the investor, the Management Company may charge a conversion fee on the net asset value of the original unit class being converted as set forth in Annex A in favor of the Management Company, the Depositary and/or the Distributors in the Principality of Liechtenstein or abroad.

## 12.2 Costs and Fees borne by the UCITS

### 12.2.1 Asset-Related Fees

#### All-In-Fee

The All-In-Fee refers to the fee structure encompassing various management and operational charges associated with the respective sub-fund as set out in Annex A for each sub-fund. The All-In-Fee includes three components:

- 1. Feeder Management Fee:** This is an annual fee that the Management Company is entitled to receive for investment management, operations, administration, and distribution (if applicable). The fee is calculated based on the net asset value per unit class as of each Valuation Day, as set out in Annex A for each sub-fund. It accrues on each Valuation Day and is debited on a pro-rata basis at the end of each month. The specific amount charged per sub-fund or unit class is disclosed in the annual report.
- 2. Master Management Fee:** This fee pertains to the management fee of the respective master fund, as defined in the constitutive documents of the master fund.
- 3. Master Operations Fee:** This fee covers the operational costs of the respective master fund, also defined in the constitutive documents of the master fund.

The All-In-Fee, therefore, is the total of the Feeder Management Fee, the Master Management Fee, and the Master Operations Fee, providing a single fee that covers the costs associated with the management and operation of each sub-fund.

### 12.2.2 Non Asset-Related Fees

#### Ordinary Expenses

In addition, the Management Company and the Depositary are entitled to compensation for the following expenses incurred in the exercise of their functions:

- internal and external costs for the preparation, printing, translation and forwarding of annual and semi-annual reports, of Key Information Documents (KID) or any other publications legally required;
- professional fees for legal services incurred by the Management Company or the Depositary when acting in the best interest of the investors;
- costs of the publication of notices from the UCITS/sub-funds to investors that are published in the publication media and, if applicable, any newspapers or electronic media specified by the UCITS/sub-funds, including price publications;
- fees and costs for permits (including their maintenance) and the supervision of a UCITS/sub-fund in the Principality of Liechtenstein and abroad;
- any and all taxes imposed on the assets, earnings and expenses of the UCITS, to the extent they are borne by the UCITS, including any applicable transfer stamp tax (Umsatzabgabe) as well as related interest and other costs, in the event that transfer stamp tax is incurred or accrued, due to changes in tax laws or due to a change in practice or clarification of practice by the competent tax authority;
- any fees incurred in connection with any listing of the UCITS/sub-funds and the distribution in the Principality of Liechtenstein and abroad (e.g. advisory, legal and translation costs);
- fees, expenses and remuneration, in line with actual expenses at market rates, in connection with the determination and publication of tax factors for EU/EEA countries and/or any other countries where the units have been admitted for distribution and/or issued by way of private placements;
- fees and costs caused by any other legal and regulatory rules that the Management Company needs to comply with when implementing the investment strategy (such as reporting and other costs necessary to comply with the European Market Infrastructure Regulation (EMIR; EU Regulation 648/2012));
- fees and costs for the auditors of the UCITS/sub-funds as well as remuneration to bodies or agents of the UCITS/sub-funds for the performance of duties under company law, in particular fees for the Board of Directors;
- fees of paying agents, representatives and other parties with similar functions in the Principality of Liechtenstein and abroad;
- an appropriate share in the costs of printed material and advertising incurred in direct connection with the offering and selling of units;
- fees of auditors and tax advisers, provided that these expenses are incurred in the best interest of the investors;
- costs of setting up and maintaining additional counterparties if it is in the best interest of the investors;
- administrative fees and reimbursement of costs of government agencies;



- costs in connection with legal requirements for the UCITS (e.g. reporting to authorities, Key Information Documents (KID));
- costs for the valuation of investments by a qualified, independent third party;
- costs of any extraordinary dispositions that may become necessary pursuant to the UCITS Act / UCITS Ordinance / directly applicable EEA law (e.g. amendments to the constituent documents);
- internal and external costs of preparing or amending, translating, filing, printing and forwarding the constituent documents in the countries in which the shares are distributed (this also applies to periodical reports and notices); and
- internal and external costs for recovering foreign withholding taxes, to the extent that these are recoverable for the account of the UCITS.

It should be noted that, for the purposes of recovering foreign withholding taxes, the Management Company does not undertake an obligation to recover such taxes and that such recovery is only carried out if the procedure is justified according to the criteria of materiality of amounts and proportionality of costs in relation to the amount which may be recoverable.

The relevant expenses applicable for the relevant sub-fund/unit class is shown in the annual report.

### **Transaction Costs**

Moreover, the sub-funds shall bear all costs, arising from the management of the assets, ancillary to the sale and purchase of investments (customary broker commissions, commissions, levies). In addition, the sub-funds shall bear any external costs, i.e. third-party fees incurred through the sale and purchase of investments. Such costs are set off directly against the cost or sales price of the relevant investments. In addition, any currency hedging costs are also charged to the relevant unit classes.

Any consideration included in a fixed flat-rate fee may not be additionally charged as an individual expense. Any remuneration paid to contracted third parties is, in any event, included in these fees.

In addition, the UCITS shall bear any applicable transfer stamp tax (*Umsatzabgabe*), including interest and other related costs in connection with transactions, in the event that transfer stamp tax is incurred or accrued, due to changes in tax laws or due to a change in practice or clarification of practice by the competent tax authorities.

### **Costs for Hedging the Currency of a Unit Class**

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

### **Formation Costs**

The costs for the formation of the UCITS and the initial offering of units will be expensed, over a period of not more than five-years, against the fund assets.

### **Liquidation Fees**

If the UCITS or a sub-fund is liquidated the Management Company and/or the Depositary may charge a liquidation fee of not more than CHF 15'000 for its own benefit. In addition, all third-party costs incurred in connection with the liquidation shall be borne by the UCITS/sub-fund.

### **Extraordinary Expenses**

Furthermore, the Management Company may charge extraordinary expenses to the relevant sub-fund's assets.

Extraordinary expenses comprise expenses which are incurred in the course of the ordinary business to safeguard the interests and were not foreseeable when the UCITS/sub-fund had been launched. More specifically, extraordinary expenses are the costs for the pursuit of legal claims in the interest of the UCITS/sub-fund or the investors. Moreover, all costs of extraordinary arrangements required under the UCITS Act and the UCITS Ordinance (e.g. amendments to fund documents), if any.

If transfer stamp tax (*Umsatzabgabe*) is levied as a result of changes in tax laws or as a result of a change in practice or clarification of practice by the relevant tax authorities, any related costs, in particular legal and tax advisory costs incurred to dispute corresponding claims by the tax authorities, may be charged to the UCITS as extraordinary disposition costs.

The Management Company is also entitled to charge costs related to transaction taxes to the fund assets provided that such costs arise as a consequence of an assessment or subsequent assessment which results from the revocation of the qualification as tax-exempt investor (by the competent authority) due to changes in the tax laws or practice or different interpretations thereof by the tax authorities.

### **Inducements**

In connection with the purchase and sale of assets and rights for the UCITS and its sub-funds, the Management Company, the Depositary and their agents/representatives, if any, shall ensure that inducements will inure, directly or indirectly, to the benefit of the UCITS and its sub-funds. The Depositary shall be entitled to withhold no more than 10% of the inducements as retention.

### **Remuneration of members of Board of Directors**

A maximum total amount of CHF 20'000 per annum may be charged by the UCITS for remuneration of members of the Board of Directors not employed by a company of LGT Group Private Banking and reasonable costs and expenses incurred by such members of the Board of Directors in the performance of their duties. The aggregate amount of remuneration paid to the members of the Board of Directors is shown in the annual report.

### **Total Expense Ratio**

The Total Expense Ratio before performance-based expenses (the "**TER**") is calculated on the basis of the code of conduct as in effect in its current version and includes all costs and fees charged to the UCITS's assets on an ongoing basis, with the exception of transaction costs. The TER of the UCITS is published in the semi-annual and annual report, insofar as it has already been published, and on the website of the LAFV ([www.lafv.li](http://www.lafv.li)).

### **Performance Fee**

Moreover, the Management Company is entitled to charge a performance related fee (the "**Performance Fee**"). Where a Performance Fee is charged, this is described in detail in Annex A.

## **12 Information to Investors**

The publication medium of the UCITS is the website of the LAFV ([www.lafv.li](http://www.lafv.li)).

Any and all notices to investors including on any amendments to the Articles of Association, the Investment Conditions and Annex A, are published on the website of the LAFV ([www.lafv.li](http://www.lafv.li)) as the publication medium of the UCITS.

The net asset value as well as the issue price and the redemption price of the units of the UCITS or any sub-funds or unit classes will be published, for each NAV day, on the website of the LAFV ([www.lafv.li](http://www.lafv.li)) as the publication medium of the UCITS.

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

## **13 Duration, Dissolution and Structural Measures of the UCITS**

### **14.1 Duration**

The UCITS and its sub-funds have been created for an indefinite time.

### **14.2 Dissolution**

Unless otherwise provided hereinafter, the following provisions regarding the liquidation of the assets under management of the UCITS, respectively its sub-funds, also apply to the dissolution of its unit classes.

The assets under management of the UCITS, respectively its sub-funds, may be liquidated by a resolution of the Board of Directors.

Investors shall be informed about the relevant resolution in the same way as described in § 36 "Information to Investors" below.

The UCITS or one of its sub-funds will be compulsorily liquidated in the events prescribed by law. The Board of Directors shall be entitled at any time to dissolve unit classes of the UCITS. The rules regarding the liquidation of the UCITS' own assets are laid down in Art. 25 and 26 of the Articles of Association.

Investors, their heirs or other beneficiaries are not entitled to request the liquidation of the UCITS' own assets or the dissolution of its sub-funds or any individual unit class.

The resolution for the dissolution of a sub-fund will be published on the website of the LAFV ([www.lafv.li](http://www.lafv.li)) as the publication medium of the UCITS or on permanent data carriers (letter, e-mail or similar). The Liechtenstein Financial Market Authority (FMA) shall receive a copy of the investor information. As from the day of such a dissolution resolution, no further units will be issued, converted or redeemed.

When the UCITS or one of its sub-funds is dissolved, the Management Company may immediately liquidate the assets under management of the UCITS or the relevant sub-fund in the best interests of the investors. In all other regards, the UCITS shall be dissolved in accordance with the provisions of the Liechtenstein Persons and Companies Act (PGR).

If the Board of Directors dissolves a unit class without dissolving the UCITS or the relevant sub-fund, then all units of that unit class shall be redeemed at their net asset value at that time. Any such redemption shall be published by the Management Company, and the Depositary shall disburse the redemption price for the benefit of the former investors.

The Management Company is entitled to establish provisions or provide security for costs, duties and taxes in connection with disputed positions and disputed liabilities in the event of the liquidation of the UCITS or one of its sub-funds, in particular, but not exclusively, in the event of pending official proceedings for the subsequent collection of transaction

taxes, such as, in particular, any stamp duties, insofar as the collectability of the corresponding amounts is at risk due to the imminent liquidation of the assets of the UCITS or a sub-fund.

### **Reasons for Dissolution**

To the extent that the net asset value of the UCITS or one of its sub-funds falls below the minimum value that is required to manage the UCITS, respectively the relevant sub-fund, in a financially efficient manner or where material changes have taken place in the political, economic or monetary environment, or as part of rationalization measures, or where any circumstances jeopardize the integrity or orderly functioning of the UCITS, respectively the relevant sub-fund, and/or the interests of the Investors, the Board of Directors may resolve to dissolve the UCITS, respectively the relevant sub-fund, or decide to redeem or cancel all Units of a unit class at the net asset value (with due allowance made for the actual realization prices and realization costs of the investments) on the valuation day on which the decision takes effect.

### **Dissolution Costs**

Any costs of dissolution of the assets under management of the UCITS or one of its sub-funds, will be borne by the assets under management of the UCITS, respectively the relevant sub-fund.

### **Dissolution and Bankruptcy of the Management Company or the Depositary**

In the event of dissolution or bankruptcy of the Management Company, the assets managed for the purposes of collective investment on behalf of the investors are not part of the bankruptcy estate of the Management Company and are not liquidated together with the Management Company's own assets. The UCITS and its sub-funds constitute separate funds in favor of their investors. Subject to approval by the Liechtenstein Financial Market Authority (FMA), the UCITS may be transferred to another management company or liquidated by means of a separate realization in favor of the investors. It is also possible to restructure the UCITS, where applicable, from an undertaking managed by a third-party management company into a self-managed UCITS.

In the event of bankruptcy of the Depositary, the assets under management of the UCITS, respectively its sub-funds must be transferred, subject to approval by the Liechtenstein Financial Market Authority (FMA), to another depositary or liquidated by means of separate realization in favor of the investors of the UCITS, respectively its sub-funds.

### **Termination of the Management Agreement or the Depositary Agreement**

In the event of termination of the Management Agreement, the management of the UCITS must be transferred, subject to approval by the Liechtenstein Financial Market Authority (FMA), to another management company or if no successor management company is found within the period of time specified in the Management Agreement, the UCITS shall be liquidated in accordance with the liquidation and dissolution provisions in the Articles of Association and the Investment Conditions. It is also possible to restructure the UCITS, where applicable, from an undertaking managed by a third-party management company into a self-managed UCITS.

In the event of termination of the Depositary Agreement, the net fund assets of the UCITS, respectively its sub-funds, must be transferred, subject to approval by the Liechtenstein Financial Market Authority (FMA), to another depositary or liquidated by means of separate settlement in favor of their investors.

## **14.3 Structural Measures**

Pursuant to Art. 38 of the UCITS Act, the Board of Directors of the UCITS may at any time and at its sole discretion, subject to prior approval by the competent supervisory authority, decide on the merger with one or more other UCITS, regardless of their legal form and irrespective of whether or not such other UCITS are registered in the Principality of Liechtenstein or elsewhere. Sub-funds and unit classes of the UCITS may also be merged with each other or with one or more other UCITS or other sub-funds or unit classes.

The Management Company is entitled, in the event of a merger of the UCITS or other structural measure in relation to the UCITS or one of its sub-funds, to set aside provisions for costs, duties and taxes relating to disputed positions and disputed liabilities in particular but not exclusively in the case of pending official proceedings for subsequent collection of transaction taxes, such as, in particular, any transfer stamp tax (*Umsatzabgabe*), to the extent that the recoverability of the corresponding amounts is at risk due to the merger or structural measure.

### **Investor Information and Investor Rights**

The investors shall be informed about the planned merger. The investor communication must allow investors to make an informed judgement about the implications of such plans for their investment and to exercise the rights under Art. 44 and 45 UCITS Act. Information communications in relation to mergers are published on the website of the LAFV ([www.lafv.li](http://www.lafv.li)) as publication medium of the UCITS.

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

### **Merger Costs**

Neither any of the assets of a sub-fund being part of the merger nor the investors will be charged with the legal, advisory or administrative costs associated with the preparation and execution of the merger.

These provisions also apply to any structural measures pursuant to Art. 49 (a) to (c) of the UCITS Act by analogy.

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 domicile of its feeder UCITS with the legally required information up to 60 days prior to the proposed effective date. In this case, the sub-fund concerned shall further grant the feeder UCITS the option to redeem or pay out all units before the merger becomes effective, unless the competent authority of the feeder UCITS's domicile approves the investment in units of the master UCITS resulting from the merger.

#### **14 Specific information for Individual Distribution Countries**

Pursuant to the applicable laws of the Principality of Liechtenstein, the constituent documents will be approved by the Liechtenstein Financial Market Authority (FMA). This approval covers only information regarding the implementation of the provisions of the UCITS Act. For this reason, Annex B, which is based on foreign law, is not subject to the review of the Liechtenstein Financial Market Authority (FMA) and thus not covered by the approval.

#### **15 Governing Law, Jurisdiction and Language**

The UCITS is governed by Liechtenstein law. Exclusive legal venue for any and all disputes arising between the investors, the UCITS, the Management Company and the Depositary is Vaduz, Principality of Liechtenstein.

However, with regard to the claims of investors from such countries, the UCITS, the Management Company and/or the Depositary may submit to the jurisdiction of countries in which units are offered and sold. Other mandatory statutory places of jurisdiction may apply.

The English version of this Prospectus shall be legally binding.

This Prospectus enters into force on 01. April 2025.

## Part II: Articles of Association of LGT Multi-Assets SICAV

### I. General Provisions

#### Art. 1 Firm Name

Under the firm name LGT Multi-Assets SICAV an investment company pursuant to Art. 7 UCITS Act is incorporated in accordance with Liechtenstein law in the form of a public limited company with variable capital (the "**UCITS**").

The UCITS is an umbrella structure comprising several sub-funds. Each sub-fund constitutes a pool of assets and liabilities separate from the other sub-funds of the UCITS and under Liechtenstein law, the assets of any one sub-fund are not available to meet the liabilities of another sub-fund.

#### Art. 2 Registered Office of the UCITS

The registered office of the UCITS is in Vaduz, Principality of Liechtenstein.

#### Art. 3 Objective of the UCITS

The only objective of the UCITS is the investment and management of assets for the purpose of the collective investment of capital for the collective account of investors by investing in eligible assets pursuant to the risk diversification principle in accordance with UCITS Act, the UCITS Ordinance, the Articles of Association and the Investment Conditions.

Taking into consideration the restrictions set forth by the UCITS Act and the UCITS Ordinance, the UCITS may take any and all measures that it considers appropriate in order to achieve its corporate object.

#### Art. 4 Duration of the UCITS

The UCITS has been established for an unlimited period of time.

### II. Share Capital

#### Art. 5 Share Capital and Founder Shares

The share capital of the UCITS is denominated in CHF. The base currency of the UCITS shall be CHF. The share capital of the UCITS is CHF 50'000 (in words: fifty thousand Swiss Francs), divided into 50 registered founder shares with a nominal value of CHF 1'000 each (the "**Founder Shares**"). The Founder Shares are fully paid in.

The Founder Shares are issued to the founders of the UCITS (the "**Founder Shareholders**") and represent the right to attend the general meeting and entitle the Founder Shareholders to exercise voting rights at the general meeting.

The share capital of the Founder Shareholders constitutes the assets of the UCITS itself and shall be separate from the assets under management of the UCITS. The Founder Shares entitle to participate only in the assets of the UCITS.

The share capital of the UCITS may be increased by the issuance of new Founder Shares to existing Founder Shareholders or third parties. The share capital may be decreased by the repayment of share capital, in whole or in part, by way of redeeming Founder Shares, without adhering to the procedure provided for increases or decreases of share capital.

Instead of issuing individual Founder Shares, the board of directors may issue share certificates for any number of Founder Shares or else refrain from issuing any physical shares or certificates whatsoever.

#### Art. 6 Assets under Management and Investor Units

In addition to the Founder Shares, the UCITS shall issue investor units (the "Units"). The Units are bearer units with no par value which are issued to the public, do not confer voting rights and do not carry the right to participate in the general meeting. Moreover, they do not entitle the holder to participate in the profits of the UCITS's own assets (i.e. those allocated to the Founder Shares). There will be no general meetings of the holders of the Units (the "**Unitholders**" or "**Investors**").

By virtue of these Units the Investors shall participate in the value of and income generated on the assets under management of the UCITS and its sub-funds in accordance with the Articles of Association and the Investment Conditions.

The assets under management may be subdivided into economically separate and mutually independent sub-funds. These sub-funds may in turn have multiple unit classes giving rise to differing rights and obligations within a single sub-fund.

The assets under management of the UCITS may increase as a result of the gradual issue of new Units to existing and new Investors and may decrease as a result of the gradual repayment in full or in part through the redemption of Units. Such increases and decreases shall not give rise to any requirement to comply with the procedures envisaged for an increase or decrease in the share capital. Whenever new Units are issued, the existing Unitholders shall not have any preferential subscription rights.

Except to the extent expressly provided in these Articles of Association, the aggregate liability of each Investor towards the UCITS and its sub-funds is generally limited to the amount, if any, unpaid on the Units held by the Investor. Claims based on violation of the terms of the Articles of Association and the Investment Conditions on the part of the Investor shall be reserved.

The assets of the Founder Shareholders shall be separate from those of the Unitholders.

The Investors shall not be entitled to take delivery of actual physical unit certificates.

The Units shall be kept in collective safe custody in order to avoid problems that might affect their transferability.

All Units of a sub-fund generally confer the same rights unless the board of directors resolves to issue different unit classes.

### **III. Corporate Bodies of the UCITS**

The corporate bodies of the UCITS are the general meeting, the board of directors and the auditor.

#### **A. General Meeting**

##### **Art. 7 Rights of the General Meeting**

The supreme body of the UCITS is the general meeting. The general meeting is comprised of the Founder Shareholders.

The general meeting has the following powers:

- electing of the board of directors and the auditor;
- approving of the income statement, the balance sheet and the annual report of the UCITS;
- passing resolutions on the appropriation of net profit, particularly the declaration of dividends;
- granting discharge to the members of the board of directors of the UCITS;
- passing resolutions on the formal acceptance of the Articles of Association and the liquidation or the merger of the UCITS;
- passing resolutions on adoptions of and amendments to the Articles of Association, by simple majority;
- passing resolutions on matters reserved to the general meeting by law or the Articles of Association or submitted to the general meeting by other corporate bodies.

##### **Art. 8 Annual General Meeting**

The eligibility for participating in the general meeting is governed by Art. 5 of these Articles of Association.

Within six months following the end of the financial year, an annual general meeting will be called and take place at the registered office of the UCITS or another venue specified in the invitation.

If all Founder Shareholders are present or represented and no objection is raised, the Founder Shareholders may hold a general meeting without adhering to the formal requirements for the convening of such a meeting and all relevant resolutions and business transacted shall be valid.

##### **Art. 9 Extraordinary General Meeting**

Extraordinary general meetings may be called at any time, in such manner as stipulated by the relevant laws. An extraordinary general meeting shall take place at the registered office of the UCITS or another venue specified in the invitation.

If all Founder Shareholders are present or represented and no objection is raised, the Founder Shareholders may hold an extraordinary general meeting without adhering to the formal requirements for the convening of such a meeting and all relevant resolutions and business transacted shall be valid.

## **Art. 10      Calling of a General Meeting**

The general meeting is convened by the board of directors in accordance with the relevant laws, internal guidelines and the Articles of Association.

The invitation for a general meeting, stating the agenda, must be forwarded no later than twenty days prior to the proposed day of the general meeting.

The UCITS shall determine the manner in which the Founder Shareholders participate in the general meeting.

## **Art. 11      Organization**

The president of the board of directors shall chair the general meeting. In the absence of the president, a member of the board of directors, as appointed by the board of directors, or a president elected by the general meeting shall chair the meeting.

The chairperson shall appoint the keeper of the minutes and the counter of the votes. The keeper of the minutes shall sign the minutes of the meeting together with the chairperson.

## **Art. 12      Passing of Resolutions and Voting Rights**

Each Founder Share confers one vote. The Founder Shareholders may represent their shares in person or through appointing a proxy, who does not need to be a Founder Shareholder.

In the event of a tie, the chairperson shall have the casting vote.

If in a vote an absolute majority is not reached in the first round, a second round shall be held, where a relative majority shall be sufficient.

Votes and resolutions shall be open, unless the chairperson or one of the Founder Shareholders requests a secret ballot.

Units, as distinct from Founder Shares, do not confer voting rights.

## **B.      Board of Directors**

### **Art. 13      Composition**

The board of directors of the UCITS (the "**Board of Directors**") will be composed of a minimum of three members.

The members of the Board of Directors shall be natural persons.

The Board of Directors is usually elected by the annual general meeting. The term of office of the members of the Board of Directors ends upon election of a new member replacing the previous office holder by the general meeting. Prior resignation or removal shall remain unaffected.

New members shall serve the term of office of those they replace.

The members of the Board of Directors may be re-elected at any time.

### **Art. 14      Self-Constitution**

The Board of Directors constitutes itself. Its president and a vice president (deputy) shall be elected from among its members.

### **Art. 15      Duties**

The Board of Directors is responsible for the overall supervision of the UCITS as well as for monitoring and controlling its management.

The Board of Directors represents the UCITS in relation to third parties and performs any and all functions that have not been delegated, whether by law, the Articles of Association, special rules or a separate agreement, to another corporate body of the UCITS or to third parties.

The Board of Directors is authorized to appoint a management company and a depositary and an investment committee for each sub-fund of the UCITS.

## **Art. 16 Appointment of the Management Company**

The Board of Directors is authorized to appoint, in its own responsibility and under a separate management agreement, a management company which is recognized as such under the UCITS Act to manage the UCITS, provided that such appointment complies with the Articles of Association and, where applicable, the provisions of the UCITS Act, the UCITS Ordinance and any other applicable laws. A management company licensed in any other member state of the EEA, which is entitled to perform the relevant activities via a domestic branch office or under the provisions for cross-border supply of services may also be appointed in this capacity. By virtue of said management agreement, the UCITS has delegated certain duties to the Management Company and the Management Company shall provide management services to the UCITS in accordance with the Articles of Association and the management agreement.

Notwithstanding the above, responsibility for the determination of the sub-funds' investment policy and fundamental decisions regarding structural measures of sub-funds or unit classes shall remain in the purview of the Board of Directors.

## **Art. 17 Meetings and Resolutions**

The Board of Directors shall meet, in person, by phone or by video conference, upon invitation of its president or his/her deputy whenever this is required.

Each member of the Board of Directors may request the president to convene a meeting without undue delay. Such requests must include the reason for the request.

The Board of Directors is deemed to have a quorum if the majority of its members is present.

Resolutions of the Board of Directors are passed by a simple majority of all votes cast. In addition, resolutions may also be passed by way of circular resolution, unless a member requests an oral discussion. Circular resolutions require unanimity and must be recorded in the minutes of the subsequent meeting.

The president of the Board of Directors has a vote; in case of a tie vote, the president's vote is the casting vote.

The discussions and resolutions of the Board of Directors shall be recorded in the form of minutes. Said minutes must be signed by the chairperson and the keeper of the minutes.

## **Art. 18 Signing Authority**

The members of the Board of Directors shall have joint signing authority with two signatures required.

In all other respects the Board of Directors shall regulate and confer signing authority, which as a general rule must involve a requirement for two signatures.

In the case of a management company or third company which for its part confers joint signing authority requiring two signatures, the Board of Directors shall be permitted to confer single signing authority on the management company in respect of the latter's areas of authority.

## **Art. 19 Conflicts of Interests and Incompatibility**

No contract, settlement or other legal transaction concluded by the UCITS with other UCITS shall be invalidated by the fact that one or more members of the Board of Directors or managers of the UCITS have interests in or holdings in another UCITS, or by the fact that they are a member of the Board of Directors, partner, director, manager, authorized representative or employee of the other UCITS.

Such director, manager or agent of the UCITS who is also a member of the board of directors, director, manager, agent or employee of another company with which the UCITS has concluded contracts or with which it otherwise has a business relationship shall not thereby lose the right to advise, vote and act in respect of matters relating to such contract or business.

In the event that a member of the Board of Directors, director or authorized representative has a personal interest in a matter of the UCITS, such member of the Board of Directors, director, or authorized representative of the UCITS shall inform the Board of Directors of such personal interest and shall not participate in the deliberation or vote on such matter. A report on this matter and on the personal interest of the member of the Board of Directors, director or authorized representative must be made at the next general meeting. If such person nevertheless votes, the vote shall be null and void.

The term "personal interest" as used in the preceding paragraph shall not apply to a relationship or interest which arises solely because the transaction is entered into between the UCITS on the one hand and the Management Company, the Depositary or any other company designated by the UCITS on the other hand.



## **C. Auditor**

### **Art. 20 Tasks and Appointment of the Auditor**

The general meeting shall appoint an Auditor who is registered in the Principality of Liechtenstein to audit the annual reports of the UCITS. The Auditor shall be appointed for a one-year period and may be re-elected. The general meeting may remove the Auditor from office at any time.

## **IV. Formation Costs, Information and Financial Year**

### **Art. 21 Formation Costs**

The costs for the formation of the UCITS and the initial offering of Units are approximately CHF 50'000 (the "**Formation Costs**") and shall be charged to assets under management of the sub-funds launched at the time of formation and amortized over the first five years of the sub-funds' existence. The Formation Costs shall be allocated pro rata to the respective sub-funds. Costs, which arise in connection with the launch of additional sub-funds, are charged to the sub-fund to which these costs are attributable and will be amortized over a period of up to five years.

The Formation Costs may include but are not limited to fees charged by the Liechtenstein Financial Market Authority (FMA), fees payable to the auditor, fees for incorporation and registration in the commercial register, translation costs, the costs, charges and expenses (including the fees of legal advisers) in relation to the preparation of the Prospectus, the Articles of Association and the Investment Conditions and the associated agreements and the costs of any legal, management and tax consultancy obtained in relation to the establishment of the UCITS.

### **Art. 22 Information to Founder Shareholders**

All notices from the UCITS to the Founder Shareholders shall be sent by post, e-mail or similar forms of communication.

### **Art. 23 Information to Investors and Third Parties**

All notices to the investors will be published by the UCITS on the website of the LAFV ([www.lafv.li](http://www.lafv.li)). Details regarding the information to Investors and the communication methods of this information are specified in § 36 "Information to Investors" of the Investment Conditions.

All notices to third parties will as well be made available by the UCITS on the website of the LAFV ([www.lafv.li](http://www.lafv.li)).

### **Art. 24 Financial Year**

The financial year shall commence on 1 January of each year and end on 31 December of the same year.

## **V. Liquidation of the UCITS**

### **Art. 25 Liquidation Resolution**

The general meeting of the Founder Shareholders may resolve at any time to dissolve and liquidate the UCITS' own assets in accordance with the statutory provisions.

The liquidation of the assets under management of the UCITS is regulated in section C "Dissolution of the UCITS, its Sub-Funds and Unit Classes" of the Investment Conditions.

### **Art. 26 Liquidation Costs**

Any costs of liquidation of the UCITS' own assets will be borne by the Founder Shareholders.

Details in respect of any costs of liquidation of the assets under management of the UCITS are specified in § 18 "Dissolution Costs" of the Investment Conditions.

## **VI. Final Provisions**

### **Art. 27 Amendments to the Articles of Association**

The general meeting may, subject to the requirements of the Liechtenstein Financial Market Authority (FMA), amend or supplement these Articles of Association, in whole or in part, at any time.

Material amendments thereto require prior approval of the Liechtenstein Financial Market Authority (FMA) and must not be implemented before they are approved by the Liechtenstein Financial Market Authority (FMA).

### **Art. 28 Governing Law, Jurisdiction and Legally Binding Language**

The UCITS is governed by the laws of the Principality of Liechtenstein. Exclusive place of jurisdiction for any and all disputes arising between the Unitholders, the UCITS, the Management Company, and/or the Depositary is Vaduz.

However, with regard to the claims of Unitholders from countries in which Units are offered or sold, the UCITS, the Management Company and/or the Depositary may submit themselves to the jurisdiction of such countries. Other mandatory statutory places of jurisdiction may apply. Foreign judgments are only recognized and enforced in the Principality of Liechtenstein if this is provided for in international treaties or if reciprocity is guaranteed by international treaties or a declaration of reciprocity by the government.

The legally binding language of these Articles of Association is German, except if the laws of any jurisdiction where Units are offered or sold require that in an action based upon information provided in a relevant document written in a language other than German the document translated into such other language and on which such action is based shall prevail.

### **Art. 29 General Provisions**

To the extent no rules are contained in these Articles of Association the relevant provisions of the applicable law, in particular the UCITS Act and the PGR, shall apply.

### **Art. 30 Entry into Force**

These Articles of Association shall come into force on 23 January 2025.

## Part III: Investment Conditions of LGT Multi-Assets SICAV

### A. General Provisions

#### § 1. Management Company and Depositary

The UCITS has appointed LGT PB Fund Solutions Ltd., Herrengasse 12, FL-9490 Vaduz, Principality of Liechtenstein (the "**Management Company**") to act as the Management Company of the UCITS within the meaning of the UCITS Act.

For each sub-fund's assets, the UCITS has mandated a bank or securities firm under the banking laws, having its registered office or branch in the Principality of Liechtenstein, as Depositary. The assets of the individual sub-funds may be held in custody by different Depositaries. The role of the Depositary is governed by the UCITS Act, Commission Delegated Regulation (EU) 2016/438 the Depositary Agreement and these Investment Conditions.

Unless otherwise specified in Annex A, LGT Bank Ltd., Herrengasse 12, FL-9490 Vaduz, Principality of Liechtenstein, acts as the depositary (the "**Depositary**").

#### § 2. Delegation of Tasks

In compliance with the provisions of the UCITS Act and the UCITS Ordinance, the Management Company may delegate some of its tasks to third parties for the purpose of the efficient performance of its business. The specifics of any such delegation will be set forth in an agreement between the Management Company and the relevant third party.

#### § 3. Calculation of the Net Asset Value per Unit

The net asset value (the "**NAV**") per unit of a relevant unit class is calculated by the Management Company or its agent/representative on each valuation day and at the end of the financial year (NAV day).

The NAV per unit of a unit class of the sub-funds is expressed in the base currency of the sub-fund or, if different, in the reference currency of the relevant unit class and will be determined as the share of the particular unit class of the assets of this sub-fund, reduced by any liabilities of the same sub-fund that are attributable to the relevant unit class, divided by the number of outstanding units in the relevant unit class. When units are issued or redeemed, the NAV will be rounded to two decimal places of the reference currency.

The net assets of the sub-funds are calculated in accordance with the following guidelines:

1. Securities officially listed on an exchange are valued at their last available price. Where a security is officially listed on more than one exchange, the last available price recorded on the exchange that is the principal market of the relevant security will be authoritative.
2. Securities not officially listed on an exchange, but traded on a market that is open to the public, are valued at their last available price. If a security is traded on various markets that are open to the public, then in case of doubt the most recently available price of the market that reports the highest liquidity shall be taken into account.
3. Securities or money market instruments with a remaining time to maturity of less than 397 days may be valued by adding or deducting the difference between purchase price (acquisition price) and redemption price (price at maturity) in line with the straight-line method. Valuation at the current market price is not required where the redemption price is known and fixed. Any changes in credit ratings are also taken into account.
4. Where the prices of investments are not in line with the market and where assets do not fall under the preceding nos. 1, 2 and 3, such investments and assets are valued at a price which would probably be obtained if the asset was sold, at market value, at the time of valuation and which is determined, in good faith, by the Management Company's Executive Board or by its agents/representatives or under its control or supervision.
5. OTC derivatives are valued on a verifiable daily basis to be determined by the Management Company, in good faith, in accordance with generally accepted valuation models that are verifiable by auditors and based on likely sales values.
6. UCITS or other undertakings for collective investment (UCI) are valued at the last determined and available asset value. Where the redemption of units has been suspended or no redemption prices have been determined, the relevant units as well as any other assets will be valued at the relevant market value, as determined by the Management Company in good faith and in accordance with generally accepted valuation models that are verifiable by auditors.
7. Where no tradable price is available for the relevant assets, such assets as well as any other legally permissible assets will be valued at the relevant market value, as determined by the Management Company in good faith and in accordance with generally accepted valuation models that are based on likely sales values and are verifiable by auditors.
8. Liquid funds are valued at their nominal value plus interest accrued.
9. The market value of securities and other investments denominated in a currency other than that of the fund will be converted into the relevant fund currency using the most recent mean rate of exchange.

The Management Company or a person mandated by it is authorized to temporarily apply other suitable valuation principles for the fund assets if the aforementioned valuation criteria appear to be unfeasible or inappropriate in light of extraordinary events. In the event of a large number of redemptions, the Management Company or a person mandated by it is entitled to value the units of the relevant fund on the basis of those prices that will, in all likelihood, be obtained when the necessary securities sales are effected. In this case, the same valuation method will be applied to any subscriptions or redemptions that were submitted at the same time.

### Swinging Single Pricing

For any sub-fund, the Management Company is entitled to apply a swinging single pricing mechanism for dealing with performance dilution issues that arise in the event of large inflows or outflows in order to ensure that existing investors are not materially disadvantaged by the negative impact from subscriptions, redemptions and/or conversions into and out of a sub-fund.

The swinging single pricing mechanism utilizes a single NAV per unit which may be adjusted upwards (premium) or downwards (discount) for net inflows or outflows by a maximum percentage (the "**Swing Factor**") on a given NAV day. The objective of an adjustment of the NAV per unit is to cover in particular, but not exclusively, the transaction costs, commissions, taxes, spreads and other costs incurred by a sub-fund as a result of subscriptions, redemptions and/or conversions into and out of a sub-fund. As a result, these costs will be borne by subscribing and redeeming investors as they are directly integrated into the calculation of the NAV per unit. The Swing Factor is typically applied when the net inflows or outflows exceed a certain threshold (the "**Swing Threshold**").

Under the swinging single pricing mechanism, the swinging single pricing committee (the "**SSP Committee**") decides upon the application of single swinging pricing to the sub-funds, the effective Swing Threshold and sets the Swing Factors based on an assessment of the above listed costs incurred in the relevant markets. The SSP Committee meets at least semi-annually, and ad-hoc as deemed necessary (such as in the case of substantial changes in financial market conditions or in the case of material changes to the sub-funds' investment policy). The SSP Committee takes into account and may rely upon advice by investment and risk management experts within or outside LGT Group Private Banking.

Annex A specifies whether or not a swinging single pricing mechanism is applied for a sub-fund and sets out the maximum Swing Factor and the Swing Threshold, where applicable.

The investors' attention is drawn to the fact that the performance calculated on the basis of the NAV may not correspond to the actual performance of the sub-fund's assets due to the NAV adjustment.

## § 4. Issuance of Units

Initially, units may be purchased on the Initial Subscription Day at the Initial Subscription Price (as set out in Annex A). Thereafter, units are available at the Subscription Price on each Subscription Day (as set out in Annex A).

### 4.1 Minimum Subscription

The minimum initial subscription and the minimum additional subscription for units per Unitholder in respect of each sub-fund are set out in Annex A.

### 4.2 Subscription Process

Requests for subscription must be received by the Depositary on or before the Subscription Deadline (as set out in Annex A). Applications received after the Subscription Deadline will be recorded for subscription on the next following Subscription Day. Exceptions to this require the express consent of the Management Company and the Depositary and are only permitted in compliance with the provisions of forward pricing and in the interest of investors as well as in adherence to the principle of equal treatment of investors.

Subject to compliance with the relevant requirements for subscription in a sub-fund, a subscriber becomes a Unitholder and starts his or her participation in the units performance on and from the relevant Subscription Day.

A subscriber may not withdraw his or her subscription request once it has been submitted and received by the Depositary, unless the UCITS or the Management Company, acting in the best interests of the Unitholders, determines to permit the withdrawal of such request in whole or in part.

Unless the subscriber has made arrangements with the Management Company or the Depositary to make payment in some other currency or by other method, payment must be made in the class currency by the method set out in the constituent documents. Should other arrangements be made, application monies other than in the class currency will be converted into the class currency and all bank charges and other conversion costs will be deducted from the application monies prior to investment in units.

Full payment for units must be received by the Depositary on or before the Subscription Payment Day as set out in Annex A for each sub-fund. The UCITS or the Management Company on behalf of the UCITS may accept payment in securities, commodities, other financial instruments or other interests (the "**In-specie Subscription**"), or partly in cash and partly in specie, provided that such assets fall within the investment objective, policy and restrictions of the relevant sub-fund and the transfer of the said assets is in line with the tactical investment policy of the Management Company.

Unless the UCITS or the Management Company on behalf of the UCITS determines otherwise, no units will be issued until the relevant application monies and/or assets have been received in full by the sub-fund.

No units shall be issued unless full details of registration have been completed and all anti-money laundering requirements met.

Units will be in registered form only, and no unit certificates will be issued. A confirmation notice will be sent by the Depositary to subscribers whose application has been accepted after the net asset value per unit and the number of units issued to the subscribers have been determined.

#### **4.3 Subscription Price**

For each sub-fund, units in each class will be offered to investors on the Initial Subscription Day at the Initial Subscription Price as set out in Annex A for each sub-fund, subject to any Subscription Fee (see Annex A) as well as relevant taxes, levies or charges (see section "Costs and Fees").

Following the Initial Subscription Day, the units will be valued on the relevant Valuation Day. Thus, following the Initial Subscription Day, the subscription price per unit will be the net asset value per unit in respect of the Valuation Day which falls on the Subscription Day at which the units are issued (the "Subscription Price") plus the Subscription Fee, if such fee is applicable, as set out in Annex A for each sub-fund and subject to relevant taxes, levies or charges.

#### **4.4 Subscription Restrictions**

The UCITS or the Management Company on behalf of the UCITS, acting in the best interest of the Unitholders, may at any time reject subscription applications or temporarily limit, suspend or ultimately discontinue the issue of units, in which case any payments received in respect of subscription applications not yet processed will be returned without interest to the accounts from which they were originally debited (see section "Anti-Money Laundering and Countering Terrorist Financing Measures").

No units may be issued during a period of suspension of determination of net asset value, net asset value per class or net asset value per unit or during a period for which the UCITS or the Management Company, acting on behalf of the UCITS, has declared a suspension of the issue of units in one or more class. No application for units made during the period of such suspension shall be accepted by the Depositary.

#### **4.5 Anti-Money Laundering and Countering Terrorist Financing Measures**

The Management Company and the Depositary are obliged to comply with the current provisions of the Due Diligence Act and the Due Diligence Ordinance prevailing in the Principality of Liechtenstein, as well as the Liechtenstein Financial Market Authority's guidelines, notifications and directives, as amended. The Management Company ensures that domestic distributors comply to these provisions as well.

Where any Liechtenstein authorized distributors themselves accept money from investors, they are under a duty of care in accordance with the Due Diligence Act and the Due Diligence Ordinance to identify the subscriber, to ascertain the beneficial owner, to create a profile of the business relationship and to comply with any and all local provisions for the prevention of money laundering and the financing of terrorism.

By acquiring units in the respective sub-fund, the investor expressly agrees that all parties involved in the acquisition of fund units (e.g. distributors) may provide the Management Company with all information and documents of the investor and the beneficial owner that the Management Company deems necessary or advisable at its own discretion in order to comply with the requirements of the Due Diligence Act and the associated Due Diligence Ordinance, irrespective of any conflicting data protection provisions.

Furthermore, the distributors and their selling agents must comply with any and all provisions for the prevention of money laundering and the financing of terrorism that are in force in the relevant distribution countries.

#### **4.6 Data Protection**

Prospective investors should note that by submitting the subscription application they are providing information to the UCITS and respectively its delegates and agents (in particular the Management Company, the Administrator, the Investment Managers and the distributors, as applicable) which may constitute personal data within the meaning of the Data Protection Legislation. This data will be used for the purposes of client identification and the subscription process, administration, transfer agency, statistical analysis, market research and to comply with any applicable legal or regulatory requirements and disclosure to the UCITS, its delegates and agents.

Subject to the requirements of the Data Protection Legislation, personal data may be disclosed and / or transferred to third parties including:

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

- c) Target investments that require information regarding investors and beneficial owners of investors according to their local KYC/CTF regulation.

Personal data will be obtained, held, used, disclosed and processed for any one or more of the purposes.

Investors have a right to obtain a copy of their personal data kept by the UCITS and the right to rectify any inaccuracies in personal data held by the UCITS. Investors will also enjoy a right to be forgotten and a right to restrict or object to processing in certain circumstances. In certain limited circumstances a right to data portability may also apply. Where investors give consent to the processing of personal data, this consent may be withdrawn at any time.

## **§ 5. Redemption of Units**

A Redemption requests for units must be submitted using a redemption form, as provided by the Depositary upon request, by letter, email or facsimile, or by using an established electronic dealing platform.

### **5.1 Minimum Redemption Amount / Minimum Holding Amount**

A partial redemption may be in an amount not less than the Minimum Redemption Amount as set out in Annex A for each sub-fund, which amount is subject to waiver, decrease or increase by the UCITS or the Management Company on behalf of the UCITS. It is expected that a Unitholder's remaining investment in the class will be at least the Minimum Holding Amount as set out in in Annex A for each sub-fund, which amount is subject to waiver, decrease or increase by the UCITS or the Management Company on behalf of the UCITS. The UCITS or the Management Company on behalf of the UCITS may redeem compulsorily all or some of the units held by any Unitholder if the value of the Unitholder's aggregate holding of units in the class falls below the Minimum Holding Amount.

### **5.2 Redemption Procedure**

Units may be redeemed on a Redemption Day as set out in Annex A for each sub-fund. Requests for redemption must be received by the Depositary on or before the Redemption Deadline as set out in Annex A for each sub-fund. Redemption requests received after the Redemption Deadline will be processed on the next following Redemption Day. Exceptions to this require the express consent of the Management Company and the Depositary and are only permitted in compliance with the provisions of forward pricing and in the interest of investors as well as in adherence to the principle of equal treatment of investors. Under normal circumstances, payment for redeemed units will be made within the Redemption Payment Day as set out in Annex A for each sub-fund.

The UCITS or the Management Company on behalf of the UCITS may under particular circumstances, e.g. in connection with a restructuring involving another sub-fund of the UCITS or other funds or sub-funds managed by the Management Company or a company part of the same group as the Management Company, shorten Redemption Deadlines in relation to a specific Redemption Day and sub-fund, provided always that the interest of the non-redeeming Unitholders shall not be adversely affected thereby.

A Unitholder may not withdraw a redemption request once it has been submitted and received by the Depositary, unless the UCITS or the Management Company on behalf of the UCITS, acting in the best interests of the Unitholders, determines to permit the withdrawal of such request in whole or in part.

A Unitholder will have no rights with respect to units redeemed (whether voluntarily or compulsorily) on and from the relevant Redemption Day (as set out in Annex A for each sub-fund), except the right to receive the redemption proceeds with respect to such units and any dividend or distribution that has been declared prior to such Redemption Day but has not yet been paid. In particular, the Unitholder ceases his or her participation in the units performance on and from the relevant Redemption Day.

Each payment and/or distribution of redemption proceeds (whether made in connection with a redemption request or a distribution to a Unitholder) shall be subject to the limitations on payments and/or distributions imposed by (a) laws, regulations or other restrictions established by applicable regulatory agencies or self-regulatory association, (b) any investment vehicle from which a sub-fund might directly seek to withdraw funds, or (c) any agreements entered into by, or binding upon, the UCITS, the Management Company or their delegates acting on behalf of the sub-fund. The UCITS or the Management Company shall determine the applicability of any such limitations on payments and/or distributions and the applicable amount to be withheld from any payment and/or distribution.

In particular, the UCITS, the Management Company or the Depositary may refuse to make a redemption payment to a Unitholder if the UCITS, the Management Company or the Depositary suspects or is advised that the payment of any redemption proceeds to such Unitholder may result in a breach or violation of any anti-money laundering law by any person in any relevant jurisdiction, or if such refusal is necessary to ensure the compliance by the UCITS, the Depositary, the Management Company, the Management Company delegates or service providers with any anti-money laundering law in any relevant jurisdiction.

### **5.3 Compulsory Redemption**

The UCITS or the Management Company on behalf of the UCITS has the right to redeem compulsorily all or any of the units held by any Unitholder at any time (even where the redemption of units of any sub-fund or class has been suspended) subject to such liquidity constraints as may be applicable at that time under, but not limited to, the following circumstances:

- a) if it is in the best interest or for the protection of the Unitholders, the UCITS and/or a sub-fund;

- b) if a Unitholder or its beneficiary does not fulfil the eligibility criteria for a particular class;
- c) if a Unitholder is in breach of any law or requirement of any country or governmental authority or by virtue of which such person is not qualified to hold such units;
- d) if a Unitholder is, or has acquired such units on behalf of or for the benefit of a U.S. person, (except in transactions exempt from the registration requirements of the Securities Act and applicable state securities laws);
- e) if a Unitholder is in circumstances which in the opinion of the UCITS or the Management Company might result in regulatory, pecuniary, legal, taxation or material administrative disadvantage for the UCITS, a sub-fund or its Unitholders as a whole;
- f) if a Unitholder is suspected of utilizing "market timing", "late trading" or any other market techniques that may be detrimental to the position of other Unitholders in a sub-fund; or
- g) to give effect to any conversion, transfer, restructuring, split, merger, termination or roll-up policy.

#### 5.4 Redemption Price

Units will be redeemed at the Redemption Price less the Redemption Fee, if such fee is applicable as set out in Annex A for each sub-fund and subject to relevant taxes, levies or charges (see section "Costs and Fees").

When units are voluntarily or compulsorily redeemed, the redemption proceeds may be paid in cash, or in securities, commodities or other financial instruments or other interests (the "**In-specie Redemption**") or in any combination thereof, unless the investor requests the redemption proceeds in cash.

When cash is distributed for a redemption, the proceeds will generally be paid in the class currency by wire transfer with no interest earned on such settlement. All costs of effecting any money transfer will be borne by the Unitholders and may be deducted from the redemption monies.

#### 5.5 Redemption Restrictions

##### Delay of Payments

In the event that the UCITS or the Management Company on behalf of the UCITS determines that special circumstances have arisen, which include but are not limited to, (i) situations in which there is a default or delay of payments to a sub-fund by its underlying investments; or (ii) when remittance or transfer of monies upon the redemption of units is not reasonably practicable; or (iii) raising funds would be unduly burdensome to a sub-fund, the UCITS or the Management Company on behalf of the UCITS may resolve to delay payment of redemption proceeds in full or in part. Additionally, in the event redemption orders for a large number of units are received in respect of a Redemption Day, the UCITS or the Management Company on behalf of the UCITS, may decide to postpone the execution of all redemption orders so received until equivalent sub-fund's assets have been sold, without undue delay.

##### Liquidity Gate

In the event that proper notices for redemptions in respect of a particular Redemption Day exceed a certain percentage of the latest available net asset value (adjusted for any unaccounted but occurred subscriptions and/or redemptions) (the "**Liquidity Gate Trigger**"), as defined in Annex A for each sub-fund, the UCITS or the Management Company on behalf of the UCITS, may decide to limit the proportion of units available for redemption for that period to that number which represents, at the sole discretion of the UCITS, or the Management Company on behalf of the UCITS, a reasonable estimate of the available liquidity in a sub-fund for that Redemption Day. The redemption proceeds will be distributed pro rata and pari passu to all affected Unitholders seeking redemption on that Redemption Day.

Redemption of units in excess of each affected redeeming Unitholder's pro rata portion shall be automatically carried forward to the next Redemption Day. Redemptions carried forward shall be treated equally with all other Unitholders seeking timely redemption of their units on that same Redemption Day, without regard to whether or not redemption requests were given with respect to previous Redemption Days and subject always to the threshold for each Redemption Day as described above.

##### Suspension of Redemptions

The UCITS or the Management Company on behalf of the UCITS may suspend redemptions in any sub-fund:

- a) in order to effect orderly liquidation of all or some of the investments;
- b) if the disposal of all or some of the investments is not reasonable or reasonably practicable;
- c) when remittance or transfer of monies upon the redemption of units is not reasonably practicable;
- d) a decision is made to liquidate and wind down the sub-fund; or
- e) where special circumstances exist that warrant suspending redemptions in the best interests of the Unitholders, the UCITS and/or a sub-fund.

Any units the redemption of which has been suspended shall be redeemed once the suspension has ended at the Redemption Price calculated in respect of the next Redemption Day following the end of the suspension. No redemption requests shall be accepted during such period of suspension.



The Unitholders shall be notified of any suspension of redemptions and termination thereof.

### **Suspension of Determination of Net Asset Value**

Units may not be redeemed during a period of suspension of determination of net asset value, net asset value per class and/or net asset value per unit. No redemption requests shall be accepted during such period of suspension.

### **Limited Liquidity as a Result of Wind Down**

The liquidity of redemptions in any sub-fund during its wind down may be partially or fully restricted, as determined by the UCITS or the Management Company. Please see section "Dissolution".

## **§ 6. Conversion of Units**

A conversion of units from one unit class to another unit class is only possible if the investor fulfills the requirements for the direct subscription of the respective unit class.

Where various unit classes are offered, investors may convert units of one unit class into units of another class. For the change from one unit class to another at the request of the investor, the Management Company may charge a fee on the net asset value of the original unit class as set forth in Annex A.

Where the conversion of units is not possible with regard to certain unit classes, this will be specified for the relevant unit class in Annex A.

The number of units into which the investor wishes to convert the units held by such investor will be calculated in accordance with the following formula:

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

A = Number of units in any unit class into which the conversion is to be effected.

B = Number of units in any unit class from which existing units are to be converted.

C = Net asset value or redemption price of units submitted for conversion.

D = Currency exchange rate between any unit classes. Where both unit classes are valued in the same currency of account, the coefficient is 1.

E = Net asset value of units in any unit class that is the target of the conversion, plus taxes, fees and other levies.

In some countries, levies, taxes and/or stamp duties may be incurred when switching between unit classes.

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

1. there is a suspicion that the investor is performing "market timing", "late trading" or any other market techniques that may be detrimental to the position of investors as a whole;
2. the investor does not meet the requirements for the purchase of units; or
3. the units are sold in a country in which the sub-fund or the relevant unit class, as applicable, are not registered for distribution or have been acquired by a person who is not permitted to purchase such units.

The UCITS or the Management Company ensures that the conversion of units will be charged on the basis of the net asset value per unit, which is not known to the investor at the time of application (forward pricing).

The conversion of units may be discontinued in cases where § 10 of the Investment Conditions applies.

## **§ 7. Late Trading and Market Timing**

If there is a suspicion that a subscriber conducts late trading or market timing, the UCITS, the Management Company and/or the Depositary will refuse acceptance of subscription, conversion or redemption until the subscriber has dispelled any doubts with regard to the subscription.

### **Late Trading**

Late trading is the acceptance of an application for subscription, conversion or redemption received after the cut-off time for applications for that specific day, and the execution of such applications at a price based on the net asset value applicable on that day. Late trading provides an investor with the possibility to benefit from the knowledge of events or information published after the cut-off time and not yet reflected in the price at which the investor's order will be settled. Said investor therefore has an advantage over those investors who complied with the official cut-off time. Said investor's advantage is even more marked when he can combine late trading with market timing.

### **Market Timing**



Market timing is an arbitrage transaction in which an investor systematically subscribes units of the same UCITS and/or sub-fund on a short-term basis and then either redeems or converts them by exploiting time differences and/or errors or weaknesses within the mechanism for calculating the net value of the UCITS and/or unit class.

## **§ 8. Data Protection**

Investors should note that by submitting the subscription application they are providing information to the UCITS and respectively its delegates and agents (in particular the Management Company, the Depositary, Administrator and the distributors, as applicable) which may constitute personal data within the meaning of the EU data protection regime introduced by the General Data Protection Regulation (Regulation (EU) 2016/679) (the "**Data Protection Legislation**"). This data will be used for the purposes of client identification and the subscription process, administration, transfer agency, statistical analysis, market research and to comply with any applicable legal or regulatory requirements and disclosure to the UCITS, its delegates and agents.

Subject to the requirements of the Data Protection Legislation, personal data may be disclosed and / or transferred to third parties including:

- d. regulatory bodies, tax authorities;
- e. delegates, advisers and service providers of the UCITS or the UCITS' duly authorized agents and any of their respective related, associated or affiliated companies wherever located (including to countries outside the EEA which may not have the same data protection laws as in Liechtenstein) for the purposes specified. For the avoidance of doubt, each service provider to the UCITS (including the Management Company, its delegates and its or their duly authorized agents and any of their respective related, associated or affiliated companies) may, subject to the requirements of the Data Protection Legislation, exchange the personal data, or information about the investors in the UCITS, which is held by it with another service provider to the UCITS; and
- f. Target investments that require information regarding investors and beneficial owners of investors according to their local KYC/CTF regulation.

Personal data will be obtained, held, used, disclosed and processed for any one or more of the purposes.

Investors have a right to obtain a copy of their personal data kept by the Management Company and the right to rectify any inaccuracies in personal data held by the Management Company. Investors will also enjoy a right to be forgotten and a right to restrict or object to processing in certain circumstances. In certain limited circumstances a right to data portability may also apply. Where investors give consent to the processing of personal data, this consent may be withdrawn at any time.

## **§ 9. Prevention of Money Laundering and the Financing of Terrorism**

The Management Company and the Depositary are obliged to comply with the current provisions of the Due Diligence Act and the Due Diligence Ordinance prevailing in the Principality of Liechtenstein, as well as the Liechtenstein Financial Market Authority's guidelines, notifications and directives, as amended. The Management Company ensures that domestic distributors comply to these provisions as well.

Where any Liechtenstein authorized distributors themselves accept money from investors, they are under a duty of care in accordance with the Due Diligence Act and the Due Diligence Ordinance to identify the subscriber, to ascertain the beneficial owner, to create a profile of the business relationship and to comply with any and all local provisions for the prevention of money laundering and the financing of terrorism.

By acquiring units in the respective sub-fund, the investor expressly agrees that all parties involved in the acquisition of fund units (e.g. distributors) may provide the Management Company with all information and documents of the investor and the beneficial owner that the Management Company deems necessary or advisable at its own discretion in order to comply with the requirements of the Due Diligence Act and the associated Due Diligence Ordinance, irrespective of any conflicting data protection provisions.

Furthermore, the distributors and their selling agents must comply with any and all provisions for the prevention of money laundering and the financing of terrorism that are in force in the relevant distribution countries.

## **§ 10. Suspension of the Calculation of the Net Asset Value and the Issuance, Redemption and Conversion of Units**

The UCITS or the Management Company may temporarily suspend the calculation of the net asset value and/or the issuance, redemption and conversion of units of a sub-fund if this is warranted in the best interests of the investors, particularly under the following circumstances:

1. if the market which forms the basis for the valuation of a substantial part of the assets of the sub-fund has been closed, or trading in such market has been restricted or suspended;
2. in the event of political, economic or other emergencies; or
3. if trades on behalf of the sub-fund become in-executable due to restrictions on the transfer of assets.

The suspension of the calculation of the net asset value of one sub-fund does not impact the calculation of the net asset value of the other sub-funds, if before mentioned circumstances do not apply to the other sub-funds.

Furthermore, the UCITS may also decide to suspend the issuance of units, either permanently or temporarily, if new investments could impair the achievement of the investment objective.

In particular, the issuance of units will be temporarily discontinued if the calculation of the net asset value per unit is discontinued. If the issuance of units has been discontinued, the investors will be immediately informed about the reason and the time of said discontinuation by notice in the publication medium and the media specified in the Prospectus, Articles of Association and Investment Conditions or via permanent data carriers (letter, e-mail or similar).

Moreover, in order to safeguard the best interests of the investors, the UCITS shall be entitled to carry out larger redemptions only after it has become possible to sell assets of the relevant sub-fund, with due regard to the investors' interests, without delay, i.e. the UCITS shall be entitled to temporarily suspend redemptions.

As long as the redemption of units is suspended, no new units of the relevant sub-fund will be issued. Units whose redemption is temporarily restricted cannot be converted. The temporary suspension of redemptions of units of one sub-fund does not result in the temporary suspension of the redemption of units of other sub-funds that are not affected by the events in question.

The UCITS ensures that the relevant sub-fund has available sufficient liquid funds to enable, under normal circumstances, a redemption or conversion of units as requested by investors without undue delay.

The UCITS will notify the Liechtenstein Financial Market Authority (FMA), without undue delay, as well as the investors, in a suitable manner, of any suspended redemption or payment for units. Any subscription, redemption or conversion shall be settled after resumption of the calculation of the net asset value. Investors may revoke their subscriptions, redemptions or conversions until trading in the units has been resumed.

#### **§ 11. Selling Restrictions**

**As a general rule, units of the sub-funds may not be offered in jurisdictions or to persons in which or to whom it is unlawful to make such offer. The units of the UCITS are not registered for distribution in all countries of the world.**

If units are issued, converted or redeemed in another country, the provisions of that country shall apply. Details can be found in the Prospectus.

### **B. Structural Measures**

#### **§ 12. Merger**

Pursuant to Art. 38 UCITS Act, the Board of Directors of the UCITS may at any time and at its own discretion and with the approval of the relevant supervisory authority, resolve to merge with one or more other UCITS, irrespective of the legal form of the other UCITS and whether or not the other UCITS has its registered office in the Principality of Liechtenstein. Sub-funds and unit classes of the UCITS may also be merged with each other or with one or more other UCITS or their sub-funds and unit classes.

Any and all assets of the UCITS or the sub-fund may be transferred to another existing UCITS or sub-fund or to a UCITS or sub-fund newly established by the merger at the end of the financial year (transfer date) with the approval of the respective supervisory authority. The UCITS or the sub-fund may also be merged with a UCITS or sub-fund that was established in another EU or EEA member state and also complies with the provisions of Directive 2009/65/EC. With the approval of the Liechtenstein Financial Market Authority (FMA), another transfer date may be determined. All assets of another UCITS or of a foreign UCITS which is 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 that only the assets without the liabilities of a foreign UCITS which is compliant with the Directive are transferred to the UCITS.

Until five working days prior to the scheduled transfer date, investors shall have the option of either to redeem their units without any redemption fees or to exchange their units for those of another UCITS managed by the Management Company and having an investment policy similar to that of the UCITS to be merged.

On the transfer date, the values of the receiving and the transferring UCITS are calculated, the exchange ratio is determined, and the entire process is audited by the auditor. The exchange ratio shall be determined in accordance with the relevant pro-rata shares of net asset values of the transferring and the absorbing UCITS at the time of the transfer. Investors of the transferring UCITS shall receive the number of units in the absorbing UCITS which corresponds to the value of its units of the transferring UCITS. Investors in the transferring UCITS may also be paid up to 10% of the value of their units in cash. If the merger takes place during the current financial year of the transferring UCITS, its Management Company shall prepare a report as of the transfer date that complies with the requirements for an annual report.

The Management Company shall publish in the publication medium of the UCITS, the website of the LAFV ([www.lafv.li](http://www.lafv.li)), when 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 which shall manage 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 not be effected without the approval of the Liechtenstein Financial Market Authority (FMA).

The Management Company is entitled, in the event of a merger of the UCITS or other structural measure in relation to the UCITS or one of its sub-funds, to set aside provisions for costs, duties and taxes relating to disputed positions and

disputed liabilities in particular but not exclusively in the case of pending official proceedings for subsequent collection of transaction taxes, such as, in particular, any transfer stamp tax (*Umsatzabgabe*), to the extent that the recoverability of the corresponding amounts is at risk due to the merger or structural measure.

### **§ 13. Investor Information and Investor Rights**

The investors shall be informed about the planned merger. The investor communication must allow investors to make an informed judgement about the implications of such plans for their investment and to exercise the rights under Art. 44 and 45 UCITS Act.

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

### **§ 14. Merger Costs**

Neither any of the assets of a sub-fund being part of the merger nor the investors will be charged with the legal, advisory or administrative costs associated with the preparation and execution of the merger.

These provisions also apply to any structural measures pursuant to Art. 49 (a) to (c) of the UCITS Act by analogy.

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 domicile of its feeder UCITS with the legally required information up to 60 days prior to the proposed effective date. In this case, the sub-fund concerned shall further grant the feeder UCITS the option to redeem or pay out all units before the merger becomes effective, unless the competent authority of the feeder UCITS's domicile approves the investment in units of the master UCITS resulting from the merger.

## **C. Dissolution of the UCITS, its Sub-Funds and Unit Classes**

### **§ 15. General**

Unless otherwise provided hereinafter, the following provisions regarding the liquidation of the assets under management of the UCITS, respectively its sub-funds, also apply to the dissolution of its unit classes.

The assets under management of the UCITS, respectively its sub-funds, may be liquidated by a resolution of the Board of Directors.

Investors shall be informed about the relevant resolution in the same way as described in § 36 "Information to Investors" below.

### **§ 16. Dissolution Resolution**

The UCITS or one of its sub-funds will be compulsorily liquidated in the events prescribed by law. The Board of Directors shall be entitled at any time to dissolve unit classes of the UCITS.

The rules regarding the liquidation of the UCITS' own assets are laid down in Art. 25 and 26 of the Articles of Association.

Investors, their heirs or other beneficiaries are not entitled to request the liquidation of the UCITS' own assets or the dissolution of its sub-funds or any individual unit class.

The resolution for the dissolution of a sub-fund will be published on the website of the LAFV ([www.lafv.li](http://www.lafv.li)) as the publication medium of the UCITS or on permanent data carriers (letter, e-mail or similar). The Liechtenstein Financial Market Authority (FMA) shall receive a copy of the investor information. As from the day of such a dissolution resolution, no further units will be issued, converted or redeemed.

When the UCITS or one of its sub-funds is dissolved, the Management Company may immediately liquidate the assets under management of the UCITS or the relevant sub-fund in the best interests of the investors. In all other regards, the UCITS shall be dissolved in accordance with the provisions of the Liechtenstein Persons and Companies Act (PGR).

If the Board of Directors dissolves a unit class without dissolving the UCITS or the relevant sub-fund, then all units of that unit class shall be redeemed at their net asset value at that time. Any such redemption shall be published by the Management Company, and the Depositary shall disburse the redemption price for the benefit of the former investors.

The Management Company is entitled to establish provisions or provide security for costs, duties and taxes in connection with disputed positions and disputed liabilities in the event of the liquidation of the UCITS or one of its sub-funds, in particular, but not exclusively, in the event of pending official proceedings for the subsequent collection of transaction taxes, such as, in particular, any stamp duties, insofar as the collectability of the corresponding amounts is at risk due to the imminent liquidation of the assets of the UCITS or a sub-fund.

### **§ 17. Reasons for Dissolution**

To the extent that the net asset value of the UCITS or one of its sub-funds falls below the minimum value that is required to manage the UCITS, respectively the relevant sub-fund, in a financially efficient manner or where material changes have taken place in the political, economic or monetary environment, or as part of rationalization measures, or where any circumstances jeopardize the integrity or orderly functioning of the UCITS, respectively the relevant sub-fund, and/or the interests of the Investors, the Board of Directors may resolve to dissolve the UCITS, respectively the relevant sub-fund, or decide to redeem or cancel all Units of a unit class at the net asset value (with due allowance made for the actual realization prices and realization costs of the investments) on the valuation day on which the decision takes effect.

## **§ 18. Dissolution Costs**

Any costs of dissolution of the assets under management of the UCITS or one of its sub-funds, will be borne by the assets under management of the UCITS, respectively the relevant sub-fund.

## **§ 19. Dissolution and Bankruptcy of the Management Company or the Depositary**

In the event of dissolution or bankruptcy of the Management Company, the assets managed for the purposes of collective investment on behalf of the investors are not part of the bankruptcy estate of the Management Company and are not liquidated together with the Management Company's own assets. The UCITS and its sub-funds constitute separate funds in favor of their investors. Subject to approval by the Liechtenstein Financial Market Authority (FMA), the UCITS may be transferred to another management company or liquidated by means of a separate realization in favor of the investors. It is also possible to restructure the UCITS, where applicable, from an undertaking managed by a third-party management company into a self-managed UCITS.

In the event of bankruptcy of the Depositary, the assets under management of the UCITS, respectively its sub-funds, must be transferred, subject to approval by the Liechtenstein Financial Market Authority (FMA), to another depositary or liquidated by means of separate realization in favor of the investors of the UCITS, respectively its sub-funds.

## **§ 20. Termination of the Management Agreement or the Depositary Agreement**

In the event of termination of the Management Agreement, the management of the UCITS must be transferred, subject to approval by the Liechtenstein Financial Market Authority (FMA), to another management company or if no successor management company is found within the period of time specified in the Management Agreement, the UCITS shall be liquidated in accordance with the liquidation and dissolution provisions in the Articles of Association and the Investment Conditions. It is also possible to restructure the UCITS, where applicable, from an undertaking managed by a third-party management company into a self-managed UCITS.

In the event of termination of the Depositary Agreement, the net fund assets of the UCITS, respectively its sub-funds, must be transferred, subject to approval by the Liechtenstein Financial Market Authority (FMA), to another depositary or liquidated by means of separate settlement in favor of their investors.

## **D. The Sub-Funds**

### **§ 21. The Sub-Funds**

The UCITS may comprise one or more sub-funds. The UCITS may launch additional sub-funds at any time and amend the Prospectus, the Articles of Association, the Investment Conditions and Annex A accordingly.

The investors participate in the assets of a sub-fund of the UCITS in proportion to the units they hold in the sub-fund.

Each sub-fund is deemed to be a separate fund as regards the relationship between the investors of the UCITS. The rights and obligations of the investors in one sub-fund are separate from the rights and obligations of the investors in other sub-funds.

Vis-à-vis third parties, each sub-fund will be liable with its assets only for the liabilities contracted by the relevant sub-fund.

### **§ 22. Duration of the Sub-Funds**

The duration of each sub-fund is set out in Annex A.

### **§ 23. Structural Measures for Sub-Funds**

The UCITS may implement all structural measures provided for in § 12 et seqq. of the Investment Conditions for each sub-fund.

### **§ 24. Unit Classes**

The UCITS may resolve to create one or more unit classes for any sub-fund, which may differ, for instance, with respect to the application of income, subscription or redemption fees, denomination, currency hedging, remuneration for management, operations or other services, minimum investment or a combination of these. However, the rights of the investors who have acquired units in the existing unit classes remain unaffected thereby.

The unit classes that are launched in connection with each sub-fund as well as the fees and remuneration arising in connection with the units of the sub-funds are listed in Annex A.

## **E. General Investment Conditions and Restrictions**

### **§ 25. Investment Policy**

The investment policy of each sub-fund is set out in Annex A.

The General Investment Conditions and Restrictions as set out below shall apply to all sub-funds, unless different or additional provisions for a sub-fund are contained in Annex A.

## **§ 26. General Investment Conditions and Restrictions**

Each sub-fund shall invest in compliance with the principle of risk diversification within the meaning of the UCITS Act, § 27 et seqq. of the Investment Conditions and Annex A, as well as the investment restrictions.

## **§ 27. Eligible Investments**

The sub-funds may invest their assets for the account of their investors solely in one or more of the following assets:

1. Securities and Money Market Instruments
  - a) listed or traded on a regulated market as defined in Art. 4 (1) no. 21 of Directive 2014/65/EU;
  - b) that are traded on another regulated market of an EEA member state, which is recognized, open to the public and operates properly;
  - c) that are officially listed on a securities exchange in a non-member state or traded on another market in a European, American, Asian, African or Pacific country, which is recognized, open to the public and operates properly.
2. Securities from New Issues, if
  - a) the terms and conditions of issue contain the obligation that admission to official listing and/or trading has been applied to at one of the securities exchanges or regulated markets listed under no. 1 a) to c) above; and
  - b) said admission has been obtained within one year following issuance.
3. Units in a UCITS or other undertakings for collective investment comparable to a UCITS within the meaning of Art. 3 (1) no. 17 of the UCITS Act, provided these may, in accordance with their constituent documents, hold no more than 10% of their assets in units of another UCITS or other undertakings for collective investment comparable to a UCITS.
4. Sight deposits or deposits at notice with a term of no more than 12 months held with credit institutions having their registered office in an EEA member state or a non-member state whose supervisory laws are equivalent to those within the EEA.
5. Derivatives, whose underlying is an asset within the meaning of Art. 51 of the UCITS Act or financial indices, interest rates, foreign exchange rates or currencies. In the event of transactions with OTC derivatives, the counterparties must be supervised institutions of a category approved by the Liechtenstein Financial Market Authority (FMA) and the OTC derivatives must be subject to reliable and verifiable valuation on a daily basis and can be sold, liquidated or closed by an offsetting transaction at any time at their fair value at the initiative of the UCITS or the Management Company.
6. Money market instruments that are not traded on a regulated market, provided that the issue or the issuer of such instruments is subject to the statutory provisions governing deposit and investor protection and provided that such money market instruments are:
  - a) issued or guaranteed by a central, regional or local authority, a central bank of an EEA member state, the European Central Bank, the European Community or the European Investment Bank, a non-member state or, in the case of a federal state, by one of the members making up the federation, or by an international body of a public-law nature to which one or more EEA member states belong;
  - b) issued by an undertaking whose securities are traded on the regulated markets specified under letter a) above;
  - c) issued or guaranteed by an institution subject to supervision in accordance with the criteria prescribed by EEA law, or by an institution subject to and compliant with regulatory provisions that are equivalent to those laid down by EEA law; or
  - d) issued by other issuers belonging to the categories approved by the Liechtenstein Financial Market Authority (FMA), provided that the investments in such instruments are subject to investor protection provisions that are equivalent to those under letters a) to c) above and provided that the issuer is either a company whose equity capital amounts to at least EUR 10'000'000, and which prepares and publishes its financial statements in accordance with Directive 78/660/EEC (implemented by the PGR in the Principality of Liechtenstein), or an entity that belongs to a group consisting of one or more exchange-listed undertakings and is responsible for financing of that group, or an entity entrusted with the provision of security for debt by means of a credit line provided by a bank.
7. In addition, the sub-funds may hold cash and cash equivalents.
8. A sub-fund may acquire movable and immovable assets essential for the direct performance of its activities.

## **§ 28. Non-Eligible Investments**

The sub-funds may not:

1. invest more than 10% of the assets of each sub-fund in securities and money market instruments other than those listed in § 27 of the Investment Conditions;
2. acquire precious metals or precious metal certificates;

3. carry out uncovered short sales.

## **§ 29. Use of Derivatives, Techniques and Instruments**

The overall exposure associated with derivatives shall not exceed the total net asset value of the relevant sub-fund, unless otherwise specified in Annex A. As part of the investment strategy and within the limits specified in Art. 53 UCITS Act, the Management Company may use derivatives, provided that the overall exposure of the underlying assets does not exceed the limits specified in Art. 54 UCITS Act. Such exposure is determined taking into account the market value of the underlyings, the counterparty risk, future market movements and the time available to liquidate positions.

Unless precluded by investor protection considerations or public interest, investments the UCITS may hold in the form of index-based derivatives do not count towards the upper limits of Art. 54 UCITS Act.

Subject to approval from the Liechtenstein Financial Market Authority (FMA), the UCITS or a sub-fund may use techniques and instruments, involving securities and/or money market instruments, for the efficient management of the portfolios in compliance with the provisions of the UCITS Act. Such transactions have to be taken into account when determining the overall exposure.

## **§ 30. Investment Limits**

### **A. The following investment limits must be complied with for each sub-fund:**

1. Each sub-fund may invest no more than 5% of its assets in securities or money market instruments of the same issuer and no more than 20% of its assets in deposits of the same issuer.
2. The default risks from transactions of the UCITS in OTC derivatives with a credit institution as a counterparty that has its registered office in an EEA member state or a non-member state whose supervisory laws are equivalent to those in the EEA must not exceed 10% of the sub-fund's assets; for other counterparties, the maximum default risk is set at 5% of said assets of the sub-fund.
3. Where 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 set in no. 1 above will be raised from 5% to 10%. The 40% limit does not apply to deposits or OTC derivative transactions with supervised banks. When raising the issuer limit, any securities and money market instruments under no. 5 below and any debt instruments under no. 6 below are not taken into consideration.
4. Notwithstanding the individual maximum limits as per nos. 1 and 2 above, a sub-fund may not combine the following assets if this would lead to an investment of more than 20% of its assets with one and the same entity:
  - a) securities or money market instruments issued by said entity;
  - b) deposits with said entity;
  - c) OTC derivatives acquired from this entity.
5. Where the securities or money market instruments have been issued or guaranteed by an EEA member state, its local authorities, a non-member state or an international body of a public-law nature to which one or more EEA member states belong, the issuer limit set in no. 1 above shall be raised from 5% to a maximum of 35%.
6. Where debt securities are issued by a credit institution which has its registered office in an EEA member state and is subject by law to special public supervision designed to protect the holders of these debt securities and which, in particular, must invest the proceeds from the issue of these debt securities in assets that during the entire term of the debt securities are sufficient to cover the liabilities arising from the debt securities and which, upon default of the issuer, would have priority with regard to the repayment of principal and interest as they fall due, the upper limit referred to in no. 1 shall be raised for such debt securities from 5% to a maximum of 25%. In this case, the total value of these investments must not exceed 80% of the relevant sub-fund's assets.
7. The limits specified in nos. 1 to 6 above may not be combined. The maximum issuer limit is 35% of the relevant sub-fund's assets.
8. Due to the applicable exemption granted by the Liechtenstein Financial Market Authority (FMA), the maximum limit of 35% as stated in no. 7 may above be exceeded.
9. In derogation of no. 3 above and in accordance with Art. 56 of the UCITS Act as well as in accordance with the principle of risk diversification, up to 100% of the fund assets may be invested in securities and money market instruments, provided that any such security or instrument is issued or guaranteed by one and the same sovereign issuer. The sub-fund must hold securities of at least six different issues, with the securities of one single issue not exceeding 30% of the aggregate amount of the assets.

The UCITS may, on behalf of the sub-fund, invest more than 35% of the assets of a sub-fund in debentures of the following issuers, provided that the issuers and guarantors are the following public-law entities or international organizations:

- all OECD countries;
- all public-law entities from OECD countries;
- the African Development Bank;
- the Asian Development Bank;

- the Council of Europe Social Development Fund;
  - Eurofima;
  - the European Atomic Energy Community;
  - the European Bank for Reconstruction & Development;
  - the European Economic Community;
  - the European Investment Bank;
  - the European Patent Organization;
  - the IBRD (World Bank);
  - the Inter-American Development Bank;
  - the International Finance Corporation;
  - the Nordic Investment Bank.
10. For the purposes of calculating the investment limits in no. 3 above, companies of the same group are deemed to be one single issuer. For investments in securities and/or money market instruments of the same group, the issuer limit shall be raised to a total of 20% of the assets of the relevant sub-fund.
11. Each sub-fund may invest no more than 20% of its assets in units of the same UCITS or in units of a collective investment comparable to a UCITS.
12. Each sub-fund may invest no more than 20% of its assets in equities and/or debt securities of one and the same issuer if it is the objective of the relevant sub-fund, in accordance with its investment policy, to track the performance of a specific stock or bond index that is recognized by the Liechtenstein Financial Market Authority (FMA), provided that
- the composition of the index is sufficiently diversified;
  - the index constitutes an adequate benchmark for the market to which it relates;
  - the index has been published in an appropriate manner.

This limit is 35% if this is justified by exceptional market conditions, in particular on regulated markets where specific transferable securities or money market instruments are particularly dominant. Investments up to this upper limit are only possible with one single issuer.

If the limits specified under nos. 1 and 3 above are exceeded unintentionally or as a result of exercising subscription rights, the Management Company shall endeavor as a matter of priority to normalize this situation when making sales, taking into account the interests of the investors. A sub-fund may deviate from the provisions of no. 3 above within the first six months following its launch. The provisions under nos. 1 and 2 above are not covered by this exemption and must be complied with at any time. The principle of risk diversification must constantly be observed.

13. The sub-funds may subscribe, acquire and/or hold units that were issued or are to be issued by one or more other sub-funds of the same UCITS, provided that:
- the target sub-fund does not, in turn, invest in the sub-fund that is invested in this target sub-fund; and
  - the proportion of assets, which the target sub-funds, whose acquisition is intended, are entitled to invest, in total, in units of other UCITS or undertakings for collective investment comparable to a UCITS as per their prospectuses or constituent documents, does not exceed 10%; and
  - any voting rights that are tied to the securities concerned are suspended for the period during which they are held by the relevant sub-fund, irrespective of any appropriate evaluation in the financial statements and the periodic reports; and
  - the value of said securities is taken into consideration, without exemption and as long as said securities are held by the relevant sub-fund, when calculating the relevant sub-fund's net asset value, as prescribed by the UCITS Act, in order to verify the minimum amount of net assets in accordance with the UCITS Act; and
  - the fee for the issuance or redemption of units is not applied several times, i.e. 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 hand.
14. Where the investments as per no. 11 above account for a material part of the sub-fund's assets, the sub-fund specific Annex must contain information on the maximum amount and the annual report must contain information on the maximum share of management fees which the sub-fund itself and the UCITS or the undertakings for collective investment comparable to a UCITS under no. 11 above, whose units have been acquired, shall bear.
15. Where units are managed, either directly or indirectly, by the Management Company of the UCITS or by a company linked to the Management Company of the UCITS via joint management, control or a qualifying holding, neither the Management Company of the UCITS nor the other company may charge a fee for the issuance or redemption of units of the sub-fund.
16. A UCITS does not acquire voting shares of the same issuer for a sub-fund managed by it that would enable the UCITS to exercise material influence over the management of the issuer. Material influence is deemed to exist when the shareholding corresponds to 10% or more of the voting rights with regard to the issuer's



shares. Where a lower threshold for the acquisition of voting rights with regard to the same issuer exists in another EEA member state, this threshold shall apply to the UCITS if it acquires shares of an issuer with registered offices in this EEA member state for the UCITS or a sub-fund.

17. The sub-funds may acquire financial instruments of one and the same issuer up to the following limits:
  - a) 10% of the share capital of the issuer, provided this relates to non-voting shares;
  - b) 10% of the total nominal value of debt securities or money market instruments of the issuer in circulation, where debt securities or money market instruments are involved. This limit does not have to be observed if the total nominal value cannot be determined at the time of acquisition.
  - c) 25% of the units of the same undertaking, where units of other UCITS or undertakings for collective investment comparable to a UCITS are involved. This specific limit does not have to be observed if the net amount cannot be determined at the time of acquisition.
18. Nos. 16 and 17 above do not apply to:
  - a) securities and money market instruments issued or guaranteed by a sovereign issuer;
  - b) shares held by a sub-fund in the capital of a company based in a non-member state, that invests its assets mainly in the securities of issuers domiciled in the same non-member state, where under the legislation of said state, such holding represents the only way for the sub-fund to invest in securities of issuers domiciled in said state. In this respect, the requirements of the UCITS Act must be complied with;
  - c) shares held by UCITS in the capital of their subsidiaries that organize the repurchase of shares upon request of investors, exclusively for the UCITS in their country of domicile.

In addition to the limitations listed in nos. 1 to 18 above, any further limits set out in Annex A "Overview of the Sub-Fund" must be observed.

**B. A deviation from the investment limits is permissible in the following cases:**

1. Sub-funds are not required to comply with the investment limits when exercising subscription rights of transferable securities or money market instruments that form part of their assets. However, compliance must be restored within an appropriate time.
2. If the investment limits are exceeded, the Management Company shall strive, as a primary objective, for a normalization of this situation through sales, taking into account the best interest of the investors.
3. Sub-funds may deviate from the investment limits specified under no. 3 above during the first six months from their launch. The provisions under nos. 1 and 2 above are not covered by this exemption and must be complied with at any time. The principle of risk diversification must constantly be observed.

**C. Active Breach of Investment Limits/Rules**

A loss that is suffered on account of an active breach of the investment limits/rules must be reimbursed to the UCITS without undue delay in accordance with the respective valid code of conduct.

**D. Borrowing Restriction and Prohibition of Lending and Furnishing of Guarantees**

The assets of a sub-fund must not be pledged or otherwise encumbered, used or assigned as security or collateral, unless in connection with loans within the meaning of the subsequent paragraph or margins provided for the settlement of transactions involving financial instruments.

Sub-funds may take up temporary loans, provided that the loans do not exceed 10% of the sub-fund's assets; this limit does not apply to the purchase of foreign currency by way of a back-to-back loan.

Sub-funds may neither grant loans to, nor act as guarantor for, third parties. Any agreements entered into in violation of these prohibitions will bind neither the UCITS nor the sub-funds nor the investors.

The provisions of the preceding paragraph do not preclude the acquisition of not yet fully paid-in financial instruments.

**E. Special Techniques and Instruments Involving Securities and/or Money Market Instruments**

As set forth in § 29 of the Investment Conditions, the UCITS may use for each sub-fund special techniques and financial instruments, which underlyings are securities, money market instruments and/or other financial instruments as a central element to implement its investment policy, provided that it complies with the provisions of statutory law and adheres to the statutory limits and restrictions.

The UCITS shall employ a risk management process which enables it to monitor and measure the risk associated with the portfolio positions and their contribution to the overall risk profile of the investment portfolio at any time. Furthermore, it shall use a process that enables a precise and independent determination of the value of the OTC derivatives. The UCITS shall submit reports to the Liechtenstein Financial Market Authority, at least once per year, containing information that present a true and fair view of the actual situation with regard to the derivatives used for each sub-fund, the underlying risks, the investment limits and the methods used to estimate the exposure associated with these derivative transactions.



Moreover, the UCITS may use techniques and instruments, involving securities and/or money market instruments, for the efficient management of the portfolio, provided that the conditions and limits set by the Liechtenstein Financial Market Authority are complied with. Where these transactions relate to the use of derivatives, said conditions and limits must comply with the provisions of the UCITS Act.

Under no circumstances may the sub-funds deviate from its investment objectives when carrying out any such transaction.

The UCITS shall ensure that the overall exposure associated with derivatives does not exceed the total net value of the UCITS. Said exposure is determined on the basis of the market values of the underlyings, counterparty risk, foreseeable future market developments and the time available to liquidate positions.

As part of its investment strategy and within the limits specified in Art. 53 UCITS Act, the UCITS may invest in derivatives if the overall exposure of the underlyings does not exceed the investment limits of Art. 54 UCITS Act. Any investment of the UCITS in index-based derivatives does not count towards the investment limits of Art. 54 UCITS Act.

Where a derivative is embedded in a security or a money market instrument, this shall be taken into account when determining compliance with Art. 54 UCITS Act.

The UCITS does not engage in securities lending transactions.

The UCITS does not engage in repurchase transactions.

## **F. Costs and Fees**

### **§ 31. Recurring Fees**

#### **A. Asset-Related Fees**

##### **All-In-Fee**

The All-In-Fee refers to the fee structure encompassing various management and operational charges associated with the respective sub-fund as set out in Annex A for each sub-fund. The All-In-Fee includes three components:

- 1. Feeder Management Fee:** This is an annual fee that the Management Company is entitled to receive for investment management, operations, administration, and distribution (if applicable). The fee is calculated based on the net asset value per class as of each Valuation Day, as set out in Annex A for each sub-fund. It accrues on each Valuation Day and is debited on a pro-rata basis at the end of each month. The specific amount charged per sub-fund or class is disclosed in the annual report.
- 2. Master Management Fee:** This fee pertains to the management fee of the respective master fund, as defined in the constitutive documents of the master fund.
- 3. Master Operations Fee:** This fee covers the operational costs of the respective master fund, also defined in the constitutive documents of the master fund.

The All-In-Fee, therefore, is the total of the Feeder Management Fee, the Master Management Fee, and the Master Operations Fee.

#### **B. Non Asset-Related Fees**

##### **Ordinary Expenses**

In addition, the Management Company and the Depositary are entitled to compensation for the following expenses incurred in the exercise of their functions:

- any costs for the preparation, printing, translation and forwarding of annual and semi-annual reports, of Key Information Documents (KID) or any other publications legally required;
- professional fees for legal services incurred by the Management Company or the Depositary when acting in the best interest of the investors;
- costs of the publication of notices from the UCITS/sub-funds to investors that are published in the publication media and, if applicable, any newspapers or electronic media specified by the UCITS/sub-funds, including price publications;
- fees and costs for permits and the supervision of a UCITS/sub-fund in the Principality of Liechtenstein and abroad;
- any and all taxes imposed on the assets, earnings and expenses of the UCITS, to the extent they are borne by the UCITS, including any applicable transfer stamp tax (Umsatzabgabe) as well as related interest and other costs, in the event that transfer stamp tax is incurred or accrued, due to changes in tax laws or due to a change in practice or clarification of practice by the competent tax authority;
- any fees incurred in connection with any listing of the UCITS/sub-funds and the distribution in the Principality of Liechtenstein and abroad (e.g. advisory, legal and translation costs);
- fees, expenses and remuneration, in line with actual expenses at market rates, in connection with the determination and publication of tax factors for EU/EEA countries and/or any other countries where the units have been admitted for distribution and/or issued by way of private placements;

- fees and costs caused by any other legal and regulatory rules that the Management Company needs to comply with when implementing the investment strategy (such as reporting and other costs necessary to comply with the European Market Infrastructure Regulation (EMIR; EU Regulation 648/2012));
- fees and costs for the auditors of the UCITS/sub-funds as well as remuneration to bodies or agents of the UCITS/sub-funds for the performance of duties under company law, in particular fees for the Board of Directors;
- fees of paying agents, representatives and other parties with similar functions in the Principality of Liechtenstein and abroad;
- an appropriate share in the costs of printed material and advertising incurred in direct connection with the offering and selling of units;
- fees of auditors and tax advisers, provided that these expenses are incurred in the best interest of the investors;
- costs of setting up and maintaining additional counterparties if it is in the best interest of the investors;
- internal and external costs for the amendment of the constituent documents; and
- internal and external costs for recovering foreign withholding taxes, to the extent that these are recoverable for the account of the UCITS.

It should be noted that, for the purposes of recovering foreign withholding taxes, the Management Company does not undertake an obligation to recover such taxes and that such recovery is only carried out if the procedure is justified according to the criteria of materiality of amounts and proportionality of costs in relation to the amount which may be recoverable.

The relevant expenses applicable for the relevant sub-fund/unit class is shown in the annual report.

### **Transaction Costs**

Moreover, the sub-funds shall bear all costs, arising from the management of the assets, ancillary to the sale and purchase of investments (customary broker commissions, commissions, levies). In addition, the sub-funds shall bear any external costs, i.e. third-party fees incurred through the sale and purchase of investments. Such costs are set off directly against the cost or sales price of the relevant investments. In addition, any currency hedging costs are also charged to the relevant unit classes.

In addition, the UCITS shall bear any applicable transfer stamp tax (*Umsatzabgabe*), including interest and other related costs in connection with transactions, in the event that transfer stamp tax is incurred or accrued, due to changes in tax laws or due to a change in practice or clarification of practice by the competent tax authorities.

Any consideration included in a fixed flat-rate fee may not be additionally charged as an individual expense. Any remuneration paid to contracted third parties is, in any event, included in these fees.

### **Costs for Hedging the Currency of a Unit Class**

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

### **Formation Costs**

The costs for the formation of the UCITS and the initial offering of units will be expensed, over a period of not more than five-years, against the fund assets.

### **Liquidation Fees**

If the UCITS or a sub-fund is liquidated the Management Company and/or the Depositary may charge a liquidation fee of not more than CHF 15'000 for its own benefit. In addition, all third-party costs incurred in connection with the liquidation shall be borne by the UCITS/sub-fund.

### **Extraordinary Expenses**

Furthermore, the Management Company may charge extraordinary expenses to the relevant sub-fund's assets.

Extraordinary expenses comprise expenses which are incurred in the course of the ordinary business to safeguard the interests and were not foreseeable when the UCITS/sub-fund had been launched. More specifically, extraordinary expenses are the costs for the pursuit of legal claims in the interest of the UCITS/sub-fund or the investors. Moreover, all costs of extraordinary arrangements required under the UCITS Act and the UCITS Ordinance (e.g. amendments to fund documents), if any.

If transfer stamp tax (*Umsatzabgabe*) is levied as a result of changes in tax laws or as a result of a change in practice or clarification of practice by the relevant tax authorities, any related costs, in particular legal and tax advisory costs incurred to dispute corresponding claims by the tax authorities, may be charged to the UCITS as extraordinary disposition costs.

The Management Company is also entitled to charge costs related to transaction taxes to the fund assets provided that such costs arise as a consequence of an assessment or subsequent assessment which results from the revocation of the qualification as tax-exempt investor (by the competent authority) due to changes in the tax laws or practice or different interpretations thereof by the tax authorities.

### **Inducements**

In connection with the purchase and sale of assets and rights for the UCITS and its sub-funds, the Management Company, the Depositary and their agents/representatives, if any, shall ensure that inducements will inure, directly or indirectly, to the benefit of the UCITS and its sub-funds. The Depositary shall be entitled to withhold no more than 10% of the inducements as retention.

#### **Remuneration of members of Board of Directors**

A maximum total amount of CHF 20'000 per annum may be charged by the UCITS for remuneration of members of the Board of Directors not employed by a company of LGT Group Private Banking and reasonable costs and expenses incurred by such members of the Board of Directors in the performance of their duties. The aggregate amount of remuneration paid to the members of the Board of Directors is shown in the annual report.

#### **Total Expense Ratio**

The Total Expense Ratio before performance-based expenses (the "**TER**") is calculated on the basis of the code of conduct as in effect in its current version and includes all costs and fees charged to the UCITS's assets on an ongoing basis, with the exception of transaction costs. The TER of the UCITS is published in the semi-annual and annual report, insofar as it has already been published, and on the website of the LAFV ([www.lafv.li](http://www.lafv.li)).

#### **§ 32. Costs borne by the Investors**

Any subscription, redemption or conversion fees as well as any taxes and levies associated therewith shall be borne by the investor.

#### **§ 33. Performance Fee**

Moreover, the Management Company is entitled to charge a performance related fee (the "**Performance Fee**"). Where a Performance Fee is charged, this is described in detail in Annex A.

#### **§ 34. Application of Income**

The unit classes of each sub-fund may either distribute or accumulate the proportion of the sub-fund's earnings to which these unit classes are entitled. Whether the relevant unit class is a distributing or accumulating unit class is set out in Annex A.

With respect to distributing unit classes, the Management Company may, at such times as it thinks fit, declare such dividends as appear to the Management Company to be justified by the profits in respect of such unit class being all or some portion of net income and/or all or some portion of the net realized gains.

Additionally, the Management Company may, at such times as it thinks fit and in accordance with the requirements of the Liechtenstein Financial Market Authority (FMA), also declare such dividends on any distributing unit class out of the capital of the relevant sub-fund to which such unit class is entitled.

No interest will be paid on declared distributions after their due date.

#### **§ 35. Inducements**

The UCITS reserves the right to grant inducements to third parties for the acquisition of investors and/or the provision of services. The calculation basis for any such inducement is usually the commissions, fees etc. charged to the investors and/or the assets placed with the UCITS. The amount of any such inducement shall correspond to a percentage of the relevant calculation basis. Upon request, the UCITS shall, at any time, disclose any further information about agreements entered into with third parties. The investor hereby expressly waives any further right to information vis-à-vis the UCITS; more specifically, the UCITS is not subject to any accountability with regard to inducements effectively paid.

The investor acknowledges and accepts that the UCITS may accept inducements from third parties (including group companies) in connection with the introduction of investors, the purchase/distribution of undertakings for collective investment, certificates, notes etc. (hereinafter referred to as "products", including those managed and/or issued by a group company) in the form of trailer fees. The amount of such inducements differs depending on the product and the product provider. Trailer fees are usually based on the volume of a product or product group held by the UCITS. Their amount usually corresponds to a percentage of the management fees charged for the relevant product, which are paid on a regular basis during the holding period. Moreover, sales commissions may also be paid by securities issuers in the form of discounts on the issue price (percentage rebate) or in the form of one-off payments as a percentage of the issue price. Unless provided otherwise, the investor may request from the UCITS additional information about agreements with third parties relating to any such inducements at any time before or after the provision of a service (purchase of a product). However, the right to information about further details regarding past transactions is limited to the twelve months preceding the request. The investor hereby expressly waives any further right to information. Where the investor does not request any information on further details prior to providing the service or where the investor obtains the service after obtaining further details, the investor waives any claim for the surrender of items within the meaning of section 1009 of the General Civil Code ("**ABGB**").

#### **§ 36. Information to Investors**

The publication medium of the UCITS is the website of the LAFV ([www.lafv.li](http://www.lafv.li)).

Any and all notices to investors including on any amendments to the Articles of Association, the Investment Conditions and Annex A, are published on the website of the LAFV ([www.lafv.li](http://www.lafv.li)) as the publication medium of the UCITS.

The net asset value as well as the issue price and the redemption price of the units of the UCITS or any sub-funds or unit classes will be published, for each NAV day, on the website of the LAFV ([www.lafv.li](http://www.lafv.li)) as the publication medium of the UCITS.

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

#### **§ 37. Reports**

The UCITS shall prepare both an audited annual report as well as a semi-annual report in accordance with the statutory provisions applicable in the Principality of Liechtenstein.

No later than four months following the end of each financial year, the UCITS shall publish an audited annual report in accordance with the statutory provisions applicable in the Principality of Liechtenstein.

Two months after the end of the first six months of the financial year, the UCITS shall publish an unaudited semi-annual report.

Additional audited and unaudited interim reports may be prepared.

#### **§ 38. Financial Year and Base Currency**

The financial year and the base currency of the sub-funds are set out in Annex A.

#### **§ 39. Limitation**

Any claims on the part of investors vis-à-vis the UCITS, the Management company, the liquidator, Administrator or the Depositary will be statute-barred after five years following occurrence of the damage or loss, no later however than one year after redemption of the relevant unit or of becoming aware of the damage.

The English version of these Investment Conditions shall be legally binding.

#### **§ 40. Effective Date**

These Investment Conditions enter into force on 01. April 2025.

## Annex A: Overview of the Sub-Funds

The Investment Conditions and this Annex A form an integral unit and therefore complement each other.

### I. LGT GIM Balanced

#### 1. Overview of Definitions

For SFDR purposes, the Management Company considers that the Sub-Fund meets the criteria of an ESG Oriented Fund. The Management Company reserves the right to reassess this consideration at any time. If the Management Company determines at any future point that the Sub-Fund does not meet the criteria to qualify as an ESG Oriented Fund, this Annex A shall be updated accordingly.

#### Definitions

<b>“Information Sharing Agreement”</b>	means the information sharing agreement put in place between the Management Company of the sub-fund and the management company of the Master Fund in order to set out the classes of the Master Fund available for investment by the sub-fund.
<b>“Master Asset Manager”</b>	means the asset manager of the Master Fund, LGT Capital Partners (Asia-Pacific) Ltd., 4202, Two Exchange Square, 8 Connaught Place Central, Hong Kong to which LGT Capital Partners Ltd. has partially delegated the investment decisions.
<b>“Master Fund”</b>	means LGT CP GIM Balanced, a sub-fund of LGT CP Multi-Assets SICAV, an umbrella open-ended Investment Company with variable capital. LGT CP Multi-Assets SICAV has been authorized by the FMA as UCITS undertaking.
<b>“Permitted Investment”</b>	means such investment as described under the section “Permitted Investments of the Sub-Fund” below.
<b>“Sub-Fund”</b>	means “LGT GIM Balanced”.
<b>“ESG”</b>	means environmental, social and governance.
<b>“ESG Oriented Fund”</b>	means that the Sub-Fund meets the criteria of Art. 8 SFDR.
<b>“ESG Focused Fund”</b>	means that the Sub-Fund meets the criteria of Art. 9 SFDR.

#### 2. Key Terms

Key Terms	Unit Classes	
Unit Class / Currency <sup>1 2</sup>	(USD) B (CHF) B (EUR) B	(USD) TH
Security number	10846888 10846902 10846916	140410267
ISIN number	LI0108468880 LI0108469029 LI0108469169	LI1404102678

<sup>1</sup> The individual requirements an Investor must comply with in order to be eligible to purchase units of a certain class are described below under “Profile of a Typical Investor”.

<sup>2</sup> The currency risks can be hedged in whole or in part.

<b>Distributing / Accumulating</b>	Accumulating	Accumulating
<b>Minimum Initial Subscription</b>	USD 10'000.00 CHF 10'000.00 EUR 10'000.00	USD 10'000.00
<b>Minimum Additional Subscription</b>	0.001 Unit	0.001 Unit
<b>Minimum Redemption Amount</b>	0.001 Unit	0.001 Unit
<b>Minimum Holding Amount</b>	USD 10'000.00 CHF 10'000.00 EUR 10'000.00	USD 10'000.00
<b>Initial Subscription Day</b>	N/A	01.01.2025
<b>Initial Subscription Price</b>	USD 10'000.00 CHF 10'000.00 EUR 10'000.00	USD 10'000.00
<b>Valuation Day</b>	At least weekly, on the first Business Day of the week, or such other day or days as the UCITS or the Management Company may (with the consent of the Depositary) determine and notify in advance to Unit-holders, and the end of the Accounting Year.	At least weekly, on the first Business Day of the week, or such other day or days as the UCITS or the Management Company may (with the consent of the Depositary) determine and notify in advance to Unit-holders, and the end of the Accounting Year.
<b>Subscription Day</b>	At least weekly, on the first Business Day of the week, and/or such other days determined from time to time by the UCITS or the Management Company.	At least weekly, on the first Business Day of the week, and/or such other days determined from time to time by the UCITS or the Management Company.
<b>Subscription Price</b>	Net Asset Value per Unit (subject to the Subscription Fee and applicable taxes, levies or charges)	Net Asset Value per Unit (subject to the Subscription Fee and applicable taxes, levies or charges)
<b>Subscription Deadline</b>	Until 10:00 (CET) on two Business Days before the Subscription Day.	Until 10:00 (CET) on two Business Days before the Subscription Day.
<b>Subscription Payment Day</b>	Within two Settlement Days of the base currency of the particular unit class following the Subscription Day or such other days determined from time to time by the UCITS or the Management Company.	Within two Settlement Days of the base currency of the particular unit class following the Subscription Day or such other days determined from time to time by the UCITS or the Management Company.
<b>Redemption Day</b>	At least weekly, on the first Business Day of the week, and/or such other days determined from time to time by the UCITS or the Management Company.	At least weekly, on the first Business Day of the week, and/or such other days determined from time to time by the UCITS or the Management Company.
<b>Redemption Price</b>	Net Asset Value per Unit (subject to the Redemption Fee and applicable taxes, levies or charges)	Net Asset Value per Unit (subject to the Redemption Fee and applicable taxes, levies or charges)
<b>Redemption Deadline</b>	Until 10:00 (CET) on two Business Days before the Redemption Day.	Until 10:00 (CET) on two Business Days before the Redemption Day.
<b>Redemption Payment Day</b>	Within two Settlement Days of the base currency of the particular unit class following the Redemption Day or such other days determined from time to time by the UCITS or the Management Company.	Within two Settlement Days of the base currency of the particular unit class following the Redemption Day or such other days determined from time to time by the UCITS or the Management Company.
<b>Conversion Day</b>	At least weekly, on the first Business Day of the week, and/or such other days determined from time to time by the UCITS or the Management Company.	At least weekly, on the first Business Day of the week, and/or such other days determined from time to time by the UCITS or the Management Company.
<b>Conversion Deadline</b>	Until 10:00 (CET) on the Business Day before the Conversion Day.	Until 10:00 (CET) on the Business Day before the Conversion Day.

<b>Duration</b>	Unlimited	Unlimited
<b>Base Currency</b>	US Dollar (USD)	US Dollar (USD)
<b>Denomination</b>	With 3 decimal places	With 3 decimal places
<b>Listing</b>	No	No
<b>Securitization</b>	No	No
<b>Liquidity Gate Trigger</b>	N/A	N/A
<b>End of Accounting Year</b>	31 May	31 May

### 3. Costs Charged to Unitholders

Unit Class / Currency	(USD) B (CHF) B (EUR) B	(USD) TH
<b>Subscription Fee</b>	Max. 5%	Max. 5%
<b>Redemption Fee</b>	None	None
<b>Max. Conversion Fee</b>	CHF 100.00 or equivalent	CHF 100.00 or equivalent
<b>Swing Factor</b>	N/A	N/A
<b>Swing Threshold</b>	N/A	N/A

### 4. Costs Charged to Sub-Fund

Costs Charged to Sub-Fund <sup>3 4 5 6</sup>	Unit Classes	
Unit Class / Currency	(USD) B (CHF) B (EUR) B	(USD) TH
<b>Max. All-In-Fee</b>	1.55% p.a.	0.745% p.a.
<b>Performance Fee</b>	None	None
<b>Max. estimated indirect costs on the level of indirect investments</b>	4% p.a.	4% p.a.

## 5. Investment Policy

### 5.1. Investment Policy of the Sub-Fund

The Sub-Fund is managed as a portfolio of Permitted Investments in accordance with the investment policy set out in this section. Investors should note that during any period of suspension of valuation or redemption or when the Sub-Fund is wound down, the UCITS or the Management Company on behalf of the UCITS, acting in the best interests of the Unitholders, may resolve that it is unreasonable and/or impracticable to comply with some or all of the policies and guidelines in this section.

The Sub-Fund is a feeder UCITS, which permanently invests at least 85% of its net asset value in the Master Fund and up to 15% of its assets in liquid assets, as described in below under the heading "Permitted Investments of the Sub-Fund". The Sub-Fund aims to ensure that its performance is as similar as possible to that of the Master Fund, although there may be differences, inter alia, due to deviating fee structures.

<sup>3</sup> The commission or fee charged is reported in the semi-annual and annual reports.

<sup>4</sup> Plus taxes and other expenses: Transaction costs charged by third parties and expenses incurred by the Management Company and the Depositary in exercising their responsibilities. For further information please refer to section 11 (Tax Provisions) and 12 (Costs and Fees) of the Prospectus.

<sup>5</sup> Where the sub-fund is liquidated, the Management Company and/or the Depositary may charge a liquidation fee of not more than CHF 15,000 for its own benefit.

<sup>6</sup> Further charges may be invoiced to the Sub-Fund by the Master Fund. Further information can be found below under "Fees and Expenses of the Master Fund".

The Sub-Fund does not qualify as either a "Mixed Fund" or an "Equity Fund" for the purposes of the German Investment Tax Act. Please see section 7.5.7 of the Prospectus titled "Additional Investment Provisions – German Investment Tax Act" for further information in relation to this classification.

#### **5.1.1. Investment Objective of the Sub-Fund**

The investment objective of the Sub-Fund is for Sub-Fund investors to participate in the performance of the Master Fund.

There is no guarantee that the investment objective of the Sub-Fund and the Master Fund will be achieved, and investment results may vary substantially over time.

#### **5.1.2. Permitted Investments of the Sub-Fund**

The Sub-Fund may invest up to 15% of its net asset value in:

- liquid assets, including deposits with credit institutions (which are either located in an EEA country or in a third country where the supervision rules are equivalent to the EEA), and which are repayable on demand (or have the right to be withdrawn) and will mature in no more than 12 months;
- and in financial derivative instruments other than futures contracts (e.g. options, and currency forward transactions traded on stock exchanges or on the OTC-market) s, which may solely be used for hedging purposes.

### **5.2. Investment Policy of the Master Fund**

#### **5.2.1. Investment Objective of the Master Fund**

The investment objective of the Master-Fund is to generate consistent long-term capital appreciation.

To achieve this objective, the Master Fund will invest in various asset classes with a view to maintain an overall approximate balance between the risk exposure to equity and debt instruments.

#### **5.2.2. Investment Focus of the Master Fund**

Subject to the investment restrictions specified in Appendix 1 to the constitutive documents of the Master Fund, the Master Fund will seek to achieve its investment objective by investing (either directly or indirectly as further described in the constitutive documents of the Master Fund) in equity and fixed income securities and instruments as well as in other securities as further described in the constitutive documents of the Master Fund. In addition, the Master Fund may be (indirectly) exposed to the economic risks of assets classes such as commodities, insurance-linked securities, hedge funds, private equity or real estate (all together the **"Target Asset Classes"**).

The Master Fund's portfolio is actively managed and is not managed in reference to a benchmark.

#### **5.2.3. Investment Strategy of the Master Fund**

When selecting investments, the Master Asset Manager undertakes an ESG analysis of the investment universe of the Master Fund in order to promote environmental and/or social characteristics. Please refer to Annex I to the constitutive documents of the Master Fund for further details.

### **5.3. Sustainability-related disclosures**

The investment decisions for this Sub-Fund have been delegated to the Voting Members of the Investment Committee. As part of their investment process, the Voting Members of the Investment Committee are responsible for taking sustainability risks into account and for considering the adverse impacts of investment decisions on sustainability factors. The management company periodically reviews the Voting Members of the Investment Committee in this regard.



### 5.3.1. Integration of sustainability risks

Investments with high sustainability risks are sensitive to changes in the areas Environmental, Social and Governance (e.g. environmental, social or regulatory changes, heat and drought periods, floods, forest fires, avalanches etc.). The realization of sustainability risks may have a direct impact on the value of an investment and thus adversely affect the return of the Sub-Fund.

The Management Company shall continuously monitor the exposure of the Sub-Fund to sustainability risks. In doing so, the sustainability risk is divided into physical risks and transitory risks and evaluated separately.

Based on the investment strategy, it is generally not expected that the Sub-Fund is significantly directly exposed to sustainability risks. However, the realization of sustainability risks may influence the volatility and profitability of global markets as well as the risk appetite of the participants. This may adversely affect the return of the Sub-Fund.

### 5.3.2. Consideration of adverse impacts of investment-decisions

#### **Voting Members of the Investment Committee**

The investment decisions for this Sub-Fund have been delegated to the Voting Members of the Investment Committee. The Voting Members of the Investment Committee do take into account principle adverse impacts of investment decisions on sustainability factors at the corporate level.

#### **Management Company**

The Management Company of this Sub-Fund takes into account principal adverse impacts of investment decisions on sustainability factors at the corporate level.

#### **Product Level**

For this Sub-Fund, principle adverse impacts of investment decisions on sustainability factors are considered in the investment decision process. Further details on how principle adverse impacts on sustainability factors are considered can be found in the SFDR Annex below.

The results of the consideration of principal adverse impacts on sustainability factors are disclosed in the annual report of the Sub-Fund.

### 5.3.3. Product categorization

The investment strategy pursued in this Sub-Fund meets the criteria of a financial product pursuant to Art. 8 of the Regulation of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosure requirements in the financial services sector. Further information can be found in the SFDR Annex below.

The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities.

The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

## 6. Profile of a Typical Investor

The Sub-Fund and the Master Fund are suitable for investors seeking capital growth with a long-term investment time horizon who are willing to set aside capital for at least four years, primarily seeking constant returns and who are prepared to accept a medium to high level of volatility from time to time.

## 7. Specific Risk Factors

The Sub-Fund will invest at least 85% of its assets in the Master Fund (excluding up to 15% holding of ancillary liquid assets and/or currency hedging instruments). Nevertheless, given the broad diversification of the Master Fund, the Sub-Fund is expected to be sufficiently diversified. The Sub-Fund cannot guarantee or control the Master Fund in this regard. The Sub-Fund's performance may differ from the Master Fund's performance.

The performance of the Units depends on the investment policy and the development of the markets or the materialization of risks inherent in securities and instruments in which the Master Fund invests and cannot be determined in advance. In this context, it should be noted that the value of the Units may rise above or fall below the issue price at any time. There is no guarantee that investors will recover the full amount of their initial capital investment.

The Master Fund can also invest directly in the envisaged investments. Indirect investments in particular include other UCITS or collective investment undertakings comparable to a UCITS, certificates and structured products as well as financial derivative instruments. In addition to the risks of the underlying indirect investments, indirect investments are also associated with the risks of the Master Fund directly investing in the assets as well as the risks of the issuers of

certificates, structured products or financial derivative instruments. Where indirect investments are not fully transparent, the risk management on the level of the Master Fund can be fuzzy and harder to control. Indirect investments usually involve higher costs. Financial derivative instruments may be embedded in certificates and structured products, and target funds in which the Master Fund invests can use such financial instruments to varying extents. As a consequence, in addition to the risk characteristics of the securities, those of financial derivative instruments must also be taken into account. Moreover, the Master Fund may, to a limited extent, seek risk exposure to alternative investments (hedge funds, private equity). They have been known to provide advantages in terms of absolute returns and low correlation with traditional investments when used in asset management strategies. At the same time, however, risks attached to these asset classes are higher than those attached to traditional investments. Equity and debt securities can both reflect the economic risks of commodities investments. The market behavior of this asset class differs from that of shares and bonds to a certain extent and this asset class can thus be suited to diversify market risks and increase the profit potential.

The assets of the Master Fund are to a substantial extent invested in equity and debt securities and instruments and thus associated not only with interest and market risk but also with credit and/or issuer risk. Moreover, risks pertaining to other markets such as foreign exchange markets for investments in other currencies can arise.

The use of financial derivatives for purposes other than hedging may give rise to increased risk.

**The above list is not a complete list of all potential risk factors. The Management Company and the Investment Managers seek to limit risks by monitoring the Master Fund's asset allocation. Please note that an investment in the Sub-Fund should be seen as a long-term exposure which may be subject to a high volatility.**

In addition, this Sub-Fund may also be subject to the general risks described in section "Risk Factors" in the Prospectus.

## **8. Fees and Expenses of the Master Fund**

The Sub-Fund will directly (through its investment in the Master Fund) bear a pro rate share of the costs of the expenses of the Master Fund, which will include (non-exhaustive) legal, auditing, organisational, administrative, custodial and operating expenses.

Where, in connection with an investment in the Master Fund a distribution fee, commission fee or other monetary benefit is received by the Sub-Fund, the Management Company or any person acting on behalf of either the Sub-Fund or the Management Company, the fee, commission or other monetary benefit shall be paid into the assets of the Sub-Fund.

No subscription fee, redemption charge or conversion fee will be payable by the Sub-Fund when subscribing for or redeeming units in the Master Fund. The Investment Manager shall not receive any commission by virtue of an investment by the Sub-Fund in the units of the Master Fund.

### **Taxes**

There are no adverse tax consequences for investors resulting from the Sub-Fund's investment in the Master Fund relative to investing directly. Investors in the Sub-Fund should refer to the section of the prospectus entitled "Taxation" for further information on taxation provisions which should be taken into account when considering an investment in the Sub-Fund. Prospective investors should consult their own professional advisors on the relevant tax considerations applicable to the purchase, acquisition, holding, switching and disposal of units of the Sub-Fund, as well as, the receipt of distributions (if applicable) under the laws of their countries of citizenship, residence or domicile.

## **9. Information Sharing**

The Management Company of the Sub-Fund and the management company of the Master Fund, have put in place an Information Sharing Agreement (the "Information Sharing Agreement") in relation to the investment by the Sub-Fund in units of the Master Fund. The Information Sharing Agreement sets out which unit classes of the Master Fund are available for investment by the Sub-Fund, details of the charges and expenses to be borne by the Sub-Fund, the standard dealing arrangements and the events affecting dealing arrangements.

Further information relating to the Master Fund (including the prospectus and articles of association) and the Information Sharing Agreement are available, free of charge, from the Management Company of the Sub-Fund.

## **10. Termination of the Master Fund**

In circumstances where the Master Fund is liquidated, the Sub-Fund shall also be liquidated unless the FMA approves: (i) the investments of at least 85% of the Sub-Fund's net asset value in the units of another master UCITS, or (ii) the amendment of the constitutive documents in order to enable the Sub-Fund to convert into a UCITS which is not a feeder UCITS.

In circumstances where the Master Fund merges with another UCITS or is divided into two or more UCITS, the Sub-Fund shall be liquidated unless the FMA grants prior approval to the Sub-Fund to: (i) continue to be a feeder UCITS of the Master Fund or another UCITS resulting from the merger or division of the Master Fund; (ii) invest at least 85% of the Sub-Fund's net asset value in the units of another master UCITS not resulting from the merger or division of the Master Fund; or (iii) amend the constitutive documents in order to enable the Sub-Fund to convert into a UCITS which is not a feeder UCITS.

## **11. Past Performance**

The historic performance of the Sub-Fund (including Unit Classes), once available, shall be published on the website of the LAFV (*Liechtensteinischer Anlagefondsverband*) ([www.lafv.li](http://www.lafv.li)). Past performance is not a guarantee or indication of present and/or future performance.

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

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



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

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

**Product Name:** LGT Multi-Assets SICAV – LGT GIM Balanced (the “Sub-Fund” or “financial product”)

**Legal entity identifier:** 5493004ZFN4FIL8S2865

## Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?



Yes



No



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



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



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



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



It promotes Environmental/Social (E/S) characteristics and while it does not have as its objective a sustainable investment, it will have a minimum proportion of \_\_\_\_% of sustainable investments



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



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



with a social objective



It promotes E/S characteristics, but will not make any sustainable investments<sup>1</sup>

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

The investment objective of the Sub-Fund is to participate in the performance of the Master Fund (LGT CP GIM Balanced, a sub-fund of LGT CP Multi-Assets SICAV). The characteristics promoted by the Sub-Fund are therefore aligned and based on the disclosure of the Master Fund, which promotes environmental and social characteristics through certain direct and indirect investments it makes:

- Environmental considerations include a company's or issuer's energy consumption, its carbon

<sup>1</sup> For the avoidance of doubt, the Sub-Fund does not commit to making sustainable investments, but such investments may exist in the Sub-Fund on a non-committal basis.

footprint and its impact on land; and

- Social considerations include a company's or issuer's relationship with its employees and the communities in which they operate.

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

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

Depending on whether the Master Fund invests in an underlying fund or directly in securities or instruments, the following factors will be considered in determining whether the Master Fund is attaining the environmental and/or social characteristics it promotes, based on one or more of the following three components:

- The proportion of underlying funds in which the Master Fund invests (the "**Underlying Funds**") that meet the criteria to be identified as ESG Oriented Funds or ESG Focused Funds.
- Application of the Master Asset Manager's proprietary ESG rating system of securities and instruments (the "**Securities and Instruments ESG Rating System**"). This proprietary ESG rating system is based on data from external data providers that provides objective, relevant and systematic ESG information and which measures the environmental and social characteristics of companies and issuers.
- Application of the Master Asset Manager's "**Manager ESG Rating System**" whereby fund managers are assessed on their ESG practices (in the areas of commitment to ESG, investment process, ownership and reporting).
- An assessment of whether the Master Asset Manager in respect of the Master Fund has successfully and consistently executed its ESG exclusion policy.

● ***What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?***

Not applicable. The Master Fund does not make a commitment to sustainable investments.

● ***How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?***

Not applicable. The Master Fund does not make a commitment to sustainable investments.

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

Not applicable. The Master Fund does not make a commitment to sustainable investments.

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

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

Not applicable. The Master Fund does not make a commitment to sustainable investments.

*The EU Taxonomy sets out a “do not significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.*

*The “do no significant harm” principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.*

*Any other sustainable investments must also not significantly harm any environmental or social objectives.*



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



Yes

Yes, the Master Asset Manager considers a range of principle adverse impact indicators in respect of the Master Fund, but the availability of data on some indicators is limited due to a lack of reporting of metrics by companies, issuers, investee entities or there may be lacking market practice for the type and/or nature of the instruments traded. Accordingly, the integration of principle adverse impact indicators is conducted on a best-efforts basis; however, it is expected that principle adverse impact indicators can be applied to a greater portion of the portfolio once data availability improves. This will allow for enhanced insight in the adverse impacts caused by investee companies or issuers.

For further information on principal adverse impacts refer to the Master Asset Manager's website and the Master Fund's forthcoming annual report.



No



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

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

The Sub-Fund is a feeder UCITS, which permanently invests at least 85% of its net asset value in the Master Fund (LGT CP GIM Balanced, a sub-fund of LGT CP Multi-Assets SICAV).

The Master Fund will seek to achieve its investment objective by investing (either directly or indirectly) primarily in equity and fixed income securities and instruments and to a lesser extent in other securities. In addition, the Master Fund may be (indirectly) exposed to the economic risks of assets classes such as commodities, hedge funds, private equity or real estate.

The Master Fund does not pursue a specific sectoral focus. For further information, please refer to the Section 6 titled “Investment Management”.

When selecting investments, the Master Asset Manager undertakes an ESG analysis of the investment universe of the Master Fund in order to promote environmental and/or social characteristics, according to the description in this Annex.

- **What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?**

The Sub-Fund is a feeder UCITS, which permanently invests at least 85% of its net asset value in the Master Fund (LGT CP GIM Balanced, a sub-fund of LGT CP Multi-Assets SICAV). The primary binding element is a commitment of at least 50% of the assets of the Master Fund to underlying investments which promote environmental and/or social characteristics. The computation of this asset allocation commitment, as determined by the Master Asset Manager, consists of the investments rating positively based on one or more of the following three components:

- i. Investments in permitted investments of the Master Fund that are ESG Oriented Funds or ESG Focused Funds, which have ESG-related binding elements of their own, form the first category for attaining environmental and/or social characteristics.
- ii. Application of the Securities and Instrument ESG Rating System, which includes further rating and exclusion criteria, to investments that do not fall into the first category or as deemed appropriate for an asset class or type. Such instruments form the second category of investments for the purpose of attaining environmental and/or social characteristics.
- iii. Application of the Manager ESG Rating System to investments that do not fall into categories one or two. Managers receive a score of 1 to 4 (where 1 = excellent, 2 = good, 3 = fair, 4 = poor) on each of the four measures (commitment to ESG, investment process, ownership and reporting), resulting in an overall rating for each manager, which is then documented in the Master Asset Manager's monitoring system and taken into consideration during the asset selection and monitoring processes. Managers rated 1-3 form the third category for attaining environmental and/or social characteristics and managers rated 4 do not attain environmental and/or social characteristics.

Separately to these commitments, the Master Asset Manager also applies a proprietary exclusion policy on inhumane weapons and coal for the whole portfolio.

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

The Sub-Fund is a feeder UCITS, which permanently invests at least 85% of its net asset value in the Master Fund (LGT CP GIM Balanced, a sub-fund of LGT CP Multi-Assets SICAV).

There is no commitment to reduce the investment universe at the Sub-Fund's or the Master Fund's level, however Underlying Fund(s) investments of the Master Fund may apply such policies resulting in an investment universe that has been systematically reduced on ESG grounds.

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

The Sub-Fund is a feeder UCITS, which permanently invests at least 85% of its net asset value in the Master Fund (LGT CP GIM Balanced, a sub-fund of LGT CP Multi-Assets SICAV).

The Master Asset Manager seeks to ensure that good governance practices, as reasonably determined by the Master Asset Manager, are followed by investee companies in respect of the Master Fund.

In order to ensure this, in terms of direct investments in certain asset types, the Master Asset Manager's quantitative screening of corporate governance considers the independence and competency of investee company boards in terms of leadership and composition, existing and independent key committees, compensation policy, the degree of integration of long-term and ESG related targets, and minority shareholder protections. In addition, good governance is a factor in the qualitative assessment of individual companies prior to investment.

Where the Manager ESG Rating System is applied, the Master Asset Manager expects managers to consider good governance factors.

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





**Asset allocation** describes the share of investments in specific assets.

Taxonomy-aligned activities are expressed as a share of:

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

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

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

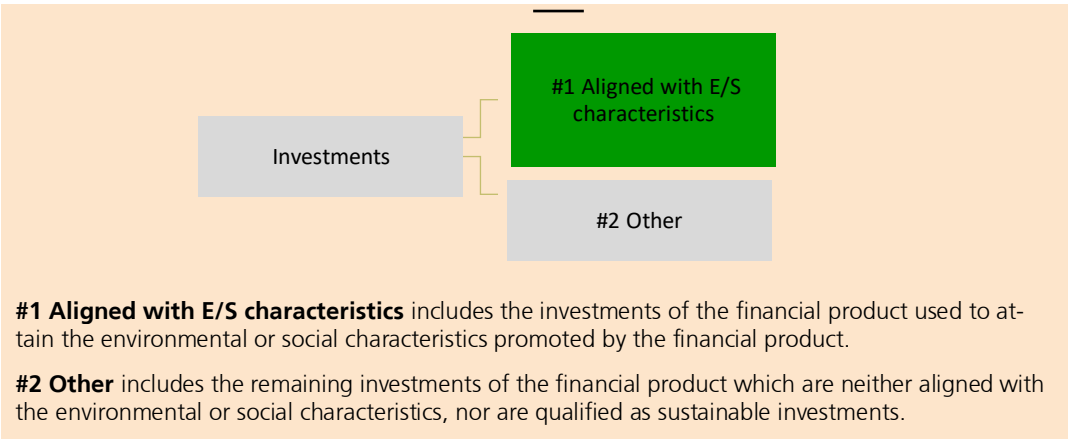
## What is the asset allocation planned for this financial product?

The Sub-Fund is a feeder UCITS, which permanently invests at least 85% of its net asset value in the Master Fund (LGT CP GIM Balanced, a sub-fund of LGT CP Multi-Assets SICAV).

At least 50% of the assets of the Master Fund will be allocated to investments aligned with environmental and/or social characteristics.

Minimum environmental and social safeguards and the purpose of the remaining portion of investments is outlined in the section titled "What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?".

The below graphical representation contextualises the types of investment considered:



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

The Master Fund does not use derivatives specifically for the purpose of attaining the environmental and or social characteristics it promotes. Rather, the Master Fund may use derivatives for ordinary purposes, which may include, for investment purposes, hedging, efficient portfolio management and/or overlay purposes and in certain cases this may therefore incidentally relate to the Master Fund attaining the environmental and or social characteristics it promotes.



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

The Master Fund does not commit to invest any proportion of its assets in environmentally sustainable economic activities aligned with the EU Taxonomy. Accordingly, the level of EU Taxonomy-aligned investments shall be zero per cent.

### Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy?<sup>2</sup>



Yes:



In fossil gas



In nuclear energy



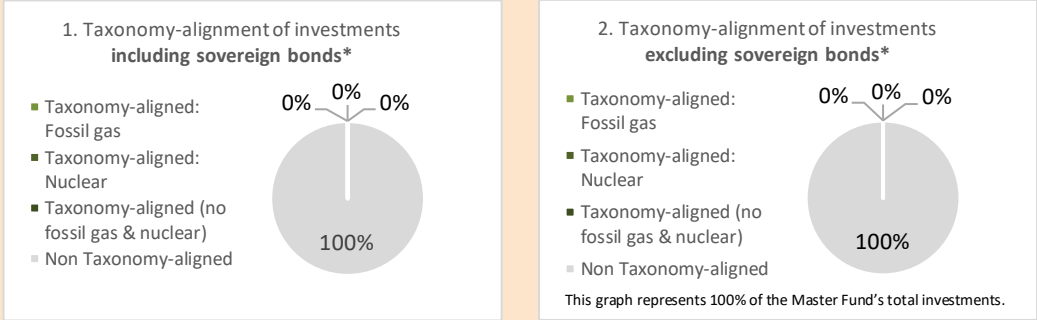
No

<sup>2</sup> Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.



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


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



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

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

The Master Fund does not commit to make sustainable investments with an environmental objective aligned with the EU Taxonomy. Hence, the Master Fund commit to invest in sustainable investments in transitional and enabling activities.

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



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

Not applicable. The Master Fund does not make a commitment to sustainable investments.



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

Not applicable. The Master Fund does not make a commitment to sustainable investments.



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

Investments under “#2 Other” are investments which are neither aligned with the environmental or social characteristics nor qualify as sustainable investments, for example:

- i. There may be insufficient data available to verify any classification under sustainable investments or investments with environmental and/or social characteristics.
- ii. There may be exposures where an ESG assessment cannot be applied or there is lacking market practice for appropriate quantification of ESG factors.
- iii. Exposures consisting of certain FDI, types of hedging, cash or cash equivalents.
- iv. Any investments the Master Asset Manager considers as not having environmental and/or social characteristics. As the Master Asset Manager in respect of the Master Fund does not commit to ensuring that all investments are aligned with the environmental and/or social characteristics promoted by the Master Fund, these investments may be made in the ordinary course

in accordance with the Master Fund's investment policy as further described in the section of the Supplement entitled "Investment Policies".

To the extent possible, minimum safeguards are applied for this portion of the portfolio, either directly by the Master Fund or indirectly in the context of the Underlying Funds. In terms of these minimum safeguards, the Investment Manager's policy on exclusions relating to inhumane weapons will be applied to all investments included in this portion of the portfolio.



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

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

The Master Fund does not use a benchmark and neither measure whether the promoted environmental and/or social characteristics are attained with a benchmark.



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

You may find more information on [www.fundinfo.com](http://www.fundinfo.com) and the Master Asset Manager's website: [www.lgtcp.com/en/regulatory-information](http://www.lgtcp.com/en/regulatory-information).

## II. LGT GIM Growth

### 1. Overview of Definitions

For SFDR purposes, the Management Company considers that the Sub-Fund meets the criteria of an ESG Oriented Fund. The Management Company reserves the right to reassess this consideration at any time. If the Management Company determines at any future point that the sub-fund does not meet the criteria to qualify as an ESG Oriented Fund, this Annex A shall be updated accordingly.

#### Definitions

<b>“Information Sharing Agreement”</b>	means the information sharing agreement put in place between the Management Company of the sub-fund and the management company of the Master Fund in order to set out the classes of the Master Fund available for investment by the Sub-Fund.
<b>“Master Asset Manager”</b>	means the asset manager of the Master Fund, LGT Capital Partners (Asia-Pacific) Ltd., 4202, Two Exchange Square, 8 Connaught Place Central, Hong Kong to which LGT Capital Partners Ltd. has partially delegated the investment decisions
<b>“Master Fund”</b>	means LGT CP GIM Growth, a sub-fund of LGT CP Multi-Assets SICAV, an umbrella open-ended Investment Company with variable capital. LGT CP Multi-Assets SICAV has been authorized by the FMA as UCITS undertaking.
<b>“Permitted Investment”</b>	means such investment as described under the section “Permitted Investments of the Sub-Fund” below.
<b>“Sub-Fund”</b>	means “LGT GIM Growth”
<b>“ESG”</b>	means environmental, social and governance.
<b>“ESG Oriented Fund”</b>	means that the Sub-Fund meets the criteria of Art. 8 SFDR.
<b>“ESG Focused Fund”</b>	means that the Sub-Fund meets the criteria of Art. 9 SFDR.

### 2. Key Terms

Key Terms	Unit Classes	
Unit Class / Currency <sup>1 2</sup>	(USD) B (CHF) B (CZK) B (EUR) B	(USD) TH
Security number	10846925 10846926 41112159 10846931	140410268
ISIN number	LI0108469250 LI0108469268 LI0411121598 LI0108469318	LI1404102686
Distributing / Accumulating	Accumulating	Accumulating

<sup>1</sup> The individual requirements an Investor must comply with in order to be eligible to purchase units of a certain class are described below under “Profile of a Typical Investor”.

<sup>2</sup> The currency risks can be hedged in whole or in part.

<b>Minimum Initial Subscription</b>	USD 10'000.00 CHF 10'000.00 Equivalent of USD 10'000.00 EUR 10'000.00	USD 10'000.00
<b>Minimum Additional Subscription</b>	0.001 Unit	0.001 Unit
<b>Minimum Redemption Amount</b>	0.001 Unit	0.001 Unit
<b>Minimum Holding Amount</b>	USD 10'000.00 CHF 10'000.00 Equivalent of USD 10'000.00 EUR 10'000.00	USD 10'000.00
<b>Initial Subscription Day</b>	N/A	01.01.2025
<b>Initial Subscription Price</b>	USD 10'000.00 CHF 10'000.00 Equivalent of USD 10'000.00 EUR 10'000.00	USD 10'000.00
<b>Valuation Day</b>	At least weekly, on the first Business Day of the week, or such other day or days as the UCITS or the Management Company may (with the consent of the Depositary) determine and notify in advance to Unitholders, and the end of the Accounting Year.	At least weekly, on the first Business Day of the week, or such other day or days as the UCITS or the Management Company may (with the consent of the Depositary) determine and notify in advance to Unitholders, and the end of the Accounting Year.
<b>Subscription Day</b>	At least weekly, on the first Business Day of the week, and/or such other days determined from time to time by the UCITS or the Management Company.	At least weekly, on the first Business Day of the week, and/or such other days determined from time to time by the UCITS or the Management Company.
<b>Subscription Price</b>	Net Asset Value per Unit (subject to the Subscription Fee and applicable taxes, levies or charges)	Net Asset Value per Unit (subject to the Subscription Fee and applicable taxes, levies or charges)
<b>Subscription Deadline</b>	Until 10:00 (CET) on two Business Days before the Subscription Day.	Until 10:00 (CET) on two Business Days before the Subscription Day.
<b>Subscription Payment Day</b>	Within two Settlement Days of the base currency of the particular unit class following the Subscription Day or such other days determined from time to time by the UCITS or the Management Company.	Within two Settlement Days of the base currency of the particular unit class following the Subscription Day or such other days determined from time to time by the UCITS or the Management Company.
<b>Redemption Day</b>	At least weekly, on the first Business Day of the week, and/or such other days determined from time to time by the UCITS or the Management Company.	At least weekly, on the first Business Day of the week, and/or such other days determined from time to time by the UCITS or the Management Company.
<b>Redemption Price</b>	Net Asset Value per Unit (subject to the Redemption Fee and applicable taxes, levies or charges)	Net Asset Value per Unit (subject to the Redemption Fee and applicable taxes, levies or charges)
<b>Redemption Deadline</b>	Until 10:00 (CET) on two Business Days before the Redemption Day.	Until 10:00 (CET) on two Business Days before the Redemption Day.
<b>Redemption Payment Day</b>	Within two Settlement Days of the base currency of the particular unit class following the Redemption Day or such other days determined from time to time by the UCITS or the Management Company.	Within two Settlement Days of the base currency of the particular unit class following the Redemption Day or such other days determined from time to time by the UCITS or the Management Company.
<b>Conversion Day</b>	At least weekly, on the first Business Day of the week, and/or such other days determined from time to time by the UCITS or the Management Company.	At least weekly, on the first Business Day of the week, and/or such other days determined from time to time by the UCITS or the Management Company.

<b>Conversion Deadline</b>	Until 10:00 (CET) on two Business Days before the Conversion Day.	Until 10:00 (CET) on two Business Days before the Conversion Day.
<b>Duration</b>	Unlimited	Unlimited
<b>Base Currency</b>	US Dollar (USD)	US Dollar (USD)
<b>Denomination</b>	With 3 decimal places	With 3 decimal places
<b>Listing</b>	No	No
<b>Securitization</b>	No	No
<b>Liquidity Gate Trigger</b>	N/A	N/A
<b>End of Accounting Year</b>	31 May	31 May

### 3. Costs Charged to Unitholders

<b>Costs Charged to Unitholders</b>	<b>Unit Classes</b>	
<b>Unit Class / Currency</b>	<b>(USD) B (CHF) B (CZK) B (EUR) B</b>	<b>(USD) TH</b>
<b>Subscription Fee</b>	Max. 5%	Max. 5%
<b>Redemption Fee</b>	None	None
<b>Max. Conversion Fee</b>	CHF 100.00 or equivalent	CHF 100.00 or equivalent
<b>Swing Factor</b>	N/A	N/A
<b>Swing Threshold</b>	N/A	N/A

### 4. Costs Charged to Sub-Fund

<b>Costs Charged to Sub-Fund<sup>3 4 5 6</sup></b>	<b>Unit Classes</b>	
<b>Unit Class / Currency</b>	<b>(USD) B (CHF) B (CZK) B (EUR) B</b>	<b>(USD) TH</b>
<b>Max. All-In-Fee</b>	1.75% p.a.	0.995% p.a.
<b>Performance Fee</b>	None	None
<b>Max. estimated indirect costs on the level of indirect investments</b>	4% p.a.	4% p.a.

## 5. Investment Policy

### 5.1. Investment Policy of the Sub-Fund

The Sub-Fund is managed as a portfolio of Permitted Investments in accordance with the investment policy set out in this section. Investors should note that during any period of suspension of valuation or redemption or when the Sub-Fund is wound down, the UCITS or the Management Company on behalf of the UCITS, acting in the best interests of

<sup>3</sup> The commission or fee charged is reported in the semi-annual and annual reports.

<sup>4</sup> Plus taxes and other expenses: Transaction costs charged by third parties and expenses incurred by the Management Company and the Depositary in exercising their responsibilities. For further information please refer to section 11 (Tax Provisions) and 12 (Costs and Fees) of the Prospectus.

<sup>5</sup> Where the sub-fund is liquidated, the Management Company and/or the Depositary may charge a liquidation fee of not more than CHF 15,000 for its own benefit.

<sup>6</sup> Further charges may be invoiced to the Sub-Fund by the Master Fund. Further information can be found below under "Fees and Expenses of the Master Fund".

the Unitholders, may resolve that it is unreasonable and/or impracticable to comply with some or all of the policies and guidelines in this section.

The Sub-Fund is a feeder UCITS, which permanently invests at least 85% of its net asset value in the Master Fund and up to 15% of its assets in liquid assets, as described in below under the heading "Permitted Investments of the Sub-Fund". The Sub-Fund aims to ensure that its performance is as similar as possible to that of the Master Fund, although there may be differences, inter alia, due to deviating fee structures.

The Sub-Fund qualifies as a "Mixed Fund" for the purposes of the German Investment Tax Act. Please see section 7.5.7 of the Prospectus titled "Additional Investment Provisions – German Investment Tax Act" for further information in relation to this classification.

#### **5.1.1. Investment Objective of the Sub-Fund**

The investment objective of the Sub-Fund is for the Sub-Fund investors to participate in the performance of the Master Fund. The investment objective of the Master Fund is to generate long-term capital appreciation.

There is no guarantee that the investment objective of the Sub-Fund and the Master Fund will be achieved, and investment results may vary substantially over time.

#### **5.1.2. Permitted Investments of the Sub-Fund**

The Sub-Fund may invest up to 15% of its net asset value in:

- liquid assets, including deposits with credit institutions (which are either located in an EEA country or in a third country where the supervision rules are equivalent to the EEA), and which are repayable on demand (or have the right to be withdrawn) and will mature in no more than 12 months;
- and in financial derivative instruments other than futures contracts (e.g. options, and currency forward transactions traded on stock exchanges or on the OTC-market), which may solely be used for hedging purposes.

### **5.2. Investment Policy of the Master Fund**

#### **5.2.1. Investment Objective of the Master Fund**

The investment objective of the Master Fund is to generate consistent long-term capital appreciation.

To achieve this objective, the Master Fund will invest in various asset classes with a view to maintain an overall strategic overweight of equity risk exposure relative to that of debt instruments.

#### **5.2.2. Investment Focus of the Master Fund**

Subject to the investment restrictions specified in Appendix 1 to the constitutive documents of the Master Fund, the Master Fund will seek to achieve its investment objective by investing (either directly or indirectly as further described in the constitutive documents of the Master Fund) in equity and fixed income securities and instruments as well as in other securities (either directly or indirectly as further described in the constitutive documents of the Master Fund). In addition, the Master-Fund may be (indirectly) exposed to the economic risks of assets classes such as commodities, insurance-linked securities, hedge funds, private equity or real estate (all together the "Target Asset Classes").

The Master-Fund does not pursue a specific sectoral focus.

The Master-Fund's portfolio is actively managed and is not managed in reference to a benchmark.

#### **5.2.3. Investment Strategy of the Master Fund**

When selecting investments, the Master Asset Manager undertakes an ESG analysis of the investment universe of the Master Fund in order to promote environmental and/or social characteristics. Please refer to Annex I to the constitutive documents of the Master Fund for further details.

### **1.1. Sustainability-related disclosures**

The investment decisions for this Sub-Fund have been delegated to the Voting Members of the Investment Committee. As part of their investment process, the Voting Members of the Investment Committee are responsible for taking sustainability risks into account and for considering the adverse impacts of investment decisions on sustainability factors. The management company periodically reviews the Voting Members of the Investment Committee in this regard.

#### **1.1.1. Integration of sustainability risks**

Investments with high sustainability risks are sensitive to changes in the areas Environmental, Social and Governance (e.g. environmental, social or regulatory changes, heat and drought periods, floods, forest fires, avalanches etc.). The realization of sustainability risks may have a direct impact on the value of an investment and thus adversely affect the return of the Sub-Fund.

The Management Company shall continuously monitor the exposure of the Sub-Fund to sustainability risks. In doing so, the sustainability risk is divided into physical risks and transitory risks and evaluated separately.

Based on the investment strategy, it is generally not expected that the Sub-Fund is significantly directly exposed to sustainability risks. However, the realization of sustainability risks may influence the volatility and profitability of global markets as well as the risk appetite of the participants. This may adversely affect the return of the Sub-Fund.

#### **1.1.2. Consideration of adverse impacts of investment-decisions**

##### **Voting Members of the Investment Committee**

The investment decisions for this Sub-Fund have been delegated to the Voting Members of the Investment Committee. The Voting Members of the Investment Committee do take into account principle adverse impacts of investment decisions on sustainability factors at the corporate level.

##### **Management Company**

The Management Company of this Sub-Fund takes into account principal adverse impacts of investment decisions on sustainability factors at the corporate level.

##### **Product Level**

For this Sub-Fund, principle adverse impacts of investment decisions on sustainability factors are considered in the investment decision process. Further details on how principle adverse impacts on sustainability factors are considered can be found in the SFDR Annex below.

The results of the consideration of principal adverse impacts on sustainability factors are disclosed in the annual report of the Sub-Fund.

#### **1.1.3. Product categorization**

The investment strategy pursued in this Sub-Fund meets the criteria of a financial product pursuant to Art. 8 of the Regulation of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosure requirements in the financial services sector. Further information can be found in the SFDR Annex below.

The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities.

The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

### **6. Profile of a Typical Investor**

The Sub-Fund and the Master Fund are suitable for investors seeking capital growth with a long-term investment time horizon who are willing to set aside capital for at least four years, primarily seeking constant returns and who are prepared to accept a medium to high level of volatility from time to time.

### **7. Specific Risk Factors**

The Sub-Fund will invest at least 85% of its assets in the Master Fund (excluding up to 15% holding of ancillary liquid assets and/or currency hedging instruments). Nevertheless, given the broad diversification of the Master Fund, the Sub-Fund is expected to be sufficiently diversified. The Sub-Fund cannot guarantee or control the Master Fund in this regard. The Sub-Fund's performance may differ from the Master Fund's performance.

The performance of the Units depends on the investment policy and the development of the markets or the materialization of risks inherent in securities and instruments in which the Master Fund invests and cannot be determined in advance. In this context, it should be noted that the value of the Units may rise above or fall below the issue price at

any time. There is no guarantee that investors will recover the full amount of their initial capital investment. The Master Fund may invest directly or indirectly in the instruments detailed in the constitutive documents of the Master Fund. Indirect investments in particular include other UCITS or collective investment undertakings comparable to a UCITS, certificates and structured products, as well as, financial derivative instruments. In addition to the risks of the underlying indirect investments, indirect investments are also associated with the risks of the Master Fund directly investing in the assets as well as the risks of the issuers of certificates, structured products or financial derivative instruments. Where indirect investments are not fully transparent, the risk management on the level of the Master Fund can be unclear and harder to control. Indirect investments usually involve higher costs. Financial derivative instruments may be embedded in certificates and structured products, and target funds into which the Master Fund invests can use such financial instruments to varying extents. As a consequence, in addition to the risk characteristics of the securities, those of financial derivative instruments must also be taken into account. Moreover, the Master Fund may, to a limited extent, seek risk exposure to alternative investments (hedge funds, private equity). These asset classes have been known to provide advantages in terms of absolute returns and low correlation with traditional investments when used in asset management strategies. At the same time, however, risks attached to these asset classes are higher than those attached to traditional investments. Equity and debt securities can both reflect the economic risks of commodity investments. The market behaviour of this asset class differs from that of shares and bonds to a certain extent and thus, this asset class is suitable to diversify market risks and increase the profit potential.

The assets of the Master Fund are to a substantial extent invested in equity and debt securities and instruments and thus associated not only with interest and market risk but also with credit and/or issuer risk. Moreover, risks pertaining to other markets such as foreign exchange markets for investments in other currencies can arise.

The use of financial derivatives for purposes other than hedging may give rise to increased risk.

The above list is not a complete list of all potential risk factors. The Management Company and the Master Asset Manager seek to limit risks by monitoring the Master Fund's asset allocation. Please note that an investment in the Sub-Fund should be seen as a long-term exposure which may be subject to a high volatility.

In addition, this Sub-Fund may also be subject to the general risks described in section "Risk Factors" in the Prospectus.

## **8. Fees and Expenses of the Master Fund**

The Sub-Fund will directly (through its investment in the Master Fund) bear a pro rate share of the costs of the expenses of the Master Fund, which will include (non-exhaustive) legal, auditing, organisational, administrative, custodial and operating expenses.

Where, in connection with an investment in the Master Fund a distribution fee, commission fee or other monetary benefit is received by the Sub-Fund, the Management Company or any person acting on behalf of either the Sub-Fund or the Management Company, the fee, commission or other monetary benefit shall be paid into the assets of the Sub-Fund.

No subscription fee, redemption charge or conversion fee will be payable by the Sub-Fund when subscribing for or redeeming units in the Master Fund. The Investment Manager shall not receive any commission by virtue of an investment by the Sub-Fund in the units of the Master Fund.

## **Taxes**

There are no adverse tax consequences for investors resulting from the Sub-Fund's investment in the Master Fund relative to investing directly. Investors in the Sub-Fund should refer to the section of the prospectus entitled "Taxation" for further information on taxation provisions which should be taken into account when considering an investment in the Sub-Fund. Prospective investors should consult their own professional advisors on the relevant tax considerations applicable to the purchase, acquisition, holding, switching and disposal of units of the Sub-Fund, as well as, the receipt of distributions (if applicable) under the laws of their countries of citizenship, residence or domicile.

## **9. Information Sharing**

The Management Company of the Sub-Fund and the management company of the Master Fund, have put in place an Information Sharing Agreement (the "Information Sharing Agreement") in relation to the investment by the Sub-Fund in units of the Master Fund. The Information Sharing Agreement sets out which unit classes of the Master Fund are available for investment by the Sub-Fund, details of the charges and expenses to be borne by the Sub-Fund, the standard dealing arrangements and the events affecting dealing arrangements.



Further information relating to the Master Fund (including the prospectus and articles of association) and the Information Sharing Agreement are available, free of charge, from the Management Company of the Sub-Fund.

#### **10. Termination of the Master Fund**

In circumstances where the Master Fund is liquidated, the Sub-Fund shall also be liquidated unless the FMA approves: (i) the investments of at least 85% of the Sub-Fund's net asset value in the units of another master UCITS, or (ii) the amendment of the constitutive documents in order to enable the Sub-Fund to convert into a UCITS which is not a feeder UCITS.

In circumstances where the Master Fund merges with another UCITS or is divided into two or more UCITS, the Sub-Fund shall be liquidated unless the FMA grants prior approval to the Sub-Fund to: (i) continue to be a feeder UCITS of the Master Fund or another UCITS resulting from the merger or division of the Master Fund; (ii) invest at least 85% of the Sub-Fund's net asset value in the units of another master UCITS not resulting from the merger or division of the Master Fund; or (iii) amend the constitutive documents in order to enable the Sub-Fund to convert into a UCITS which is not a feeder UCITS.

#### **11. Past Performance**

The historic performance of the Sub-Fund (including Unit Classes), once available, shall be published on the website of the LAFV (*Liechtensteinischer Anlagefondsverband*) ([www.lafv.li](http://www.lafv.li)). Past performance is not a guarantee or indication of present and/or future performance.

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

**Product Name:** LGT Multi-Assets SICAV – LGT GIM Growth (the “Sub-Fund” or “financial product”)

**Legal entity identifier:** 549300DQWRIJHXRYQ119

### Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?

<input checked="" type="radio"/> <input checked="" type="radio"/> Yes	<input checked="" type="radio"/> <input type="radio"/> No
<input type="checkbox"/> It will make a minimum of sustainable investments with an environmental objective: ____% <ul style="list-style-type: none"> <li><input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy</li> <li><input type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</li> </ul> <input type="checkbox"/> It will make a minimum of sustainable investments with a social objective: ____%	<input type="checkbox"/> It promotes Environmental/Social (E/S) characteristics and while it does not have as its objective a sustainable investment, it will have a minimum proportion of ____% of sustainable investments <ul style="list-style-type: none"> <li><input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy</li> <li><input type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</li> <li><input type="checkbox"/> with a social objective</li> </ul> <input checked="" type="checkbox"/> It promotes E/S characteristics, but will not make any sustainable investments <sup>1</sup>



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

The investment objective of the Sub-Fund is to participate in the performance of the Master Fund (LGT CP GIM Growth, a sub-fund of LGT CP Multi-Assets SICAV). The characteristics promoted by the Sub-Fund are therefore aligned and based on the disclosure of the Master Fund, which promotes environmental and social characteristics through certain direct and indirect investments it makes:

<sup>1</sup> For the avoidance of doubt, the Sub-Fund does not commit to making sustainable investments, but such investments may exist in the Sub-Fund on a non-committal basis.

- Environmental considerations include a company's or issuer's energy consumption, its carbon footprint and its impact on land; and
- Social considerations include a company's or issuer's relationship with its employees and the communities in which they operate.

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

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

Depending on whether the Master Fund invests in an underlying fund or directly in securities or instruments, the following factors will be considered in determining whether the Master Fund is attaining the environmental and/or social characteristics it promotes, based on one or more of the following three components:

- The proportion of underlying funds in which the Master Fund invests (the "**Underlying Funds**") that meet the criteria to be identified as ESG Oriented Funds or ESG Focused Funds.
- Application of the Master Asset Manager's proprietary ESG rating system of securities and instruments (the "**Securities and Instruments ESG Rating System**"). This proprietary ESG rating system is based on data from external data providers that provides objective, relevant and systematic ESG information and which measures the environmental and social characteristics of companies and issuers.
- Application of the Master Asset Manager's "**Manager ESG Rating System**" whereby fund managers are assessed on their ESG practices (in the areas of commitment to ESG, investment process, ownership and reporting).
- An assessment of whether the Master Asset Manager in respect of the Master Fund has successfully and consistently executed its ESG exclusion policy.

● ***What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?***

Not applicable. The Master Fund does not make a commitment to sustainable investments.

● ***How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?***

Not applicable. The Master Fund does not make a commitment to sustainable investments.

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

Not applicable. The Master Fund does not make a commitment to sustainable investments.

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

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

Not applicable. The Master Fund does not make a commitment to sustainable investments.

*The EU Taxonomy sets out a “do not significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.*

*The “do no significant harm” principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.*

*Any other sustainable investments must also not significantly harm any environmental or social objectives.*



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



Yes

Yes, the Master Asset Manager considers a range of principle adverse impact indicators in respect of the Master Fund, but the availability of data on some indicators is limited due to a lack of reporting of metrics by companies, issuers, investee entities or there may be lacking market practice for the type and/or nature of the instruments traded. Accordingly, the integration of principle adverse impact indicators is conducted on a best-efforts basis; however, it is expected that principle adverse impact indicators can be applied to a greater portion of the portfolio once data availability improves. This will allow for enhanced insight in the adverse impacts caused by investee companies or issuers.

For further information on principal adverse impacts refer to the Master Asset Manager's website and the Master Fund's forthcoming annual report.



No



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

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

The investment objective of the Sub-Fund is to participate in the performance of the Master Fund (LGT CP GIM Growth, a sub-fund of LGT CP Multi-Assets SICAV). The Master Fund will seek to achieve its investment objective by investing (either directly or indirectly) primarily in equity and fixed income securities and instruments and to a lesser extent in other securities. In addition, the Master Fund may be (indirectly) exposed to the economic risks of assets classes such as commodities, hedge funds, private equity or real estate.

The Master Fund does not pursue a specific sectoral focus. For further information, please refer to the Section 6 titled “Investment Management”.

When selecting investments, the Master Asset Manager undertakes an ESG analysis of the investment universe of the Master Fund in order to promote environmental and/or social characteristics, according to the description in this Annex.

- **What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?**

The investment objective of the Sub-Fund is to participate in the performance of the Master Fund (LGT CP GIM Growth, a sub-fund of LGT CP Multi-Assets SICAV). The primary binding element is a commitment of at least 50% of the assets of the Master Fund to underlying investments which promote environmental and/or social characteristics. The computation of this asset allocation commitment, as determined by the Master Asset Manager, consists of the investments rating positively based on one or more of the following three components:

- i. Investments in permitted investments of the Master Fund that are ESG Oriented Funds or ESG Focused Funds, which have ESG-related binding elements of their own, form the first category for attaining environmental and/or social characteristics.
- ii. Application of the Securities and Instrument ESG Rating System, which includes further rating and exclusion criteria, to investments that do not fall into the first category or as deemed appropriate for an asset class or type. Such instruments form the second category of investments for the purpose of attaining environmental and/or social characteristics.
- iii. Application of the Manager ESG Rating System to investments that do not fall into categories one or two. Managers receive a score of 1 to 4 (where 1 = excellent, 2 = good, 3 = fair, 4 = poor) on each of the four measures (commitment to ESG, investment process, ownership and reporting), resulting in an overall rating for each manager, which is then documented in the Master Asset Manager's monitoring system and taken into consideration during the asset selection and monitoring processes. Managers rated 1-3 form the third category for attaining environmental and/or social characteristics and managers rated 4 do not attain environmental and/or social characteristics.

Separately to these commitments, the Master Asset Manager also applies a proprietary exclusion policy on inhumane weapons and coal for the whole portfolio.

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

There is no commitment to reduce the investment universe at the Master Fund's or the Master Fund's level, however Underlying Fund(s) investments of the Master Fund may apply such policies resulting in an investment universe that has been systematically reduced on ESG grounds.

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

The investment objective of the Sub-Fund is to participate in the performance of the Master Fund (LGT CP GIM Growth, a sub-fund of LGT CP Multi-Assets SICAV). The Master Asset Manager seeks to ensure that good governance practices, as reasonably determined by the Master Asset Manager, are followed by investee companies in respect of the Master Fund.

In order to ensure this, in terms of direct investments in certain asset types, the Master Asset Manager's quantitative screening of corporate governance considers the independence and competency of investee company boards in terms of leadership and composition, existing and independent key committees, compensation policy, the degree of integration of long-term and ESG related targets, and minority shareholder protections. In addition, good governance is a factor in the qualitative assessment of individual companies prior to investment.

Where the Manager ESG Rating System is applied, the Master Asset Manager expects managers to consider good governance factors.

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

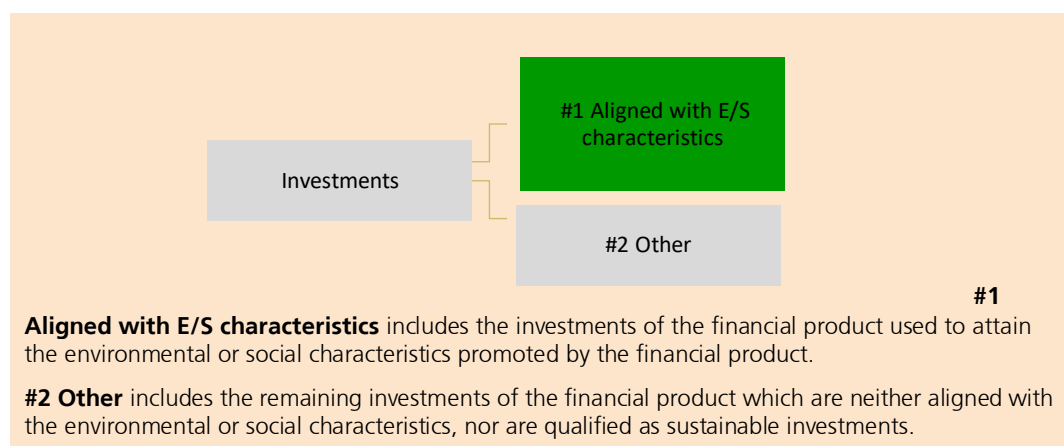


## What is the asset allocation planned for this financial product?

The investment objective of the Sub-Fund is to participate in the performance of the Master Fund (LGT CP GIM Growth, a sub-fund of LGT CP Multi-Assets SICAV). At least 50% of the assets of the Master Fund will be allocated to investments aligned with environmental and/or social characteristics.

Minimum environmental and social safeguards and the purpose of the remaining portion of investments is outlined in the section titled "What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?".

The below graphical representation contextualises the types of investment considered:



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

The Master Fund does not use derivatives specifically for the purpose of attaining the environmental and or social characteristics it promotes. Rather, the Master Fund may use derivatives for ordinary purposes, which may include, for investment purposes, hedging, efficient portfolio management and/or overlay purposes and in certain cases this may therefore incidentally relate to the Master Fund attaining the environmental and or social characteristics it promotes.



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

The Master Fund does not commit to invest any proportion of its assets in environmentally sustainable economic activities aligned with the EU Taxonomy. Accordingly, the level of EU Taxonomy-aligned investments shall be zero per cent.

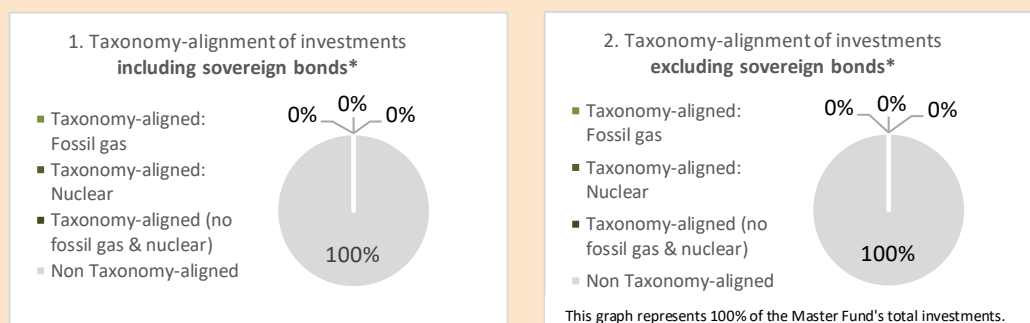
### Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy?<sup>2</sup>

- Yes:
- ☐ In fossil gas ☐ In nuclear energy
- ☒ No

**The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the**

<sup>2</sup> Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

**Taxonomy-alignment of sovereign bonds\***, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.



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

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

The Master Fund does not commit to make sustainable investments with an environmental objective aligned with the EU Taxonomy. Hence, the Master Fund commit to invest in sustainable investments in transitional and enabling activities.



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



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

Not applicable. The Master Fund does not make a commitment to sustainable investments.



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

Not applicable. The Master Fund does not make a commitment to sustainable investments.



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

Investments under “#2 Other” are investments which are neither aligned with the environmental or social characteristics nor qualify as sustainable investments, for example:

- There may be insufficient data available to verify any classification under sustainable investments or investments with environmental and/or social characteristics.
- There may be exposures where an ESG assessment cannot be applied or there is lacking market practice for appropriate quantification of ESG factors.
- Exposures consisting of certain FDI, types of hedging, cash or cash equivalents.
- Any investments the Master Asset Manager considers as not having environmental and/or social characteristics. As the Master Asset Manager in respect of the Master Fund does not commit to ensuring that all investments are aligned with the environmental and/or social characteristics promoted by the Master Fund, these investments may be made in the ordinary course in accordance with the Master Fund's investment policy as further described in the section of the Supplement entitled "Investment Policies".



To the extent possible, minimum safeguards are applied for this portion of the portfolio, either directly by the Master Fund or indirectly in the context of the Underlying Funds. In terms of these minimum safeguards, the Investment Manger's policy on exclusions relating to inhumane weapons will be applied to all investments included in this portion of the portfolio.

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

The Master Fund does not use a benchmark and neither measure whether the promoted environmental and/or social characteristics are attained with a benchmark.



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

You may find more information on [www.fundinfo.com](http://www.fundinfo.com) and the Master Asset Manager's website: [www.lgtcp.com/en/regulatory-information](http://www.lgtcp.com/en/regulatory-information).



### III. LGT Alpha Indexing Fund

The Management Company has delegated the distribution of this Sub-Fund to the following distribution agents:

- LGT Bank Ltd., Herrengasse 12, FL-9490 Vaduz
- LGT Bank Ltd., Zweigniederlassung Österreich, Bankgasse 9, A-1010 Wien, Austria
- LGT Bank (Switzerland) Ltd., Lange Gasse 15, CH-4002 Basel
- LGT Bank Ltd., Hong Kong Branch, Suite 4203, Two Exchange Square, 8 Connaught Place, Central, Hong Kong
- LGT Bank (Singapore) Ltd., 3 Temasek Avenue, #30-01 Centennial Tower, Singapore 039190

#### 1. Overview of Definitions

For SFDR purposes, the Management Company considers that the Sub-Fund meets the criteria of an ESG Oriented Fund. The Management Company reserves the right to reassess this consideration at any time. If the Management Company determines at any future point that the Sub-Fund does not meet the criteria to qualify as an ESG Oriented Fund, this Annex A shall be updated accordingly.

#### Definitions

<b>“Benchmark”</b>	Pictet LPP 40 Plus (CHF)
<b>“Information Sharing Agreement”</b>	means the information sharing agreement put in place between the Management Company of the Sub-Fund and the management company of the Master Fund in order to set out the classes of the Master Fund available for investment by the Sub-Fund.
<b>“Investment Manager”</b>	means LGT PB Fund Solutions Ltd.
<b>“Master Asset Manager”</b>	means the asset manager of the Master Fund, LGT Capital Partners (Asia-Pacific) Ltd., 4202, Two Exchange Square, 8 Connaught Place Central, Hong Kong to which LGT Capital Partners Ltd. has partially delegated the investment decisions.
<b>“Master Fund”</b>	means LGT CP Alpha Indexing Fund, a sub-fund of LGT CP Multi-Assets SICAV, an umbrella open-ended Investment Company with variable capital. LGT CP Multi-Assets SICAV has been authorized by the FMA as UCITS undertaking.
<b>“Permitted Investment”</b>	means such investment as described under the section “Permitted Investments of the Sub-Fund” below.
<b>“Sub-Fund”</b>	means “LGT Alpha Indexing Fund”
<b>“ESG”</b>	means environmental, social and governance.
<b>“ESG Oriented Fund”</b>	means that the Sub-Fund meets the criteria of Art. 8 SFDR.
<b>“ESG Focused Fund”</b>	means that the Sub-Fund meets the criteria of Art. 9 SFDR.

#### 2. Key Terms

Key Terms	Unit Classes		
Unit Class / Currency <sup>1</sup>	(CHF) B (EUR) B	(CHF) I1 (EUR) I1	(CHF) C (EUR) C
<sup>2</sup>			

<sup>1</sup> The individual requirements an Investor must comply with in order to be eligible to purchase units of a certain class are described below under “Profile of a Typical Investor”.

<sup>2</sup> The currency risks of the share classes can be partially or fully hedged.

	(USD) B	(USD) I1	(USD) C
<b>Security number</b>	10110299 34702175 34702174	10110300 34702177 34702176	24716268 34702179 34702178
<b>ISIN number</b>	LI0101102999 LI0347021755 LI0347021748	LI0101103005 LI0347021771 LI0347021763	LI0247162683 LI0347021797 LI0347021789
<b>Distributing / Accumulating</b>	Accumulating	Accumulating	Accumulating
<b>Minimum Initial Subscription</b>	1 Unit	Equivalent of CHF 1 Mio, unless otherwise agreed with the Management Company	1 Unit
<b>Minimum Additional Subscription</b>	0.001 Unit	0.001 Unit	0.001 Unit
<b>Minimum Redemption Amount</b>	0.001 Unit	0.001 Unit	0.001 Unit
<b>Minimum Holding Amount</b>	1 Unit	Equivalent of CHF 1 Mio, unless otherwise agreed with the Management Company	1 Unit
<b>Initial Subscription Day</b>	N/A	N/A	N/A
<b>Initial Subscription Price</b>	USD 1'000 CHF 1'000 EUR 1'000	USD 1'000 CHF 1'000 EUR 1'000	USD 1'000 CHF 1'000 EUR 1'000
<b>Valuation Day</b>	At least weekly, on the first Business Day of the week, or such other day or days as the UCITS or the Management Company may (with the consent of the Depositary) determine and notify in advance to Unitholders, and the end of the Accounting Year.		
<b>Subscription Day</b>	At least weekly, on the first Business Day of the week, and/or such other days determined from time to time by the UCITS or the Management Company.		
<b>Subscription Price</b>	Net Asset Value per Unit (subject to the Subscription Fee and applicable taxes, levies or charges)		
<b>Subscription Deadline</b>	Until 11:00 (CET) on the Subscription Day.		
<b>Subscription Payment Day</b>	Within two Business Days after the relevant Subscription Day of the base currency of the particular unit class following the Subscription Day or such other days determined from time to time by the UCITS or the Management Company.		
<b>Redemption Day</b>	At least weekly, on the first Business Day of the week, and/or such other days determined from time to time by the UCITS or the Management Company.		
<b>Redemption Price</b>	Net Asset Value per Unit (subject to the Redemption Fee and applicable taxes, levies or charges)		
<b>Redemption Deadline</b>	Until 11:00 (CET) on the Redemption Day.		
<b>Redemption Payment Day</b>	Within two Business Days after the relevant Redemption Days of the base currency of the particular unit class following the Redemption Day or such other days determined from time to time by the UCITS or the Management Company.		
<b>Conversion Day</b>	At least weekly, on the first Business Day of the week, and/or such other days determined from time to time by the UCITS or the Management Company.		
<b>Conversion Deadline</b>	Until 11:00 (CET) on the Conversion Day.		
<b>Duration</b>	Unlimited		
<b>Base Currency</b>	Swiss Franc (CHF)		
<b>Denomination</b>	With 3 decimal places		
<b>Listing</b>	No		
<b>Securitization</b>	No		
<b>Liquidity Gate Trigger</b>	N/A		
<b>End of Accounting Year</b>	31 <sup>st</sup> May		

### 3. Costs Charged to Unitholders

Costs Charged to Unitholders	Unit Classes		
Unit Class / Currency	(CHF) B (EUR) B (USD) B	(CHF) I1 (EUR) I1 (USD) I1	(CHF) C (EUR) C (USD) C
<b>Subscription Fee</b>	Max. 3%	Max. 3%	Max. 3%
<b>Redemption Fee</b>	None	None	None
<b>Conversion Fee</b>	None	None	None
<b>Swing Factor</b>	N/A	N/A	N/A
<b>Swing Threshold</b>	N/A	N/A	N/A

### 4. Costs Charged to Sub-Fund

Costs Charged to Sub-Fund <sup>3 4 5 6</sup>	Unit Classes		
Unit Class / Currency	(CHF) B (EUR) B (USD) B	(CHF) I1 (EUR) I1 (USD) I1	(CHF) C (EUR) C (USD) C
<b>Max. All-In-Fee</b>	1.15% p.a.	0.54% p.a.	0.64% p.a.
<b>Performance Fee</b>	None	None	None
<b>Max. estimated indirect fees at the level of indirect investments</b>	2%	2%	2%

## 5. Investment Policy

### 5.1. Investment Policy of the Sub-Fund

The Sub-Fund is managed as a portfolio of Permitted Investments in accordance with the investment policy set out in this section. Investors should note that during any period of suspension of valuation or redemption or when the Sub-Fund is wound down, the UCITS or the Management Company on behalf of the UCITS, acting in the best interests of the Unitholders, may resolve that it is unreasonable and/or impracticable to comply with some or all of the policies and guidelines in this section.

The Sub-Fund is a feeder UCITS, which permanently invests at least 85% of its net asset value in the Master Fund and up to 15% of its assets in liquid assets, as described in below under the heading "Permitted Investments of the Sub-Fund". The Sub-Fund aims to ensure that its performance is as similar as possible to that of the Master Fund, although there may be differences, inter alia, due to deviating fee structures.

<sup>3</sup> The commission or fee charged is reported in the semi-annual and annual reports.

<sup>4</sup> Plus taxes and other expenses: Transaction costs charged by third parties and expenses incurred by the Management Company and the Depositary in exercising their responsibilities. For further information please refer to section 11 (Tax Provisions) and 12 (Costs and Fees) of the Prospectus.

<sup>5</sup> Where the Sub-Fund is liquidated, the Management Company and/or the Depositary may charge a liquidation fee of not more than CHF 15,000 for its own benefit.

<sup>6</sup> Further charges may be invoiced to the Sub-Fund by the Master Fund. Further information can be found below under "Fees and Expenses of the Master Fund".

The Sub-Fund does not qualify as either a “Mixed Fund” or an “Equity Fund” for the purposes of the German Investment Tax Act. Please see section 7.5.7 of the Prospectus titled “Additional Investment Provisions – German Investment Tax Act” for further information in relation to this classification.

#### **5.1.1. Investment Objective of the Sub-Fund**

The investment objective of the Sub-Fund is for Sub-Fund investors to participate in the performance of the Master Fund.

There is no guarantee that the investment objective of the Sub-Fund and the Master Fund will be achieved, and investment results may vary substantially over time.

#### **5.1.2. Permitted Investments of the Sub-Fund**

The Sub-Fund may invest up to 15% of its net asset value in\_

- liquid assets, including deposits with credit institutions (which are either located in an EEA country or in a third country where the supervision rules are equivalent to the EEA), and which are repayable on demand (or have the right to be withdrawn) and will mature in no more than 12 months;
- and in financial derivative instruments other than futures contracts (e.g. options, and currency forward transactions traded on stock exchanges or on the OTC-market) which may solely be used for hedging purposes.

### **5.2. Investment Policy of the Master-Fund**

#### **5.2.1. Investment Objective of the Master-Fund**

The investment objective of the Master Fund is to generate consistent long-term capital appreciation.

To achieve this objective, the Master Fund aims to use an active index and alpha strategy. The Master Fund aims at an optimised selection of the relevant markets within the parameters of the Permitted Investments & Techniques (as defined in the constitutive documents of the Master Fund) and at outperforming the indices (benchmarks) that represent the individual markets (generation of “alpha”).

The investment policy complies with the Swiss restrictions for capital investment of institutions operating pension schemes. Hence, the Master Fund is suitable for investments of moneys of the second or third pillar and can, in particular, be used by fund-linked life insurance schemes and pillar 3a pension funds. Extracts of the relevant provisions of the BVV 2 are presented in Appendix I to the Supplement of the constitutive documents of the Master Fund.

#### **5.2.2. Investment Focus of the Master Fund**

Subject to the investment restrictions specified in Appendix 1 to the constitutive documents of the Master Fund, the Master Fund will seek to achieve its investment objective by investing (either directly or indirectly as further described in the constitutive documents of the Master Fund) primarily in equity and fixed income securities and instruments as further described in the constitutive documents of the Master Fund under Permitted Investments & Techniques (the “Target Asset Classes”).

The Master-Fund does not pursue a specific sectoral focus.

When selecting investments, the Master Asset Manager undertakes an ESG analysis of the investment universe of the Master Fund in order to promote environmental and/or social characteristics. Please refer to section J. “SFDR Annex” for further details.

#### **5.2.3. Investment Strategy of the Master-Fund**

The Master Fund is considered to be actively managed in reference to the Benchmark by virtue of the fact that it seeks to outperform the Benchmark. However, the Benchmark is not used to define the portfolio composition of the Master Fund and the Master Fund may be wholly invested in securities which are not constituents of the Benchmark.

The Benchmark represents the performance of specific investment categories such as emerging debt, corporate bonds in euros, small cap equities, real estate and absolute return strategies. Further information regarding the Benchmark, including the methodology used for the calculation of the Benchmark, can be found on [www.am.pictet/en/switzerland/articles/lpp-indices](http://www.am.pictet/en/switzerland/articles/lpp-indices).

To ensure this consistency of risk and performance measurement across Classes, the Master Asset Manager has developed a bespoke framework for the EUR and USD Classes, which emulates in broad terms the weightings of the Benchmark.

The Master Asset Manager actively seeks to achieve outperformance of the Benchmark by making active investment decisions in relation to the portfolio's allocation to equities, interest-bearing debt securities or equivalent securities, while pursuing an active index and alpha strategy.

When selecting investments, the Master Asset Manager undertakes an ESG analysis of the investment universe of the Sub-Fund in order to promote environmental and/or social characteristics. Please refer to Annex II to this Supplement for further details.

### **5.3. Sustainability-related disclosures**

The investment decisions for this Sub-Fund have been delegated to the Investment Manager. As part of its investment process, the latter is responsible for taking sustainability risks into account and for considering the adverse impacts of investment decisions on sustainability factors. The management company periodically reviews the Investment Manager in this regard.

#### **5.3.1. Integration of sustainability risks**

Investments with high sustainability risks are sensitive to changes in the areas Environmental, Social and Governance (e.g. environmental, social or regulatory changes, heat and drought periods, floods, forest fires, avalanches etc.). The realization of sustainability risks may have a direct impact on the value of an investment and thus adversely affect the return of the Sub-Fund.

The Management Company shall continuously monitor the exposure of the Sub-Fund to sustainability risks. In doing so, the sustainability risk is divided into physical risks and transitory risks and evaluated separately.

Based on the investment strategy, it is generally not expected that the Sub-Fund is significantly directly exposed to sustainability risks. However, the realization of sustainability risks may influence the volatility and profitability of global markets as well as the risk appetite of the participants. This may adversely affect the return of the Sub-Fund.

#### **5.3.2. Consideration of adverse impacts of investment-decisions**

##### **Investment Manager**

The investment decisions for this Sub-Fund have been delegated to the Investment Manager. The latter does take into account principle adverse impacts of investment decisions on sustainability factors at the corporate level.

##### **Management Company**

The Management Company of this Sub-Fund takes into account principal adverse impacts of investment decisions on sustainability factors at the corporate level.

##### **Product Level**

For this Sub-Fund, principle adverse impacts of investment decisions on sustainability factors are considered in the investment decision process. Further details on how principle adverse impacts on sustainability factors are considered can be found in the SFDR Annex below.

The results of the consideration of principal adverse impacts on sustainability factors are disclosed in the annual report of the Sub-Fund.

#### **5.3.3. Product categorization**

The investment strategy pursued in this Sub-Fund meets the criteria of a financial product pursuant to Art. 8 of the Regulation of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosure requirements in the financial services sector. Further information can be found in the SFDR Annex below.

The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities.

The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

## **6. Profile of a Typical Investor**

The Sub-Fund and the Master Fund are suitable for investors with a medium-term investment horizon who are primarily seeking constant returns and capital growth. Investors should be willing to accept prolonged fluctuations in the net

asset value of the units, and should not be dependent on liquidating the investment at a specific point in time. Investors cannot exclude the risk of price decreases, foreign exchange losses and volatile returns due to market developments which are unfavourable for investors.

## 7. Specific Risk Factors

The Sub-Fund will invest at least 85% of its assets in the Master Fund (excluding up to 15% holding of ancillary liquid assets and/or currency hedging instruments). Nevertheless, given the broad diversification of the Master Fund, the Sub-Fund is expected to be sufficiently diversified. The Sub-Fund cannot guarantee or control the Master Fund in this regard. The Sub-Fund's performance may differ from the Master Fund's performance.

The performance of the Units depends on the investment policy and the development of the markets or the materialization of risks inherent in securities and instruments in which the Master Fund invests and cannot be determined in advance. In this context, it should be noted that the value of the Units may rise above or fall below the issue price at any time. There is no guarantee that investors will recover the full amount of their initial capital investment.

The Master Fund may invest directly or indirectly in the instruments detailed in the constitutive documents of the Master Fund. Indirect investments in particular include units of other investment undertakings, certificates and structured products as well as financial derivative instruments. In addition to the risks of the underlying indirect investments, indirect investments are also associated with the risks of the Master Fund directly investing in the assets as well as the risks of the issuers of certificates, structured products or financial derivative instruments. Indirect investments in most cases involve higher costs. Financial derivative instruments may be embedded in certificates and structured products, and target funds in which the Master Fund invests can use such financial instruments to varying extents. As a consequence, in addition to the risk characteristics of the securities, those of financial derivative instruments must also be taken into account. Moreover, the Master Fund may, to a limited extent, seek risk exposure to alternative investments (hedge funds, private equity). These asset classes have been known to provide advantages in terms of absolute returns and low correlation with traditional investments when used in asset management strategies. At the same time, however, risks attached to these asset classes are higher than those attached to traditional investments. Equity and debt securities can both reflect the economic risks of commodity investments. The market behaviour of this asset class differs from that of shares and bonds to a certain extent and thus, this asset class is suitable to diversify market risks and increase the profit potential.

The assets of the Master Fund are to a substantial extent invested in equity and debt securities and instruments and thus associated not only with interest and market risk but also with credit and/or issuer risk. Moreover, risks pertaining to other markets such as foreign exchange markets for investments in other currencies can arise.

**The above list is not a complete list of all potential risk factors. The Management Company and the Master Asset Manager seek to limit risks by monitoring the Master Fund's asset allocation. Please note that an investment in the Sub-Fund should be seen as a long-term exposure which may be subject to a high volatility.**

In addition, this Sub-Fund may also be subject to the general risks described in section "Risk Factors" in the Prospectus.

## 8. Fees and Expenses of the Master Fund

The Sub-Fund will directly (through its investment in the Master Fund) bear a pro rate share of the costs of the expenses of the Master Fund, which will include (non-exhaustive) legal, auditing, organisational, administrative, custodial and operating expenses.

Where, in connection with an investment in the Master Fund a distribution fee, commission fee or other monetary benefit is received by the Sub-Fund, the Management Company or any person acting on behalf of either the Sub-FundMaster Asset Manager or the Management Company, the fee, commission or other monetary benefit shall be paid into the assets of the Sub-Fund.

No subscription fee, redemption charge or conversion fee will be payable by the Sub-Fund when subscribing for or redeeming units in the Master Fund. The Investment Manager shall not receive any commission by virtue of an investment by the Sub-Fund in the units of the Master Fund.

## Taxes

There are no adverse tax consequences for investors resulting from the Sub-Fund's investment in the Master Fund relative to investing directly. Investors in the Sub-Fund should refer to the section of the prospectus entitled "Taxation"

for further information on taxation provisions which should be taken into account when considering an investment in the Sub-Fund. Prospective investors should consult their own professional advisors on the relevant tax considerations applicable to the purchase, acquisition, holding, switching and disposal of units of the Sub-Fund, as well as, the receipt of distributions (if applicable) under the laws of their countries of citizenship, residence or domicile.

## **9. Information Sharing**

The Management Company of the Sub-Fund and the management company of the Master Fund, have put in place an Information Sharing Agreement (the "Information Sharing Agreement") in relation to the investment by the Sub-Fund in units of the Master Fund. The Information Sharing Agreement sets out which unit classes of the Master Fund are available for investment by the Sub-Fund, details of the charges and expenses to be borne by the Sub-Fund, the standard dealing arrangements and the events affecting dealing arrangements.

Further information relating to the Master Fund (including the prospectus and articles of association) and the Information Sharing Agreement are available, free of charge, from the Management Company of the Sub-Fund.

## **10. Termination of the Master Fund**

In circumstances where the Master Fund is liquidated, the Sub-Fund shall also be liquidated unless the FMA approves: (i) the investments of at least 85% of the Sub-Fund's net asset value in the units of another master UCITS, or (ii) the amendment of the constitutive documents in order to enable the Sub-Fund to convert into a UCITS which is not a feeder UCITS.

In circumstances where the Master Fund merges with another UCITS or is divided into two or more UCITS, the Sub-Fund shall be liquidated unless the FMA grants prior approval to the Sub-Fund to: (i) continue to be a feeder UCITS of the Master Fund or another UCITS resulting from the merger or division of the Master Fund; (ii) invest at least 85% of the Sub-Fund's net asset value in the units of another master UCITS not resulting from the merger or division of the Master Fund; or (iii) amend the constitutive documents in order to enable the Sub-Fund to convert into a UCITS which is not a feeder UCITS.

## **11. Past Performance**

The historic performance of the Sub-Fund (including Unit Classes), once available, shall be published on the website of the LAFV (*Liechtensteinischer Anlagefondsverband*) ([www.lafv.li](http://www.lafv.li)). Past performance is not a guarantee or indication of present and/or future performance.

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

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

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

**Product Name:** LGT Multi-Assets SICAV – LGT Alpha Indexing Fund (the “Sub-Fund” or “financial product”)

**Legal entity identifier:** 549300BYC4E901QWUD71

## Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?

☒ ☐ Yes

☐ ☒ No

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

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

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

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

☐ It promotes Environmental/Social (E/S) characteristics and while it does not have as its objective a sustainable investment, it will have a minimum proportion of \_\_\_\_% of sustainable investments

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

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

☐ with a social objective

☒ It promotes E/S characteristics, but will not make any sustainable investments<sup>1</sup>



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

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

The investment objective of the Sub-Fund is to participate in the performance of the Master Fund (LGT CP Alpha Indexing Fund, a sub-fund of LGT CP Multi-Assets SICAV). The characteristics promoted by the Sub-Fund are therefore aligned and based on the disclosure of the Master Fund, which promotes environmental and social characteristics through certain direct and indirect investments it makes:

<sup>1</sup> For the avoidance of doubt, the Sub-Fund does not commit to making sustainable investments, but such investments may exist in the Sub-Fund on a non-committal basis.



- Environmental considerations include a company's or issuer's energy consumption, its carbon footprint and its impact on land; and
- Social considerations include a company's or issuer's relationship with its employees and the communities in which they operate.

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

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

Depending on whether the Master Fund invests in an underlying fund or directly in securities or instruments, the following factors will be considered in determining whether the Master Fund is attaining the environmental and/or social characteristics it promotes, based on one or more of the following three components:

- The proportion of underlying funds in which the Master Fund invests (the "**Underlying Funds**") that meet the criteria to be identified as ESG Oriented Funds or ESG Focused Funds.
- Application of the Master Asset Manager's proprietary ESG rating system of securities and instruments (the "**Securities and Instruments ESG Rating System**"). This proprietary ESG rating system is based on data from external data providers that provides objective, relevant and systematic ESG information and which measures the environmental and social characteristics of companies and issuers.
- Application of the Master Asset Manager's "**Manager ESG Rating System**" whereby fund managers are assessed on their ESG practices (in the areas of commitment to ESG, investment process, ownership and reporting).
- An assessment of whether the Master Asset Manager in respect of the Master Fund has successfully and consistently executed its ESG exclusion policy.

● ***What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?***

Not applicable. The Master Fund does not make a commitment to sustainable investments.

● ***How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?***

Not applicable. The Master Fund does not make a commitment to sustainable investments.

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

Not applicable. The Master Fund does not make a commitment to sustainable investments.

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

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

Not applicable. The Master Fund does not make a commitment to sustainable investments.

*The EU Taxonomy sets out a “do not significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.*

*The “do no significant harm” principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.*

*Any other sustainable investments must also not significantly harm any environmental or social objectives.*



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



Yes

Yes, the Master Asset Manager considers a range of principle adverse impact indicators in respect of the Master Fund, but the availability of data on some indicators is limited due to a lack of reporting of metrics by companies, issuers, investee entities or there may be lacking market practice for the type and/or nature of the instruments traded. Accordingly, the integration of principle adverse impact indicators is conducted on a best-efforts basis; however, it is expected that principle adverse impact indicators can be applied to a greater portion of the portfolio once data availability improves. This will allow for enhanced insight in the adverse impacts caused by investee companies or issuers.

For further information on principal adverse impacts refer to the Master Asset Manager's website and the Master Fund's forthcoming annual report.



No



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

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

The investment objective of the Sub-Fund is to participate in the performance of the Master Fund (LGT CP Alpha Indexing Fund, a sub-fund of LGT CP Multi-Assets SICAV). The Master Fund will seek to achieve its investment objective by investing (either directly or indirectly as further described below) primarily in equity and fixed income securities and instruments as further described under Permitted Investments & Techniques-

The Master Fund does not pursue a specific sectoral focus. For further information, please refer to the Section 6 titled "Investment Management".

The Master Fund aims at an optimised selection of the relevant markets within the parameters of the Permitted Investments & Techniques and at outperforming the indices (benchmarks) that represent the individual markets (generation of "alpha").

When selecting investments, the Master Asset Manager undertakes an ESG analysis of the investment universe of the Master Fund in order to promote environmental and/or social characteristics, according to the description in this Annex.

● ***What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?***

The investment objective of the Sub-Fund is to participate in the performance of the Master Fund (LGT CP Alpha Indexing Fund, a sub-fund of LGT CP Multi-Assets SICAV). The primary binding element is a commitment of at least 50% of the assets of the Master Fund to underlying investments which promote environmental and/or social characteristics. The computation of this asset allocation commitment, as determined by the Master Asset Manager, consists of the investments rating positively based on one or more of the following three components:

- i. Investments in permitted investments of the Master Fund that are ESG Oriented Funds or ESG Focused Funds, which have ESG-related binding elements of their own, form the first category for attaining environmental and/or social characteristics.
- ii. Application of the Securities and Instrument ESG Rating System, which includes further rating and exclusion criteria, to investments that do not fall into the first category or as deemed appropriate for an asset class or type. Such instruments form the second category of investments for the purpose of attaining environmental and/or social characteristics.
- iii. Application of the Manager ESG Rating System to investments that do not fall into categories one or two. Managers receive a score of 1 to 4 (where 1 = excellent, 2 = good, 3 = fair, 4 = poor) on each of the four measures (commitment to ESG, investment process, ownership and reporting), resulting in an overall rating for each manager, which is then documented in the Master Asset Manager's monitoring system and taken into consideration during the asset selection and monitoring processes. Managers rated 1-3 form the third category for attaining environmental and/or social characteristics and managers rated 4 do not attain environmental and/or social characteristics.

Separately to these commitments, the Master Asset Manager also applies a proprietary exclusion policy on inhumane weapons and coal for the whole portfolio.

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

There is no commitment to reduce the investment universe at the Master Fund's or the Master Fund's level, however Underlying Fund(s) investments of the Master Fund may apply such policies resulting in an investment universe that has been systematically reduced on ESG grounds.

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

The investment objective of the Sub-Fund is to participate in the performance of the Master Fund (LGT CP Alpha Indexing Fund, a sub-fund of LGT CP Multi-Assets SICAV). The Master Asset Manager seeks to ensure that good governance practices, as reasonably determined by the Master Asset Manager, are followed by investee companies in respect of the Master Fund.

In order to ensure this, in terms of direct investments in certain asset types, the Master Asset Manager's quantitative screening of corporate governance considers the independence and competency of investee company boards in terms of leadership and composition, existing and independent key committees, compensation policy, the degree of integration of long-term and ESG related targets, and minority shareholder protections. In addition, good governance is a factor in the qualitative assessment of individual companies prior to investment.

Where the Manager ESG Rating System is applied, the Master Asset Manager expects managers to consider good governance factors.

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

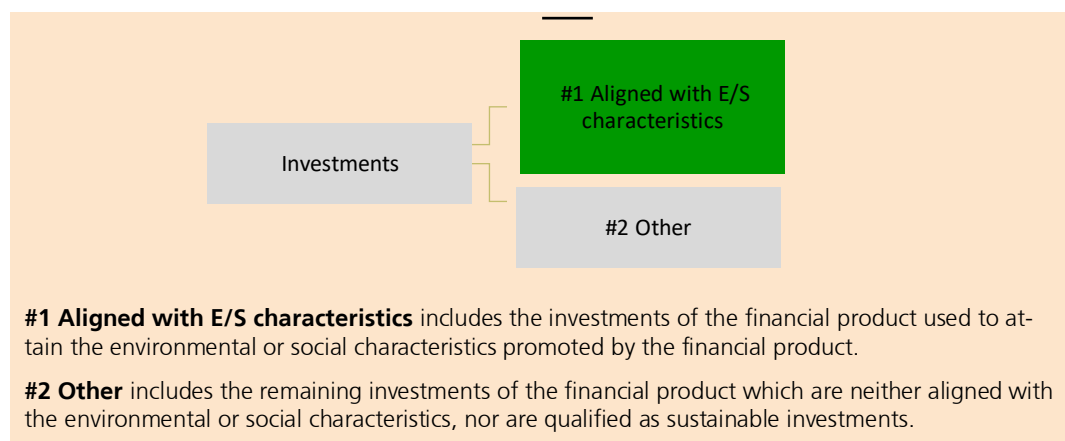


## What is the asset allocation planned for this financial product?

The investment objective of the Sub-Fund is to participate in the performance of the Master Fund (LGT CP Alpha Indexing Fund, a sub-fund of LGT CP Multi-Assets SICAV). At least 50% of the assets of the Master Fund will be allocated to investments aligned with environmental and/or social characteristics.

Minimum environmental and social safeguards and the purpose of the remaining portion of investments is outlined in the section titled "What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?".

The below graphical representation contextualises the types of investment considered:



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

The Master Fund does not use derivatives specifically for the purpose of attaining the environmental and or social characteristics it promotes. Rather, the Master Fund may use derivatives for ordinary purposes, which may include, for investment purposes, hedging, efficient portfolio management and/or overlay purposes and in certain cases this may therefore incidentally relate to the Master Fund attaining the environmental and or social characteristics it promotes.



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

The Master Fund does not commit to invest any proportion of its assets in environmentally sustainable economic activities aligned with the EU Taxonomy. Accordingly, the level of EU Taxonomy-aligned investments shall be zero per cent.

### ● **Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy?<sup>2</sup>**

- ☐ Yes:
- ☐ In fossil gas ☐ In nuclear energy
- ☒ No

<sup>2</sup> Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

**Asset allocation** describes the share of investments in specific assets.

Taxonomy-aligned activities are expressed as a share of:

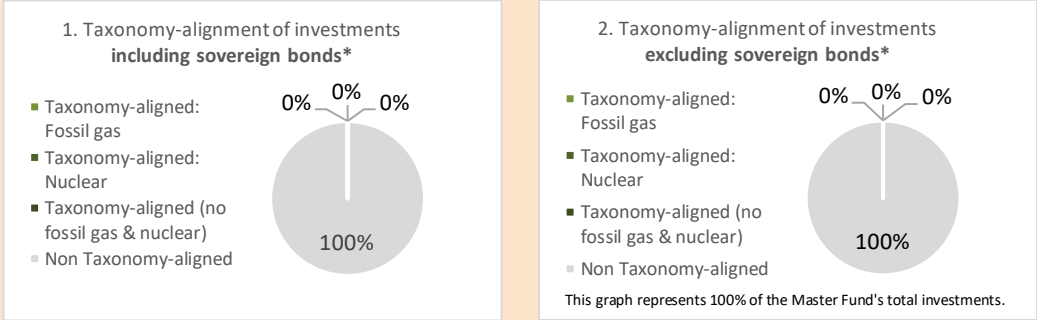
- **turnover** reflecting the share of revenue from green activities of investee companies.
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities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

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

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

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


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



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

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

The Master Fund does not commit to make sustainable investments with an environmental objective aligned with the EU Taxonomy. Hence, the Master Fund commit to invest in sustainable investments in transitional and enabling activities.

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



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

Not applicable. The Master Fund does not make a commitment to sustainable investments.



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

Not applicable. The Master Fund does not make a commitment to sustainable investments.



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

Investments under “#2 Other” are investments which are neither aligned with the environmental or social characteristics nor qualify as sustainable investments, for example:

- i. There may be insufficient data available to verify any classification under sustainable investments or investments with environmental and/or social characteristics.
- ii. There may be exposures where an ESG assessment cannot be applied or there is lacking market practice for appropriate quantification of ESG factors.
- iii. Exposures consisting of certain FDI, types of hedging, cash or cash equivalents.
- iv. Any investments the Master Asset Manager considers as not having environmental and/or social characteristics. As the Master Asset Manager in respect of the Master Fund does not commit to ensuring that all investments are aligned with the environmental and/or social characteristics promoted by the Master Fund, these investments may be made in the ordinary course

in accordance with the Master Fund's investment policy as further described in the section of the Supplement entitled "Investment Policies".

To the extent possible, minimum safeguards are applied for this portion of the portfolio, either directly by the Master Fund or indirectly in the context of the Underlying Funds. In terms of these minimum safeguards, the Investment Manager's policy on exclusions relating to inhumane weapons will be applied to all investments included in this portion of the portfolio.



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

The Master Fund does not use a benchmark and neither measure whether the promoted environmental and/or social characteristics are attained with a benchmark.

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



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

You may find more information on [www.fundinfo.com](http://www.fundinfo.com) and the Master Asset Manager's website: [www.lgtcp.com/en/regulatory-information](http://www.lgtcp.com/en/regulatory-information).

## IV. LGT Strategy 3 Years

The Management Company has delegated the distribution of this Sub-Fund to the following distribution agents:  
LGT Bank Ltd., Herrengasse 12, FL-9490

- Vaduz
- LGT Bank Ltd., Zweigniederlassung Österreich, Bankgasse 9, A-1010 Wien, Austria
- LGT Bank (Switzerland) Ltd., Lange Gasse 15, CH-4002 Basel
- LGT Bank Ltd., Hong Kong Branch, Suite 4203, Two Exchange Square, 8 Connaught Place, Central, Hong Kong
- LGT Bank (Singapore) Ltd., 3 Temasek Avenue, #30-01 Centennial Tower, Singapore 039190
- 

### 1. Overview of Definitions

For SFDR purposes, the Management Company considers that the Sub-Fund meets the criteria of an ESG Oriented Fund. The Management Company reserves the right to reassess this consideration at any time. If the Management Company determines at any future point that the Sub-Fund does not meet the criteria to qualify as an ESG Oriented Fund, this Annex A shall be updated accordingly.

<b>“Information Sharing Agreement”</b>	means the information sharing agreement put in place between the Management Company of the Sub-Fund and the management company of the Master Fund in order to set out the classes of the Master Fund available for investment by the Sub-Fund.
<b>“Investment Manager”</b>	means LGT PB Fund Solutions Ltd.
<b>“Master Fund”</b>	means LGT CP Strategy 3 Years, a sub-fund of LGT CP Multi-Assets SICAV, an umbrella open-ended Investment Company with variable capital. LGT CP Multi-Assets SICAV has been authorized by the FMA as UCITS undertaking.
<b>“Permitted Investment”</b>	means such investment as described under the section “Permitted Investments of the Sub-Fund” below.
<b>“Sub-Fund”</b>	means “LGT Strategy 3 Years”
<b>“ESG”</b>	means environmental, social and governance.
<b>“ESG Oriented Fund”</b>	means that the Sub-Fund meets the criteria of Art. 8 SFDR.
<b>“ESG Focused Fund”</b>	means that the Sub-Fund meets the criteria of Art. 9 SFDR.

### 2. Key Terms

Key Terms	Unit Classes		
	(EUR) B (CHF) B (USD) B	(EUR) I1 (CHF) I1 (USD) I1	(EUR) C (CHF) C (USD) C
Unit Class / Currency <sup>1</sup> <sup>2</sup>	823216	2199538	24715706
Security number	35049478 35049484	35049483 35049489	35049479 35049487
ISIN number	LI0008232162 LI0350494782 LI0350494840	LI0021995381 LI0350494832 LI0350494899	LI0247157063 LI0350494790 LI0350494873

<sup>1</sup> The individual requirements an Investor must comply with in order to be eligible to purchase units of a certain class are described in section 9 (Participation in the UCITS).

<sup>2</sup> The currency risks of the classes may be partially or fully hedged.

<b>Distributing / Accumulating</b>	Accumulating	Accumulating	Accumulating
<b>Minimum Initial Subscription</b>	1 Unit	Equivalent of CHF 1 Mio, unless otherwise agreed with the Management Company	1 Unit
<b>Minimum Additional Subscription</b>	0.001 Unit	0.001 Unit	0.001 Unit
<b>Minimum Redemption Amount</b>	0.001 Unit	0.001 Unit	0.001 Unit
<b>Minimum Holding Amount</b>	1 Unit	1 Unit	1 Unit
<b>Initial Subscription Day</b>	N/A	N/A	N/A
<b>Initial Subscription Price</b>	EUR 1'000.00 CHF 1'000.00 USD 1'000.00	EUR 1'000.00 CHF 1'000.00 USD 1'000.00	EUR 1'000.00 CHF 1'000.00 USD 1'000.00
<b>Valuation Day</b>	At least weekly, on the first Business Day of the week, or such other day or days as the UCITS or the Management Company may (with the consent of the Depositary) determine and notify in advance to Unitholders, and the end of the Accounting Year.		
<b>Subscription Day</b>	At least weekly, on the first Business Day of the week, and/or such other days determined from time to time by the UCITS or the Management Company.		
<b>Subscription Price</b>	Net Asset Value per Unit (subject to the Subscription Fee and applicable taxes, levies or charges)		
<b>Subscription Deadline</b>	Until 11:00 (CET) on the Subscription Day.		
<b>Subscription Payment Day</b>	Within two (2) Settlement Days of the base currency of the particular unit class following the Subscription Day or such other days determined from time to time by the UCITS or the Management Company.		
<b>Redemption Day</b>	At least weekly, on the first Business Day of the week, and/or such other days determined from time to time by the UCITS or the Management Company.		
<b>Redemption Price</b>	Net Asset Value per Unit (subject to the Redemption Fee and applicable taxes, levies or charges)		
<b>Redemption Deadline</b>	Until 11:00 (CET) on the Redemption Day.		
<b>Redemption Payment Day</b>	Within two (2) Settlement Days of the base currency of the particular unit class following the Redemption Day or such other days determined from time to time by the UCITS or the Management Company.		
<b>Conversion Day</b>	At least weekly, on the first Business Day of the week, and/or such other days determined from time to time by the UCITS or the Management Company.		
<b>Conversion Deadline</b>	Until 11:00 (CET) on the Conversion Day.		
<b>Duration</b>	Unlimited		
<b>Base Currency</b>	Euro (EUR)		
<b>Denomination</b>	With 3 decimal places		
<b>Listing</b>	No		
<b>Securitization</b>	No		
<b>Liquidity Gate Trigger</b>	N/A		
<b>End of Accounting Year</b>	31 <sup>st</sup> May		

### 3. Costs Charged to Unitholders

Costs Charged to Unitholders	Unit Classes		
Unit Class / Currency	(EUR) B	(EUR) I1	(EUR) C



	<b>(CHF) B (USD) B</b>	<b>(CHF) I1 (USD) I1</b>	<b>(CHF) C (USD) C</b>
<b>Subscription Fee</b>	Max. 3%	Max. 3%	Max. 3%
<b>Redemption Fee</b>	None	None	None
<b>Max. Conversion Fee</b>	CHF 100.00 or equivalent	CHF 100.00 or equivalent	CHF 100.00 or equivalent
<b>Swing Factor</b>	N/A	N/A	N/A
<b>Swing Threshold</b>	N/A	N/A	N/A

#### 4. Costs Charged to Sub-Fund

<b>Costs Charged to Sub-Fund<sup>3 4 5 6</sup></b>	<b>Unit Classes</b>		
<b>Unit Class / Cur- rency</b>	<b>(EUR) B (CHF) B (USD) B</b>	<b>(EUR) I1 (CHF) I1 (USD) I1</b>	<b>(EUR) C (CHF) C (USD) C</b>
<b>Max. All-In-Fee</b>	1.55% p.a.	0.69% p.a.	0.79% p.a.
<b>Performance Fee</b>	None	None	None

#### 5. Investment Policy

##### 5.1. Investment Policy of the Sub-Fund

The Sub-Fund is managed as a portfolio of Permitted Investments in accordance with the investment policy set out in this section. Investors should note that during any period of suspension of valuation or redemption or when the Sub-Fund is wound down, the UCITS or the Management Company on behalf of the UCITS, acting in the best interests of the Unitholders, may resolve that it is unreasonable and/or impracticable to comply with some or all of the policies and guidelines in this section.

The Sub-Fund is a feeder UCITS, which permanently invests at least 85% of its net asset value in the Master Fund and up to 15% of its assets in liquid assets, as described in below under the heading "Permitted Investments of the Sub-Fund". The Sub-Fund aims to ensure that its performance is as similar as possible to that of the Master Fund, although there may be differences, inter alia, due to deviating fee structures.

The Sub-Fund does not qualify as either a "Mixed Fund" or an "Equity Fund" for the purposes of the German Investment Tax Act. Please see section 7.5.7 of the Prospectus titled "Additional Investment Provisions – German Investment Tax Act" for further information in relation to this classification.

##### 5.1.1. Investment Objective of the Sub-Fund

The investment objective of the Sub-Fund is for Sub-Fund investors to participate in the performance of the Master Fund.

There is no guarantee that the investment objective of the Sub-Fund and the Master Fund will be achieved, and investment results may vary substantially over time.

##### 5.1.2. Permitted Investments of the Sub-Fund

The Sub-Fund may invest up to 15% of its net asset value in:

- liquid assets, including deposits with credit institutions (which are either located in an EEA country or in a

<sup>3</sup> The commission or fee charged is reported in the semi-annual and annual reports.

<sup>4</sup> Plus taxes and other expenses: Transaction costs and expenses incurred by the Management company and the Depositary in exercising their responsibilities. For further information please refer to sections 11 "Tax provisions" and 12 "Costs and fees" of the Prospectus.

<sup>5</sup> Where the sub-fund is liquidated, the Management company may charge a liquidation fee of not more than CHF 15.000 for its own benefit.

<sup>6</sup> Further charges may be invoiced to the Sub-Fund by the Master Fund. Further information can be found below under "Fees and Expenses of the Master Fund".

- third country where the supervision rules are equivalent to the EEA), and which are repayable on demand (or have the right to be withdrawn) and will mature in no more than 12 months;
- and in financial derivative instruments other than futures contracts (e.g. options, and currency forward transactions traded on stock exchanges or on the OTC-market) which may solely be used for hedging purposes.

## 5.2. Investment Policy of the Master-Fund

### 5.2.1. Investment Objective of the Master-Fund

The investment objective of the Master Fund is to generate consistent medium-term capital appreciation.

The Master Fund seeks to avoid, where possible, capital losses over the recommended investment period of three years or longer, however it may exhibit short-term fluctuation.

### 5.2.2. Investment Focus of the Master Fund

Subject to the investment restrictions specified in Appendix 1 to the constitutive documents of the Master Fund, the Master Fund will seek to achieve its investment objective by investing (either directly or indirectly as further described in the constitutive documents of the Master Fund) primarily in equity and fixed income securities and instruments and to a lesser extent in other securities, as further described in the constitutive documents of the Master Fund under Permitted Investments & Techniques. In addition, the Master Fund may be (indirectly) exposed to the economic risks of assets classes such as commodities, insurance-linked strategies, hedge funds, private equity or real estate (all together the **"Target Asset Classes"**).

### 5.2.3. Investment Strategy of the Master-Fund

The Master Funds' portfolio is actively managed and is not managed in reference to a benchmark.

To achieve the investment objective, the Master Asset Manager employs an investment process using both fundamental analyses of a security and an analysis of current market conditions.

When selecting investments for the Master Fund, the Master Asset Manager promotes environmental and/or social characteristics by undertaking an ESG analysis of the investment universe as described further in Annex I to the constitutive documents of the Master Fund. This process involves taking into consideration ESG aspects of the companies, supranational entities and countries involved.

## 5.3. Sustainability-related disclosures

The investment decisions for this Sub-Fund have been delegated to the Investment Manager. As part of its investment process, the latter is responsible for taking sustainability risks into account and for considering the adverse impacts of investment decisions on sustainability factors. The management company periodically reviews the Investment Manager in this regard.

### 5.3.1. Integration of sustainability risks

Investments with high sustainability risks are sensitive to changes in the areas Environmental, Social and Governance (e.g. environmental, social or regulatory changes, heat and drought periods, floods, forest fires, avalanches etc.). The realization of sustainability risks may have a direct impact on the value of an investment and thus adversely affect the return of the Sub-Fund.

The Management Company shall continuously monitor the exposure of the Sub-Fund to sustainability risks. In doing so, the sustainability risk is divided into physical risks and transitory risks and evaluated separately.

Based on the investment strategy, it is generally not expected that the Sub-Fund is significantly directly exposed to sustainability risks. However, the realization of sustainability risks may influence the volatility and profitability of global markets as well as the risk appetite of the participants. This may adversely affect the return of the Sub-Fund.

### 5.3.2. Consideration of adverse impacts of investment-decisions

#### Investment Manager

The investment decisions for this Sub-Fund have been delegated to the Investment Manager. The latter does take into account principle adverse impacts of investment decisions on sustainability factors at the corporate level.

### **Management Company**

The Management Company of this Sub-Fund takes into account principal adverse impacts of investment decisions on sustainability factors at the corporate level.

### **Product Level**

For this Sub-Fund, principle adverse impacts of investment decisions on sustainability factors are considered in the investment decision process. Further details on how principle adverse impacts on sustainability factors are considered can be found the SFDR Annex below.

The results of the consideration of principal adverse impacts on sustainability factors are disclosed in the annual report of the Sub-Fund.

## **6. Profile of a Typical Investor**

The Sub-Fund and the Master Fund are suitable for investors with an investment horizon of three years or longer, who can accept sizeable volatility, and a prolonged decrease in the net asset value of the units. Investors should not be dependent on liquidating the investment at a specific point in time. Investors cannot exclude the risk of price decreases, foreign exchange losses and volatile returns due to market developments which are unfavourable for investors.

## **7. Specific Risk Factors**

**The Sub-Fund will invest at least 85% of its assets in the Master Fund (excluding up to 15% holding of ancillary liquid assets and/or currency hedging instruments). Nevertheless, given the broad diversification of the Master Fund, the Sub-Fund is expected to be sufficiently diversified. The Sub-Fund cannot guarantee or control the Master Fund in this regard. The Sub-Fund's performance may differ from the Master Fund's performance.**

**The performance of the Units depends on the investment policy and the development of the markets or the materialization of risks inherent in securities and instruments in which the Master Fund invests and cannot be determined in advance. In this context, it should be noted that the value of the Units may rise above or fall below the issue price at any time. There is no guarantee that investors will recover the full amount of their initial capital investment.**

This investment type is subject to market risk, issuer risk and interest rate risk, which may have negative effects on net assets, since most assets of the Sub-Fund are invested in equity securities and similar instruments as well as in debt securities and similar instruments. Other additional risks may also materialise, such as currency risk.

The use of financial derivatives for purposes other than hedging may give rise to increased risk.

**The above list is not a complete list of all potential risk factors. The Management Company and the Master Asset Manager seek to limit risks by monitoring the Master Fund's asset allocation. Please note that an investment in the Sub-Fund should be seen as a long-term exposure which may be subject to a high volatility.**

In addition, this Sub-Fund may also be subject to the general risks described in section "Risk Factors" in the Prospectus.

## **8. Fees and Expenses of the Master Fund**

The Sub-Fund will directly (through its investment in the Master Fund) bear a pro rate share of the costs of the expenses of the Master Fund, which will include (non-exhaustive) legal, auditing, organisational, administrative, custodial and operating expenses.

Where, in connection with an investment in the Master Fund a distribution fee, commission fee or other monetary benefit is received by the Sub-Fund, the Management Company or any person acting on behalf of either the Sub-Fund or the Management Company, the fee, commission or other monetary benefit shall be paid into the assets of the Sub-Fund.

No subscription fee, redemption charge or conversion fee will be payable by the Sub-Fund when subscribing for or redeeming units in the Master Fund. The Investment Manager shall not receive any commission by virtue of an investment by the Sub-Fund in the units of the Master Fund.

## **Taxes**

There are no adverse tax consequences for investors resulting from the Sub-Fund's investment in the Master Fund relative to investing directly. Investors in the Sub-Fund should refer to the section of the prospectus entitled "Taxation" for further information on taxation provisions which should be taken into account when considering an investment in the Sub-Fund. Prospective investors should consult their own professional advisors on the relevant tax considerations applicable to the purchase, acquisition, holding, switching and disposal of units of the Sub-Fund, as well as, the receipt of distributions (if applicable) under the laws of their countries of citizenship, residence or domicile.

## **9. Information Sharing**

The Management Company of the Sub-Fund and the the management company of the Master Fund, have put in place an Information Sharing Agreement (the "Information Sharing Agreement") in relation to the investment by the Sub-Fund in units of the Master Fund. The Information Sharing Agreement sets out which unit classes of the Master Fund are available for investment by the Sub-Fund, details of the charges and expenses to be borne by the Sub-Fund, the standard dealing arrangements and the events affecting dealing arrangements.

Further information relating to the Master Fund (including the prospectus and articles of association) and the Information Sharing Agreement are available, free of charge, from the Management Company of the Sub-Fund.

## **10. Termination of the Master Fund**

In circumstances where the Master Fund is liquidated, the Sub-Fund shall also be liquidated unless the FMA approves: (i) the investments of at least 85% of the Sub-Fund's net asset value in the units of another master UCITS, or (ii) the amendment of the constitutive documents in order to enable the Sub-Fund to convert into a UCITS which is not a feeder UCITS.

In circumstances where the Master Fund merges with another UCITS or is divided into two or more UCITS, the Sub-Fund shall be liquidated unless the FMA grants prior approval to the Sub-Fund to: (i) continue to be a feeder UCITS of the Master Fund or another UCITS resulting from the merger or division of the Master Fund; (ii) invest at least 85% of the Sub-Fund's net asset value in the units of another master UCITS not resulting from the merger or division of the Master Fund; or (iii) amend the constitutive documents in order to enable the Sub-Fund to convert into a UCITS which is not a feeder UCITS.

## **11. Past Performance**

The historic performance of the Sub-Fund (including Unit Classes), once available, shall be published on the website of the LAFV (*Liechtensteinischer Anlagfondsverband*) ([www.lafv.li](http://www.lafv.li)). Past performance is not a guarantee or indication of present and/or future performance.

## 12. SFDR Annex

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

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



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

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

**Product Name:** LGT Multi-Assets SICAV – LGT Strategy 3 Years (the “Sub-Fund” or “financial product”)

**Legal entity identifier:** 549300B611C2CEFMM56

## Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?

☒ ☐ Yes

☒ ☐ ☒ No

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

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

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

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

☒ It promotes Environmental/Social (E/S) characteristics and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 30% of sustainable investments

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

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

☒ with a social objective

☐ It promotes E/S characteristics, but will not make any sustainable investments<sup>7</sup>

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

The investment objective of the Sub-Fund is to participate in the performance of the Master Fund (LGT CP Strategy 3 Years, a sub-fund of LGT CP Multi-Assets SICAV). The characteristics promoted by the Sub-Fund are therefore aligned and based on the disclosure of the Master Fund, which promotes environmental and social characteristics through certain direct and indirect investments it makes:

- Environmental considerations include a company's or issuer's energy consumption, its carbon

<sup>7</sup> For the avoidance of doubt, the Sub-Fund does not commit to making sustainable investments, but such investments may exist in the Sub-Fund on a non-committal basis.

footprint and its impact on land; and

- Social considerations include a company's or issuer's relationship with its employees and the communities in which they operate.

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

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

Depending on whether the Master Fund invests in an underlying fund or directly in securities or instruments, the following factors will be considered in determining whether the Master Fund is attaining the environmental and/or social characteristics it promotes, based on one or more of the following three components:

- The proportion of underlying funds in which the Master Fund invests (the "**Underlying Funds**") that meet the criteria to be identified as ESG Oriented Funds or ESG Focused Funds.
- Application of the Master Asset Manager's proprietary ESG rating system of securities and instruments (the "**Securities and Instruments ESG Rating System**"). This proprietary ESG rating system is based on data from external data providers that provides objective, relevant and systematic ESG information and which measures the environmental and social characteristics of companies and issuers.
- Application of the Master Asset Manager's "**Manager ESG Rating System**" whereby fund managers are assessed on their ESG practices (in the areas of commitment to ESG, investment process, ownership and reporting).
- An assessment of whether the Master Asset Manager in respect of the Master Fund has successfully and consistently executed its ESG exclusion policy.

### ● ***What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?***

The investment objective of the Sub-Fund is to participate in the performance of the Master Fund (LGT CP Strategy 3 Years, a sub-fund of LGT CP Multi-Assets SICAV). The Master Fund aims to invest in issuers that positively contribute to the UN SDGs, thus promoting environmental and/or social characteristics through a combination of environmental and social objectives.

An investment with an environmental objective aligned with SFDR is one which is oriented towards, for example, climate change adaptation (e.g. support adaptation related research), climate change mitigation (e.g. develop renewable energies technologies), protection of biodiversity (e.g. promote organic farming), reduction of air, soil and water pollution.

An investment with a social objective aligned with SFDR is an investment that contributes to tackling inequality or that fosters social cohesion, social integration and labour relations, or an investment in human capital or economically or socially disadvantaged communities.

### ● ***How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?***

In terms of ensuring that the sustainable investments do not cause significant harm to any environmental or social sustainable investment objective, a requirement for sustainable investments is the positive contribution to UN SDGs, which cover a broad set of ESG activities.

In addition, the portfolio is systematically screened for controversies across environmental and / or social issues as part of the Master Asset Manager's "do no significant harm" ("DNSH") assessment in respect of issuers as well as in respect of projects that are financed through the

UOP instruments. A sudden drop due to an ESG controversy will generally lead to an alert to be triggered so further assessment and action can be taken.

As an additional safeguard, the mandatory principal adverse impacts set out in Annex 1 of the regulatory technical standards supplementing the SFDR are used to further screen against activities that may significantly harm any of the environmental or social objectives, whereby investments that do not meet minimum thresholds applied by the Master Asset Manager for each of the mandatory PAI indicators in Annex 1 shall be excluded from investment consideration whereby investments that do not meet minimum thresholds applied by the Master Asset Manager for each of the mandatory PAI indicators in Annex 1 shall be excluded from investment consideration.

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

Principal adverse impacts on sustainability factors in the context of sustainable investments are considered in the following manner:

- Principal adverse impact indicators are captured under the DNSH principle for sustainable investments outlined in the section entitled "How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?"
- Principal adverse impacts are assessed as part of the ESG rating system.
- Principal adverse impact indicators are reported on as outlined in the section entitled "Does this financial product consider principal adverse impacts on sustainability factors?"

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

The Master Asset Manager monitors breaches and controversies for new and existing investments which largely relies on the quality of data supplied by external data providers.

Where the Master Asset Manager identifies clear breaches of norms outlined in the a) OECD Guidelines for Multinational Enterprises, b) the UN Guiding Principles on Business and Human Rights, including the principles and rights set out in the eight fundamental conventions identified in the Declaration of the International Labour Organisation on Fundamental Principles and Rights at Work, and c) the International Bill of Human Rights the Master Asset Manager will seek to exclude the issuer from investment by the Master Fund. However, it cannot be guaranteed that all investments, especially in jurisdictions where data scarcity is pronounced, can be assessed and thereby excluded.

*The EU Taxonomy sets out a "do not significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.*

*The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.*

*Any other sustainable investments must also not significantly harm any environmental or social objectives.*





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



**Yes** Yes, the Master Asset Manager considers a range of principle adverse impact indicators in respect of the Master Fund, but the availability of data on some indicators is limited due to a lack of reporting of metrics by companies, issuers, investee entities or there may be lacking market practice for the type and/or nature of the instruments traded. Accordingly, the integration of principle adverse impact indicators is conducted on a best-efforts basis; however, it is expected that principle adverse impact indicators can be applied to a greater portion of the portfolio once data availability improves. This will allow for enhanced insight in the adverse impacts caused by investee companies or issuers.

For further information on principal adverse impacts refer to the Master Asset Manager's website and the Master Fund's forthcoming annual report.



**No**



## What investment strategy does this financial product follow?

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

The investment objective of the Sub-Fund is to participate in the performance of the Master Fund (LGT CP Strategy 3 Years, a sub-fund of LGT CP Multi-Assets SICAV). The Master Fund will seek to achieve its investment objective by investing (either directly or indirectly) primarily in equity and fixed income securities and instruments and to a lesser extent in other securities. In addition, the Master Fund may be (indirectly) exposed to the economic risks of assets classes such as commodities, hedge funds, private equity or real estate.

The Master Fund does not pursue a specific sectoral focus. For further information, please refer to the Section 6 titled "Investment Management".

When selecting investments, the Master Asset Manager undertakes an ESG analysis of the investment universe of the Master Fund in order to promote environmental and/or social characteristics, according to the description in this Annex.

## What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?

The investment objective of the Sub-Fund is to participate in the performance of the Master Fund (LGT CP Strategy 3 Years, a sub-fund of LGT CP Multi-Assets SICAV). The primary binding element is a commitment of at least 75% of the assets of the Master Fund to underlying investments which promote environmental and/or social characteristics. The computation of this asset allocation commitment, as determined by the Master Asset Manager, consists of the investments rating positively based on one or more of the following three components:

- i. Investments in permitted investments of the Master Fund that are ESG Oriented Funds or ESG Focused Funds, which have ESG-related binding elements of their own, form the first category for attaining environmental and/or social characteristics.
- ii. Application of the Securities and Instrument ESG Rating System, which includes further rating and exclusion criteria, to investments that do not fall into the first category or as deemed appropriate for an asset class or type. Such instruments form the second category of investments for the purpose of attaining environmental and/or social characteristics.
  - a. **ESG Exclusion Policy.** Exclusions are applied in the investment selection process based on ESG factors, including for inhumane weapons and coal.



- b. **Screening based on ESG Rating.** Following the application of the above exclusions, the Master Asset Manager utilises its ESG rating system in respect of the remaining eligible investments. The Master Asset Manager has developed a proprietary ESG rating system based on external data providers and sources that provides objective, relevant and systematic ESG information. The ESG rating provides a ranking based on ESG criteria, whereby companies or issuers with more attractive ESG values are scored more highly than others.

The ESG rating serves as a main indicator in addition to traditional financial or credit metric to identify risks and opportunities that are not yet factored in the current prices and are expected to impact the pricing of a security negatively.

In respect of companies and supranationals as issuers, the application of the ESG rating screening process as outlined above is applied to the total universe of such companies or issuers analysed through the Master Asset Manager's proprietary rating tool and the lowest scoring 25% of companies and supranationals analysed, in terms of their ESG score, are excluded from investment consideration. It should be noted that the range of companies and supranationals analysed through the Master Asset Manager's proprietary rating tool may be wider than the target investment universe of the Master Fund, meaning that the actual amount of investments excluded from the Master Fund's scope of investments may effectively be a minimum rate that is lower than 25%. In respect of the ongoing monitoring of this process, if, after the point of initial investment, companies or supranationals as issuers subsequently fall into the lowest scoring 25% issuers available through the Master Asset Manager's proprietary rating tool in terms of their ESG score, the Master Asset Manager commits to divesting or disposing of such positions according to its internal guidelines and acting in the best interests of Shareholders.

Investors should note that the abovementioned screening and reduction of 25% of lowest scoring companies and supranational issuers does not apply to countries as issuers. The application of the ESG rating exclusion is embedded into the Master Fund's investment selection process and is therefore a binding element.

- c. **Sustainable Investments.** In order for an investee entity to be considered a sustainable investment, it must be assessed by the Master Asset Manager as meeting the following criteria: (i) it must contribute to an environmental or social objective (which may be assessed on the basis of alignment of such investments with the UN SDGs, as considered further below); (ii) it must do no significant harm to any other environmental or social objective; and (iii) it must follow good governance practices. At least 50% of the assets of the Master Fund will be committed to sustainable investments. This commitment is embedded into the Master Fund's investment selection process and is therefore a binding element.
- d. **UN SDGs.** The UN SDG alignment of an instrument can be ascertained through positive screening criteria in two ways:
- i. **Use of Proceeds.** To invest into a UOP instrument classifying as a sustainable investment of an issuer who has not been removed following the above-described exclusion methods, the Master Asset Manager needs to additionally assess that:
1. the instrument qualifies as "Green", "Social" or "Sustainable" under the ICMA standards and contributes to a relevant UN SDG. The Master Asset Manager periodically reviews all publicly available UOP frameworks, allocation and assurance reports of every individual UOP instrument and verifies the association to each relevant UN SDG in an internally maintained database. To undertake this analysis the Master Asset Manager may use data provided by external ESG data providers and proprietary

models, as well as directly communicating with the issuer; and

2. there are no controversies in relation to such instrument. Such controversies may arise from the stated financing goals, type of activity, governance and reporting expectations which are inferior to the current ICMA standard and market practice; and
3. according to an independent and market recognized second party opinion the instrument's framework is verified and aligned with the relevant standard and the market practice.

ii. **Sovereign Issuer Net UN SDG Impact Score.** When investing in sovereign bonds, the Master Asset Manager has developed a tiered classification system for considering certain sovereign issuances to be sustainable investments. The approach consists of four tiers, where issuers in tier 1 and 2, which have a positive overall SDG score and at least 85% net positive UN SDG sub-category scores, are considered to meet such consideration. Issuers in tier 3 and 4 are not sustainable investments, but may have environmental and/or social characteristics.

iii. **Company or Corporate Issuer's Net UN SDG Impact Score.** When investing in companies or corporate issued instruments which are not UOP, the Master Asset Manager selects companies or issuers with a net positive SDG score, based on the outputs from the ESG rating system.

iii. Application of the Manager ESG Rating System to investments that do not fall into categories one or two. Managers receive a score of 1 to 4 (where 1 = excellent, 2 = good, 3 = fair, 4 = poor) on each of the four measures (commitment to ESG, investment process, ownership and reporting), resulting in an overall rating for each manager, which is then documented in the Master Asset Manager's monitoring system and taken into consideration during the asset selection and monitoring processes. Managers rated 1-3 form the third category for attaining environmental and/or social characteristics and managers rated 4 do not attain environmental and/or social characteristics.

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

The investment objective of the Sub-Fund is to participate in the performance of the Master Fund (LGT CP Strategy 3 Years, a sub-fund of LGT CP Multi-Assets SICAV). There is no commitment to reduce the investment universe at the Sub-Fund's or the Master Fund's level, however Underlying Fund(s) investments of the Master Fund may apply such policies resulting in an investment universe that has been systematically reduced on ESG grounds.

Investors should note the universe reduction applied to certain types of investments disclosed under "What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?".

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

The investment objective of the Sub-Fund is to participate in the performance of the Master Fund (LGT CP Strategy 3 Years, a sub-fund of LGT CP Multi-Assets SICAV). The Master Asset Manager seeks to ensure that good governance practices, as reasonably determined by the Master Asset Manager, are followed by investee companies in respect of the Master Fund.

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

In order to ensure this, in terms of direct investments in certain asset types, the Master Asset Manager's quantitative screening of corporate governance considers the independence and competency of investee company boards in terms of leadership and composition, existing and independent key committees, compensation policy, the degree of integration of long-term and ESG related targets, and minority shareholder protections. In addition, good governance is a factor in the qualitative assessment of individual companies prior to investment.

Where the Manager ESG Rating System is applied, the Master Asset Manager expects managers to consider good governance factors.



**Asset allocation** describes the share of investments in specific assets.

Taxonomy-aligned activities are expressed as a share of:

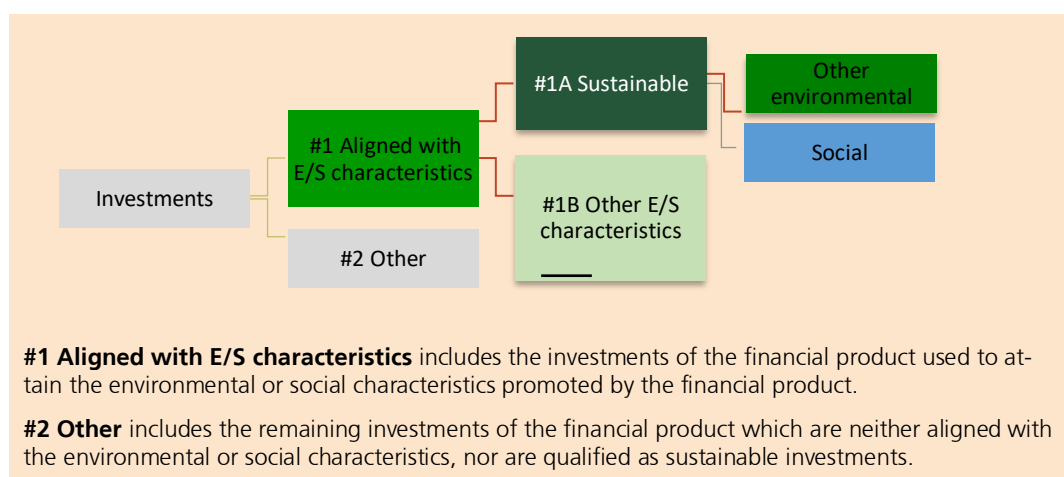
- **turnover** reflecting the share of revenue from green activities of investee companies.
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities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

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

The investment objective of the Sub-Fund is to participate in the performance of the Master Fund (LGT CP Strategy 3 Years, a sub-fund of LGT CP Multi-Assets SICAV). At least 75% of the assets of the Master Fund will be allocated to investments aligned with environmental and/or social characteristics (#1). At least 30% of the assets of the Master Fund will be committed to sustainable investments which are not aligned with the EU Taxonomy (#1A).

Minimum environmental and social safeguards and the purpose of the remaining portion of investments is outlined in the section titled "What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?"

The below graphical representation contextualises the types of investment considered.



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

The Master Fund does not use derivatives specifically for the purpose of attaining the environmental and or social characteristics it promotes. Rather, the Master Fund may use derivatives for ordinary purposes, which may include, for investment purposes, hedging, efficient portfolio management and/or overlay purposes and in certain cases this may therefore incidentally relate to the Master Fund attaining the environmental and or social characteristics it promotes.



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

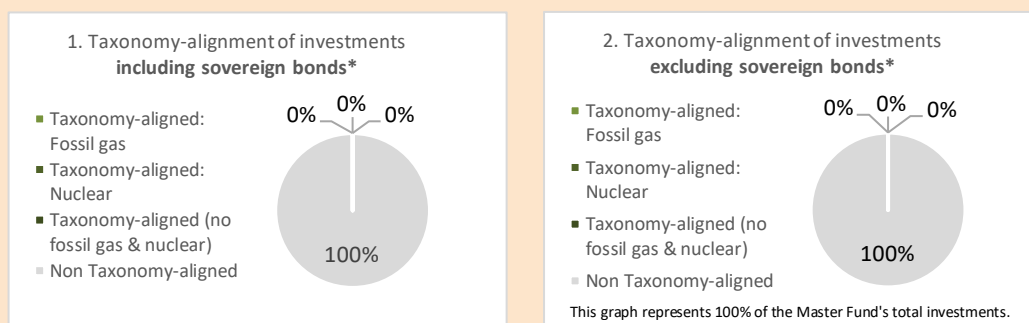
The Master Fund does not commit to invest any proportion of its assets in environmentally sustainable economic activities aligned with the EU Taxonomy. Accordingly, the level of EU Taxonomy-aligned investments shall be zero per cent.

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

● **Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy?**<sup>8</sup>

- ☐ Yes:
- ☐ In fossil gas ☐ In nuclear energy
- ☒ No

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



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

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

The Master Fund does not commit to make sustainable investments with an environmental objective aligned with the EU Taxonomy. Hence, the Master Fund commit to invest in sustainable investments in transitional and enabling activities.



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



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

The sustainable investments of the Master Fund will target a combination of environmental and social objectives across the spectrum and among those will be sustainable investments with an environmental objective that are not aligned with the EU Taxonomy.

While the minimum share of sustainable investments, environmental and social combined, that are not aligned with the EU Taxonomy will be 30% of the assets of the Master Fund, on the basis that the Master Fund does not have a specific environmental focus, the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy shall greater than 0% of the assets of the Master Fund.

<sup>8</sup> Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.



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

The sustainable investments of the Master Fund will target a combination of environmental and social objectives across the spectrum and among those will be sustainable investments with a social objective that are not aligned with the Taxonomy Regulation.

While the minimum share of sustainable investments, environmental and social combined, that are not aligned with the Taxonomy Regulation will be 30% of the assets of the Master Fund, on the basis that the Master Fund does not have a specific social focus, the minimum share of sustainable investments with a social objective that are not aligned with the Taxonomy Regulation shall be greater than 0% of the assets of the Master Fund.



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

Investments under “#2 Other” are investments which are neither aligned with the environmental or social characteristics nor qualify as sustainable investments, for example:

- i. There may be insufficient data available to verify any classification under sustainable investments or investments with environmental and/or social characteristics.
- ii. There may be exposures where an ESG assessment cannot be applied or there is lacking market practice for appropriate quantification of ESG factors.
- iii. Exposures consisting of certain FDI, types of hedging, cash or cash equivalents.
- iv. Any investments the Master Asset Manager considers as not having environmental and/or social characteristics. As the Master Asset Manager in respect of the Master Fund does not commit to ensuring that all investments are aligned with the environmental and/or social characteristics promoted by the Master Fund, these investments may be made in the ordinary course in accordance with the Master Fund’s investment policy as further described in the section of the Supplement entitled “Investment Policies”.

To the extent possible, minimum safeguards are applied for this portion of the portfolio, either directly by the Master Fund or indirectly in the context of the Underlying Funds. In terms of these minimum safeguards, the Investment Manager’s policy on exclusions relating to inhumane weapons will be applied to all investments included in this portion of the portfolio.

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

The Master Fund does not use a benchmark and neither measure whether the promoted environmental and/or social characteristics are attained with a benchmark.



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

You may find more information on [www.fundinfo.com](http://www.fundinfo.com) and the Master Asset Manager’s website: [www.lgtcp.com/en/regulatory-information](http://www.lgtcp.com/en/regulatory-information).

## V. LGT Strategy 4 Years

For SFDR purposes, the Management Company considers that the Sub-Fund meets the criteria of an ESG Oriented Fund. The Management Company reserves the right to reassess this consideration at any time. If the Management Company determines at any future point that the Sub-Fund does not meet the criteria to qualify as an ESG Oriented Fund, this Annex A shall be updated accordingly.

The Management Company has delegated the distribution of this Sub-Fund to the following distribution agents:

- LGT Bank Ltd., Herrengasse 12, FL-9490 Vaduz
- LGT Bank Ltd., Zweigniederlassung Österreich, Bankgasse 9, A-1010 Wien, Austria
- LGT Bank (Switzerland) Ltd., Lange Gasse 15, CH-4002 Basel
- LGT Bank Ltd., Hong Kong Branch, Suite 4203, Two Exchange Square, 8 Connaught Place, Central, Hong Kong
- LGT Bank (Singapore) Ltd., 3 Temasek Avenue, #30-01 Centennial Tower, Singapore 039190

### 1. Overview of Definitions

#### Definitions

<b>"Information Sharing Agreement"</b>	means the information sharing agreement put in place between the Management Company of the Sub-Fund and the management company of the Master Fund in order to set out the classes of the Master Fund available for investment by the Sub-Fund.
<b>"Investment Manager"</b>	means LGT PB Fund Solutions Ltd.
<b>"Master Fund"</b>	means LGT CP Strategy 4 Years, a sub-fund of LGT CP Multi-Assets SICAV, an umbrella open-ended Investment Company with variable capital. LGT CP Multi-Assets SICAV has been authorized by the FMA as UCITS undertaking.
<b>"Permitted Investment"</b>	means such investment as described under the section "Permitted Investments of the Sub-Fund" below.
<b>"Sub-Fund"</b>	means "LGT Strategy 4 Years"
<b>"ESG"</b>	means environmental, social and governance.
<b>"ESG Oriented Fund"</b>	means that the Sub-Fund meets the criteria of Art. 8 SFDR.
<b>"ESG Focused Fund"</b>	means that the Sub-Fund meets the criteria of Art. 9 SFDR.

### 2. Key Terms

Key Terms	Unit Classes		
	(EUR) B (CHF) B (USD) B	(EUR) I1 (CHF) I1 (USD) I1	(EUR) C (CHF) C (USD) C
Unit Class / Currency <sup>1</sup> <sup>2</sup>			
Security number	823222 35049490 35049499	2199585 35049497 35049502	24715718 35049491 35049500
ISIN number	LI0008232220 LI0350494907 LI0350494998	LI0021995852 LI0350494972 LI0350495029	LI0247157188 LI0350494915 LI0350495003

<sup>1</sup> The individual requirements an Investor must comply with in order to be eligible to purchase units of a certain class are described below under "Profile of a Typical Investor".

<sup>2</sup> The currency risks can be hedged in whole or in part.

<b>Distributing / Accumulating</b>	Accumulating	Accumulating	Accumulating
<b>Minimum Initial Subscription</b>	1 Unit	Equivalent of CHF 1 Mio, unless otherwise agreed with the Management Company	1 Unit
<b>Minimum Additional Subscription</b>	0.001 Unit	0.001 Unit	0.001 Unit
<b>Minimum Redemption Amount</b>	0.001 Unit	0.001 Unit	0.001 Unit
<b>Minimum Holding Amount</b>	1 Unit	1 Unit	1 Unit
<b>Initial Subscription Day</b>	N/A	N/A	N/A
<b>Initial Subscription Price</b>	EUR 1'000.00 CHF 1'000.00 USD 1'000.00	EUR 1'000.00 CHF 1'000.00 USD 1'000.00	EUR 1'000.00 CHF 1'000.00 USD 1'000.00
<b>Valuation Day</b>	At least weekly, on the first Business Day of the week, or such other day or days as the UCITS or the Management Company may (with the consent of the Depositary) determine and notify in advance to Unitholders, and the end of the Accounting Year.		
<b>Subscription Day</b>	At least weekly, on the first Business Day of the week, and/or such other days determined from time to time by the UCITS or the Management Company.		
<b>Subscription Price</b>	Net Asset Value per Unit (subject to the Subscription Fee and applicable taxes, levies or charges)		
<b>Subscription Deadline</b>	Until 11:00 (CET) on the Subscription Day.		
<b>Subscription Payment Day</b>	Within two Settlement Days of the base currency of the particular unit class following the Subscription Day or such other days determined from time to time by the UCITS or the Management Company.		
<b>Redemption Day</b>	At least weekly, on the first Business Day of the week, and/or such other days determined from time to time by the UCITS or the Management Company.		
<b>Redemption Price</b>	Net Asset Value per Unit (subject to the Redemption Fee and applicable taxes, levies or charges)		
<b>Redemption Deadline</b>	Until 11:00 (CET) on the Redemption Day.		
<b>Redemption Payment Day</b>	Within two Settlement Days of the base currency of the particular unit class following the Redemption Day or such other days determined from time to time by the UCITS or the Management Company.		
<b>Conversion Day</b>	At least weekly, on the first Business Day of the week, and/or such other days determined from time to time by the UCITS or the Management Company.		
<b>Conversion Deadline</b>	Until 11:00 (CET) on the Conversion Day.		
<b>Duration</b>	Unlimited		
<b>Base Currency</b>	Euro (EUR)		
<b>Denomination</b>	With 3 decimal places		
<b>Listing</b>	No		
<b>Securitization</b>	No		
<b>Liquidity Gate Trigger</b>	N/A		
<b>End of Accounting Year</b>	31 <sup>st</sup> May		

### 3. Costs Charged to Unitholders

<b>Costs Charged to Unitholders</b>	<b>Unit Classes</b>		
<b>Unit Class / Currency</b>	<b>(EUR) B</b> <b>(CHF) B</b> <b>(USD) B</b>	<b>(EUR) I1</b> <b>(CHF) I1</b> <b>(USD) I1</b>	<b>(EUR) C</b> <b>(CHF) C</b> <b>(USD) C</b>

<b>Subscription Fee</b>	Max. 4%	Max. 4%	Max. 4%
<b>Redemption Fee</b>	None	None	None
<b>Max. Conversion Fee</b>	CHF 100.00 or equivalent	CHF 100.00 or equivalent	CHF 100.00 or equivalent
<b>Swing Factor</b>	N/A	N/A	N/A
<b>Swing Threshold</b>	N/A	N/A	N/A

#### 4. Costs Charged to Sub-Fund

<b>Costs Charged to Sub-Fund<sup>3 4 5 6</sup></b>	<b>Unit Classes</b>		
<b>Unit Class / Currency</b>	<b>(EUR) B (CHF) B (USD) B</b>	<b>(EUR) I1 (CHF) I1 (USD) I1</b>	<b>(EUR) C (CHF) C (USD) C</b>
<b>Max. All-In-Fee</b>	1.65% p.a.	0.74% p.a.	0.84% p.a.
<b>Performance Fee</b>	None	None	None

#### 5. Investment Policy

##### 5.1. Investment Policy of the Sub-Fund

The Sub-Fund is managed as a portfolio of Permitted Investments in accordance with the investment policy set out in this section. Investors should note that during any period of suspension of valuation or redemption or when the Sub-Fund is wound down, the UCITS or the Management Company on behalf of the UCITS, acting in the best interests of the Unitholders, may resolve that it is unreasonable and/or impracticable to comply with some or all of the policies and guidelines in this section.

The Sub-Fund is a feeder UCITS, which permanently invests at least 85% of its net asset value in the Master Fund and up to 15% of its assets in liquid assets, as described in below under the heading "Permitted Investments of the Sub-Fund". The Sub-Fund aims to ensure that its performance is as similar as possible to that of the Master Fund, although there may be differences, inter alia, due to deviating fee structures.

The Sub-Fund qualifies as a "Mixed Fund" for the purposes of the German Investment Tax Act. Please see section 7.5.7 of the Prospectus titled "Additional Investment Provisions – German Investment Tax Act" for further information in relation to this classification.

##### 5.1.1. Investment Objective of the Sub-Fund

The investment objective of the Sub-Fund is for the Sub-Fund investors to participate in the performance of the Master Fund.

There is no guarantee that the investment objective of the Sub-Fund and the Master Fund will be achieved, and investment results may vary substantially over time.

##### 5.1.2. Permitted Investments of the Sub-Fund

The Sub-Fund may invest up to 15% of its net asset value in:

<sup>3</sup> The commission or fee charged is reported in the semi-annual and annual reports.

<sup>4</sup> Plus taxes and other expenses: Transaction costs charged by third parties and expenses incurred by the Management Company and the Depositary in exercising their responsibilities. For further information please refer to section 11 (Tax Provisions) and 12 (Costs and Fees).

<sup>5</sup> Where the Sub-Fund is liquidated, the Management Company and/or the Depositary may charge a liquidation fee of not more than CHF 15,000 for its own benefit.

<sup>6</sup> Further charges may be invoiced to the Sub-Fund by the Master Fund. Further information can be found below under "Fees and Expenses of the Master Fund".



- liquid assets, including deposits with credit institutions (which are either located in an EEA country or in a third country where the supervision rules are equivalent to the EEA), and which are repayable on demand (or have the right to be withdrawn) and will mature in no more than 12 months;
- and in financial derivative instruments other than futures contracts (e.g. options and currency forward transactions traded on stock exchanges or on the OTC-market) which may solely be used for hedging purposes.

## **5.2. Investment Policy of the Master-Fund**

### **5.2.1. Investment Objective of the Master-Fund**

The investment objective of the Master Fund is to generate consistent long-term capital appreciation.

The Master Fund seeks to avoid, where possible, capital losses over the recommended investment period of four years or longer, however it may exhibit short-term fluctuation.

### **5.2.2. Investment Focus of the Master Fund**

Subject to the investment restrictions specified in Appendix 1 to the constitutive documents of the Master Fund, the Master Fund will seek to achieve its investment objective by investing (either directly or indirectly as further described in the constitutive documents of the Master Fund) primarily in equity and fixed income securities and instruments and to a lesser extent in other securities, as further described in the constitutive documents of the Master Fund. In addition, the Master Fund may be (indirectly) exposed to the economic risks of assets classes such as commodities, insurance-linked strategies, hedge funds, private equity or real estate (all together the “**Target Asset Classes**”).

The Master Fund does not pursue a specific sectoral focus.

### **5.2.3. Investment Strategy of the Master-Fund**

The Master Funds’ portfolio is actively managed and is not managed in reference to a benchmark.

To achieve the investment objective, the Master Asset Manager employs an investment process using both fundamental analyses of a security and an analysis of current market conditions.

When selecting investments for the Master Fund, the Master Asset Manager promotes environmental and/or social characteristics by undertaking an ESG analysis of the investment universe as described further in Annex I to the constitutive documents of the Master Fund. This process involves taking into consideration ESG aspects of the companies, supranational entities and countries involved.

## **5.3. Sustainability-related disclosures**

The investment decisions for this Sub-Fund have been delegated to the Investment Manager. As part of its investment process, the latter is responsible for taking sustainability risks into account and for considering the adverse impacts of investment decisions on sustainability factors. The management company periodically reviews the Investment Manager in this regard.

### **5.3.1. Integration of sustainability risks**

Investments with high sustainability risks are sensitive to changes in the areas Environmental, Social and Governance (e.g. environmental, social or regulatory changes, heat and drought periods, floods, forest fires, avalanches etc.). The realization of sustainability risks may have a direct impact on the value of an investment and thus adversely affect the return of the Sub-Fund.

The Management Company shall continuously monitor the exposure of the Sub-Fund to sustainability risks. In doing so, the sustainability risk is divided into physical risks and transitory risks and evaluated separately.

Based on the investment strategy, it is generally not expected that the Sub-Fund is significantly directly exposed to sustainability risks. However, the realization of sustainability risks may influence the volatility and profitability of global markets as well as the risk appetite of the participants. This may adversely affect the return of the Sub-Fund.

### **5.3.2. Consideration of adverse impacts of investment-decisions**

#### **Investment Manager**

The investment decisions for this Sub-Fund have been delegated to the Investment Manager. The latter does take into account principle adverse impacts of investment decisions on sustainability factors at the corporate level.

#### **Management Company**

The Management Company of this Sub-Fund takes into account principal adverse impacts of investment decisions on sustainability factors at the corporate level.

#### **Product Level**

For this Sub-Fund, principle adverse impacts of investment decisions on sustainability factors are considered in the investment decision process. Further details on how principle adverse impacts on sustainability factors are considered can be found the SFDR Annex below.

The results of the consideration of principal adverse impacts on sustainability factors are disclosed in the annual report of the Sub-Fund.

### **6. Profile of a Typical Investor**

The Sub-Fund and the Master Fund are suitable for investors with a medium-term investment horizon of four years or longer, who can accept sizeable volatility, and a prolonged decrease in the net asset value of the units. Investors should not be dependent on liquidating the investment at a specific point in time. Investors cannot exclude the risk of price decreases, foreign exchange losses and volatile returns due to market developments which are unfavourable for investors.

### **7. Specific Risk Factors**

**The Sub-Fund will invest at least 85% of its assets in the Master Fund (excluding up to 15% holding of ancillary liquid assets and/or currency hedging instruments). Nevertheless, given the broad diversification of the Master Fund, the Sub-Fund is expected to be sufficiently diversified. The Sub-Fund cannot guarantee or control the Master Fund in this regard. The Sub-Fund's performance may differ from the Master Fund's performance.**

**The performance of the Units depends on the investment policy and the development of the markets or the materialization of risks inherent in securities and instruments in which the Master Fund invests and cannot be determined in advance. In this context, it should be noted that the value of the Units may rise above or fall below the issue price at any time. There is no guarantee that investors will recover the full amount of their initial capital investment.**

This investment type is subject to market risk, issuer risk and interest rate risk, which may have negative effects on net assets, since most assets of the Master Fund are invested in equity securities and similar instruments as well as in debt securities and similar instruments. Other additional risks may also materialise, such as currency risk.

The use of financial derivatives for purposes other than hedging may give rise to increased risk.

**The above list is not a complete list of all potential risk factors. The Management Company and the Master Asset Manager seek to limit risks by monitoring the Master Fund's asset allocation. Please note that an investment in the Sub-Fund should be seen as a long-term exposure which may be subject to a high volatility.**

In addition, this Sub-Fund may also be subject to the general risks described in section "Risk Factors" in the Prospectus.

### **8. Fees and Expenses of the Master Fund**

The Sub-Fund will directly (through its investment in the Master Fund) bear a pro rate share of the costs of the expenses of the Master Fund, which will include (non-exhaustive) legal, auditing, organisational, administrative, custodial and operating expenses.

Where, in connection with an investment in the Master Fund a distribution fee, commission fee or other monetary benefit is received by the Sub-Fund, the Management Company or any person acting on behalf of either the Sub-Fund or the Management Company, the fee, commission or other monetary benefit shall be paid into the assets of the Sub-Fund.

No subscription fee, redemption charge or conversion fee will be payable by the Sub-Fund when subscribing for or redeeming units in the Master Fund. The Investment Manager shall not receive any commission by virtue of an investment by the Sub-Fund in the units of the Master Fund.

#### **Taxes**

There are no adverse tax consequences for investors resulting from the Sub-Fund's investment in the Master Fund relative to investing directly. Investors in the Sub-Fund should refer to the section of the prospectus entitled "Taxation" for further information on taxation provisions which should be taken into account when considering an investment in the Sub-Fund. Prospective investors should consult their own professional advisors on the relevant tax considerations applicable to the purchase, acquisition, holding, switching and disposal of units of the Sub-Fund, as well as, the receipt of distributions (if applicable) under the laws of their countries of citizenship, residence or domicile.

## **9. Information Sharing**

The Management Company of the Sub-Fund and the management company of the Master Fund, have put in place an Information Sharing Agreement (the "Information Sharing Agreement") in relation to the investment by the Sub-Fund in units of the Master Fund. The Information Sharing Agreement sets out which unit classes of the Master Fund are available for investment by the Sub-Fund, details of the charges and expenses to be borne by the Sub-Fund, the standard dealing arrangements and the events affecting dealing arrangements.

Further information relating to the Master Fund (including the prospectus and articles of association) and the Information Sharing Agreement are available, free of charge, from the Management Company of the Sub-Fund.

## **10. Termination of the Master Fund**

In circumstances where the Master Fund is liquidated, the Sub-Fund shall also be liquidated unless the FMA approves: (i) the investments of at least 85% of the Sub-Fund's net asset value in the units of another master UCITS, or (ii) the amendment of the constitutive documents in order to enable the Sub-Fund to convert into a UCITS which is not a feeder UCITS.

In circumstances where the Master Fund merges with another UCITS or is divided into two or more UCITS, the Sub-Fund shall be liquidated unless the FMA grants prior approval to the Sub-Fund to: (i) continue to be a feeder UCITS of the Master Fund or another UCITS resulting from the merger or division of the Master Fund; (ii) invest at least 85% of the Sub-Fund's net asset value in the units of another master UCITS not resulting from the merger or division of the Master Fund; or (iii) amend the constitutive documents in order to enable the Sub-Fund to convert into a UCITS which is not a feeder UCITS.

## **11. Past Performance**

The historic performance of the Sub-Fund (including Unit Classes), once available, shall be published on the website of the LAFV (*Liechtensteinischer Anlagefondsverband*) ([www.lafv.li](http://www.lafv.li)). Past performance is not a guarantee or indication of present and/or future performance.

## 12. SFDR Annex

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

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

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

**Product Name:** LGT Multi-Assets SICAV – LGT Strategy 4 Years (the “Sub-Fund” or “financial product”)

**Legal entity identifier:** 549300I7P7LC4GLN8J20

## Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?

☒ ☐ Yes

☒ ☐ No

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

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

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

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

☒ It promotes Environmental/Social (E/S) characteristics and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 30% of sustainable investments

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

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

☒ with a social objective

☐ It promotes E/S characteristics, but will not make any sustainable investments<sup>1</sup>



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

The investment objective of the Sub-Fund is to participate in the performance of the Master Fund (LGT CP Strategy 4 Years, a sub-fund of LGT CP Multi-Assets SICAV). The characteristics promoted by the Sub-Fund are therefore aligned and based on the disclosure of the Master Fund, which promotes environmental and social characteristics through certain direct and indirect investments it makes:

- Environmental considerations include a company's or issuer's energy consumption, its carbon

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

<sup>1</sup> For the avoidance of doubt, the Sub-Fund does not commit to making sustainable investments, but such investments may exist in the Sub-Fund on a non-committal basis.

footprint and its impact on land; and

- Social considerations include a company's or issuer's relationship with its employees and the communities in which they operate.

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

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

Depending on whether the Master Fund invests in an underlying fund or directly in securities or instruments, the following factors will be considered in determining whether the Master Fund is attaining the environmental and/or social characteristics it promotes, based on one or more of the following three components:

- The proportion of underlying funds in which the Master Fund invests (the "**Underlying Funds**") that meet the criteria to be identified as ESG Oriented Funds or ESG Focused Funds.
- Application of the Master Asset Manager's proprietary ESG rating system of securities and instruments (the "**Securities and Instruments ESG Rating System**"). This proprietary ESG rating system is based on data from external data providers that provides objective, relevant and systematic ESG information and which measures the environmental and social characteristics of companies and issuers.
- Application of the Master Asset Manager's "**Manager ESG Rating System**" whereby fund managers are assessed on their ESG practices (in the areas of commitment to ESG, investment process, ownership and reporting).
- An assessment of whether the Master Asset Manager in respect of the Master Fund has successfully and consistently executed its ESG exclusion policy.

### ● ***What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?***

The investment objective of the Sub-Fund is to participate in the performance of the Master Fund (LGT CP Strategy 4 Years, a sub-fund of LGT CP Multi-Assets SICAV). The Master Fund aims to invest in issuers that positively contribute to the UN SDGs, thus promoting environmental and/or social characteristics through a combination of environmental and social objectives.

An investment with an environmental objective aligned with SFDR is one which is oriented towards, for example, climate change adaptation (e.g. support adaptation related research), climate change mitigation (e.g. develop renewable energies technologies), protection of biodiversity (e.g. promote organic farming), reduction of air, soil and water pollution.

An investment with a social objective aligned with SFDR is an investment that contributes to tackling inequality or that fosters social cohesion, social integration and labour relations, or an investment in human capital or economically or socially disadvantaged communities.

### ● ***How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?***

In terms of ensuring that the sustainable investments do not cause significant harm to any environmental or social sustainable investment objective, a requirement for sustainable investments is the positive contribution to UN SDGs, which cover a broad set of ESG activities.

In addition, the portfolio is systematically screened for controversies across environmental and / or social issues as part of the Master Asset Manager's "do no significant harm" ("DNSH") assessment in respect of issuers as well as in respect of projects that are financed through the

UOP instruments. A sudden drop due to an ESG controversy will generally lead to an alert to be triggered so further assessment and action can be taken.

As an additional safeguard, the mandatory principal adverse impacts set out in Annex 1 of the regulatory technical standards supplementing the SFDR are used to further screen against activities that may significantly harm any of the environmental or social objectives, whereby investments that do not meet minimum thresholds applied by the Master Asset Manager for each of the mandatory PAI indicators in Annex 1 shall be excluded from investment consideration whereby investments that do not meet minimum thresholds applied by the Master Asset Manager for each of the mandatory PAI indicators in Annex 1 shall be excluded from investment consideration.

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

Principal adverse impacts on sustainability factors in the context of sustainable investments are considered in the following manner:

- Principal adverse impact indicators are captured under the DNSH principle for sustainable investments outlined in the section entitled "How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?"
- Principal adverse impacts are assessed as part of the ESG rating system.
- Principal adverse impact indicators are reported on as outlined in the section entitled "Does this financial product consider principal adverse impacts on sustainability factors?"

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

The Master Asset Manager monitors breaches and controversies for new and existing investments which largely relies on the quality of data supplied by external data providers.

Where the Master Asset Manager identifies clear breaches of norms outlined in the a) OECD Guidelines for Multinational Enterprises, b) the UN Guiding Principles on Business and Human Rights, including the principles and rights set out in the eight fundamental conventions identified in the Declaration of the International Labour Organisation on Fundamental Principles and Rights at Work, and c) the International Bill of Human Rights the Master Asset Manager will seek to exclude the issuer from investment by the Master Fund. However, it cannot be guaranteed that all investments, especially in jurisdictions where data scarcity is pronounced, can be assessed and thereby excluded.

*The EU Taxonomy sets out a "do not significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.*

*The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.*

*Any other sustainable investments must also not significantly harm any environmental or social objectives.*



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



**Yes** Yes, the Master Asset Manager considers a range of principle adverse impact indicators in respect of the Master Fund, but the availability of data on some indicators is limited due to a lack of reporting of metrics by companies, issuers, investee entities or there may be lacking market practice for the type and/or nature of the instruments traded. Accordingly, the integration of principle adverse impact indicators is conducted on a best-efforts basis; however, it is expected that principle adverse impact indicators can be applied to a greater portion of the portfolio once data availability improves. This will allow for enhanced insight in the adverse impacts caused by investee companies or issuers.

For further information on principal adverse impacts refer to the Master Asset Manager's website and the Master Fund's forthcoming annual report.

**No**



## What investment strategy does this financial product follow?

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

The investment objective of the Sub-Fund is to participate in the performance of the Master Fund (LGT CP Strategy 4 Years, a sub-fund of LGT CP Multi-Assets SICAV). The Master Fund will seek to achieve its investment objective by investing (either directly or indirectly) primarily in equity and fixed income securities and instruments and to a lesser extent in other securities. In addition, the Master Fund may be (indirectly) exposed to the economic risks of assets classes such as commodities, hedge funds, private equity or real estate.

The Master Fund does not pursue a specific sectoral focus. For further information, please refer to the Section 6 titled "Investment Management".

When selecting investments, the Master Asset Manager undertakes an ESG analysis of the investment universe of the Master Fund in order to promote environmental and/or social characteristics, according to the description in this Annex.

### What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?

The investment objective of the Sub-Fund is to participate in the performance of the Master Fund (LGT CP Strategy 4 Years, a sub-fund of LGT CP Multi-Assets SICAV). The primary binding element is a commitment of at least 75% of the assets of the Master Fund to underlying investments which promote environmental and/or social characteristics. The computation of this asset allocation commitment, as determined by the Master Asset Manager, consists of the investments rating positively based on one or more of the following three components:

- i. Investments in permitted investments of the Master Fund that are ESG Oriented Funds or ESG Focused Funds, which have ESG-related binding elements of their own, form the first category for attaining environmental and/or social characteristics.
- ii. Application of the Securities and Instrument ESG Rating System, which includes further rating and exclusion criteria, to investments that do not fall into the first category or as deemed appropriate for an asset class or type. Such instruments form the second category of investments for the purpose of attaining environmental and/or social characteristics.
  - a. **ESG Exclusion Policy.** Exclusions are applied in the investment selection process based on ESG factors, including for inhumane weapons and coal.

- b. **Screening based on ESG Rating.** Following the application of the above exclusions, the Master Asset Manager utilises its ESG rating system in respect of the remaining eligible investments. The Master Asset Manager has developed a proprietary ESG rating system based on external data providers and sources that provides objective, relevant and systematic ESG information. The ESG rating provides a ranking based on ESG criteria, whereby companies or issuers with more attractive ESG values are scored more highly than others.

The ESG rating serves as a main indicator in addition to traditional financial or credit metric to identify risks and opportunities that are not yet factored in the current prices and are expected to impact the pricing of a security negatively.

In respect of companies and supranationals as issuers, the application of the ESG rating screening process as outlined above is applied to the total universe of such companies or issuers analysed through the Master Asset Manager's proprietary rating tool and the lowest scoring 25% of companies and supranationals analysed, in terms of their ESG score, are excluded from investment consideration. It should be noted that the range of companies and supranationals analysed through the Master Asset Manager's proprietary rating tool may be wider than the target investment universe of the Master Fund, meaning that the actual amount of investments excluded from the Master Fund's scope of investments may effectively be a minimum rate that is lower than 25%. In respect of the ongoing monitoring of this process, if, after the point of initial investment, companies or supranationals as issuers subsequently fall into the lowest scoring 25% issuers available through the Master Asset Manager's proprietary rating tool in terms of their ESG score, the Master Asset Manager commits to divesting or disposing of such positions according to its internal guidelines and acting in the best interests of Shareholders.

Investors should note that the abovementioned screening and reduction of 25% of lowest scoring companies and supranational issuers does not apply to countries as issuers. The application of the ESG rating exclusion is embedded into the Master Fund's investment selection process and is therefore a binding element.

- c. **Sustainable Investments.** In order for an investee entity to be considered a sustainable investment, it must be assessed by the Master Asset Manager as meeting the following criteria: (i) it must contribute to an environmental or social objective (which may be assessed on the basis of alignment of such investments with the UN SDGs, as considered further below); (ii) it must do no significant harm to any other environmental or social objective; and (iii) it must follow good governance practices. At least 50% of the assets of the Master Fund will be committed to sustainable investments. This commitment is embedded into the Master Fund's investment selection process and is therefore a binding element.
- d. **UN SDGs.** The UN SDG alignment of an instrument can be ascertained through positive screening criteria in two ways:
- i. **Use of Proceeds.** To invest into a UOP instrument classifying as a sustainable investment of an issuer who has not been removed following the above-described exclusion methods, the Master Asset Manager needs to additionally assess that:
1. the instrument qualifies as "Green", "Social" or "Sustainable" under the ICMA standards and contributes to a relevant UN SDG. The Master Asset Manager periodically reviews all publicly available UOP frameworks, allocation and assurance reports of every individual UOP instrument and verifies the association to each relevant UN SDG in an internally maintained database. To undertake this analysis the Master Asset Manager may use data provided by external ESG data providers and proprietary



models, as well as directly communicating with the issuer; and

2. there are no controversies in relation to such instrument. Such controversies may arise from the stated financing goals, type of activity, governance and reporting expectations which are inferior to the current ICMA standard and market practice; and
3. according to an independent and market recognized second party opinion the instrument's framework is verified and aligned with the relevant standard and the market practice.

- i. **Sovereign Issuer Net UN SDG Impact Score.** When investing in sovereign bonds, the Master Asset Manager has developed a tiered classification system for considering certain sovereign issuances to be sustainable investments. The approach consists of four tiers, where issuers in tier 1 and 2, which have a positive overall SDG score and at least 85% net positive UN SDG sub-category scores, are considered to meet such consideration. Issuers in tier 3 and 4 are not sustainable investments, but may have environmental and/or social characteristics.
- ii. **Company or Corporate Issuer's Net UN SDG Impact Score.** When investing in companies or corporate issued instruments which are not UOP, the Master Asset Manager selects companies or issuers with a net positive SDG score, based on the outputs from the ESG rating system.

- iii. Application of the Manager ESG Rating System to investments that do not fall into categories one or two. Managers receive a score of 1 to 4 (where 1 = excellent, 2 = good, 3 = fair, 4 = poor) on each of the four measures (commitment to ESG, investment process, ownership and reporting), resulting in an overall rating for each manager, which is then documented in the Master Asset Manager's monitoring system and taken into consideration during the asset selection and monitoring processes. Managers rated 1-3 form the third category for attaining environmental and/or social characteristics and managers rated 4 do not attain environmental and/or social characteristics.

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

The investment objective of the Sub-Fund is to participate in the performance of the Master Fund (LGT CP Strategy 4 Years, a sub-fund of LGT CP Multi-Assets SICAV). There is no commitment to reduce the investment universe at the Master Fund's or the Master Fund's level, however Underlying Fund(s) investments of the Master Fund may apply such policies resulting in an investment universe that has been systematically reduced on ESG grounds.

Investors should note the universe reduction applied to certain types of investments disclosed under "What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?".

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

The investment objective of the Sub-Fund is to participate in the performance of the Master Fund (LGT CP Strategy 4 Years, a sub-fund of LGT CP Multi-Assets SICAV). The Master Asset Manager seeks to ensure that good governance practices, as reasonably determined by the Master Asset Manager, are followed by investee companies in respect of the Master Fund.

In order to ensure this, in terms of direct investments in certain asset types, the Master Asset Manager's quantitative screening of corporate governance considers the independence and competency of investee company boards in terms of leadership and composition, existing and

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

independent key committees, compensation policy, the degree of integration of long-term and ESG related targets, and minority shareholder protections. In addition, good governance is a factor in the qualitative assessment of individual companies prior to investment.

Where the Manager ESG Rating System is applied, the Master Asset Manager expects managers to consider good governance factors.

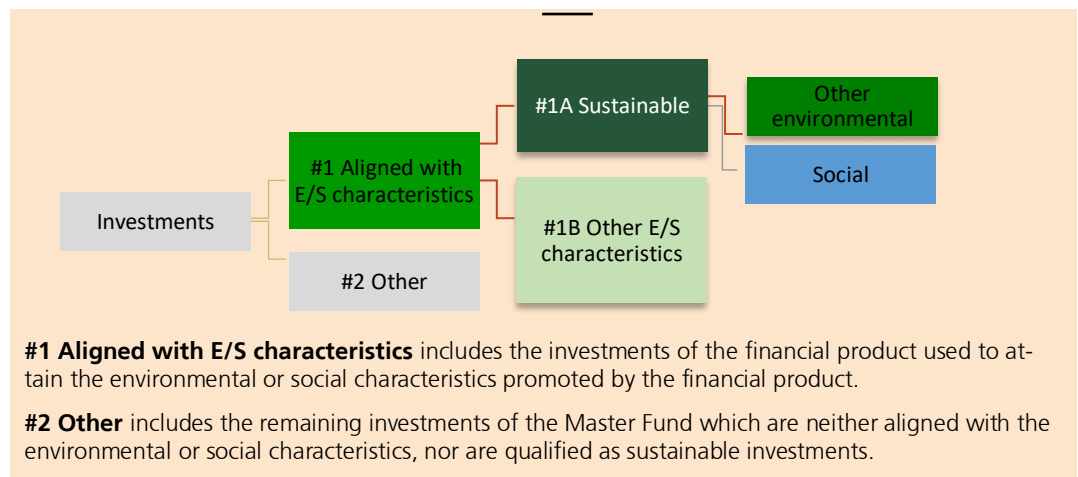


## What is the asset allocation planned for this financial product?

The investment objective of the Sub-Fund is to participate in the performance of the Master Fund (LGT CP Strategy 4 Years, a sub-fund of LGT CP Multi-Assets SICAV). At least 75% of the assets of the Master Fund will be allocated to investments aligned with environmental and/or social characteristics (#1). At least 30% of the assets of the Master Fund will be committed to sustainable investments which are not aligned with the EU Taxonomy (#1A).

Minimum environmental and social safeguards and the purpose of the remaining portion of investments is outlined in the section titled "What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?"

The below graphical representation contextualises the types of investment considered.



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

The Master Fund does not use derivatives specifically for the purpose of attaining the environmental and or social characteristics it promotes. Rather, the Master Fund may use derivatives for ordinary purposes, which may include, for investment purposes, hedging, efficient portfolio management and/or overlay purposes and in certain cases this may therefore incidentally relate to the Master Fund attaining the environmental and or social characteristics it promotes.



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

The Master Fund does not commit to invest any proportion of its assets in environmentally sustainable economic activities aligned with the EU Taxonomy. Accordingly, the level of EU Taxonomy-aligned investments shall be zero per cent.

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

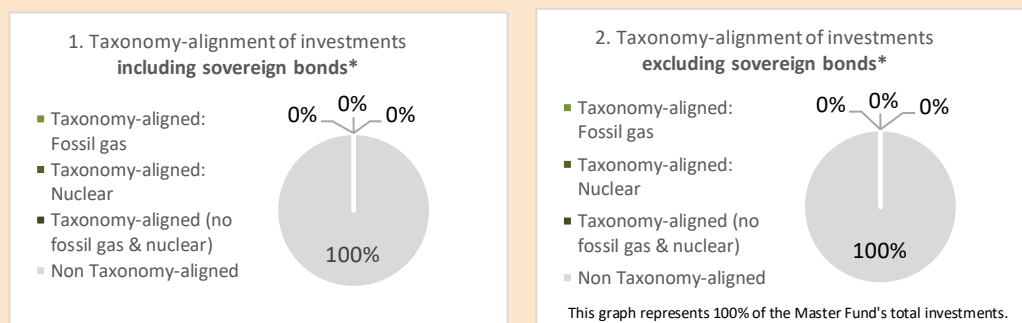
**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

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

● **Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy?**<sup>2</sup>

- ☐ Yes:
- ☐ In fossil gas ☐ In nuclear energy
- ☒ No

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



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

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

The Master Fund does not commit to make sustainable investments with an environmental objective aligned with the EU Taxonomy. Hence, the Master Fund commit to invest in sustainable investments in transitional and enabling activities.

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

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

The sustainable investments of the Master Fund will target a combination of environmental and social objectives across the spectrum and among those will be sustainable investments with an environmental objective that are not aligned with the EU Taxonomy.

While the minimum share of sustainable investments, environmental and social combined, that are not aligned with the EU Taxonomy will be 30% of the assets of the Master Fund, on the basis that the Master Fund does not have a specific environmental focus, the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy shall greater than 0% of the assets of the Master Fund.

<sup>2</sup> Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.



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

The sustainable investments of the Master Fund will target a combination of environmental and social objectives across the spectrum and among those will be sustainable investments with a social objective that are not aligned with the Taxonomy Regulation.

While the minimum share of sustainable investments, environmental and social combined, that are not aligned with the Taxonomy Regulation will be 30% of the assets of the Master Fund, on the basis that the Master Fund does not have a specific social focus, the minimum share of sustainable investments with a social objective that are not aligned with the Taxonomy Regulation shall be greater than 0% of the assets of the Master Fund.



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

Investments under “#2 Other” are investments which are neither aligned with the environmental or social characteristics nor qualify as sustainable investments, for example:

- i. There may be insufficient data available to verify any classification under sustainable investments or investments with environmental and/or social characteristics.
- ii. There may be exposures where an ESG assessment cannot be applied or there is lacking market practice for appropriate quantification of ESG factors.
- iii. Exposures consisting of certain FDI, types of hedging, cash or cash equivalents.
- iv. Any investments the Master Asset Manager considers as not having environmental and/or social characteristics. As the Master Asset Manager in respect of the Master Fund does not commit to ensuring that all investments are aligned with the environmental and/or social characteristics promoted by the Master Fund, these investments may be made in the ordinary course in accordance with the Master Fund’s investment policy as further described in the section of the Supplement entitled “Investment Policies”.

To the extent possible, minimum safeguards are applied for this portion of the portfolio, either directly by the Master Fund or indirectly in the context of the Underlying Funds. In terms of these minimum safeguards, the Investment Manager’s policy on exclusions relating to inhumane weapons will be applied to all investments included in this portion of the portfolio.



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

The Master Fund does not use a benchmark and neither measure whether the promoted environmental and/or social characteristics are attained with a benchmark.



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

You may find more information on [www.fundinfo.com](http://www.fundinfo.com) and the Master Asset Manager’s website: [www.lgtcp.com/en/regulatory-information](http://www.lgtcp.com/en/regulatory-information).

## VI. LGT Strategy 5 Years

The Management Company has delegated the distribution of this Sub-Fund to the following distribution agents:

- LGT Bank Ltd., Herrengasse 12, FL-9490 Vaduz
- LGT Bank Ltd., Zweigniederlassung Österreich, Bankgasse 9, A-1010 Wien, Austria
- LGT Bank (Switzerland) Ltd., Lange Gasse 15, CH-4002 Basel
- LGT Bank Ltd., Hong Kong Branch, Suite 4203, Two Exchange Square, 8 Connaught Place, Central, Hong Kong
- LGT Bank (Singapore) Ltd., 3 Temasek Avenue, #30-01 Centennial Tower, Singapore 039190

### 1. Overview of Definitions

For SFDR purposes, the Management Company considers that the Sub-Fund meets the criteria of an ESG Oriented Fund. The Management Company reserves the right to reassess this consideration at any time. If the Management Company determines at any future point that the Sub-Fund does not meet the criteria to qualify as an ESG Oriented Fund, this Annex A shall be updated accordingly.

#### Definitions

<b>"Information Sharing Agreement"</b>	means the information sharing agreement put in place between the Management Company of the Sub-Fund and the management company of the Master Fund in order to set out the classes of the Master Fund available for investment by the Sub-Fund.
<b>"Investment Manager"</b>	means LGT PB Fund Solutions Ltd.
<b>"Master Fund"</b>	means LGT CP Strategy 5 Years, a sub-fund of LGT CP Multi-Assets SICAV, an umbrella open-ended Investment Company with variable capital. LGT CP Multi-Assets SICAV has been authorized by the FMA as UCITS undertaking.
<b>"Permitted Investment"</b>	means such investment as described under the section "Permitted Investments of the Sub-Fund" below.
<b>"Sub-Fund"</b>	means "LGT Strategy 5 Years"
<b>"ESG"</b>	means environmental, social and governance.
<b>"ESG Oriented Fund"</b>	means that the Sub-Fund meets the criteria of Art. 8 SFDR.
<b>"ESG Focused Fund"</b>	means that the Sub-Fund meets the criteria of Art. 9 SFDR.

### 2. Key Terms

Key Terms	Unit Classes		
Unit Class / Currency <sup>1</sup> <sup>2</sup>	(EUR) B (CHF) B (USD) B	(EUR) I1 (CHF) I1 (USD) I1	(EUR) C (CHF) C (USD) C
Security number	1935292 35049516 35049522	2199633 35049520 35049543	24715721 35049517 35049540

<sup>1</sup> The individual requirements an Investor must comply with in order to be eligible to purchase units of a certain class are described below under "Profile of a Typical Investor".

<sup>2</sup> The currency risks can be hedged in whole or in part.

<b>ISIN number</b>	LI0019352926 LI0350495169 LI0350495227	LI0021996330 LI0350495201 LI0350495433	LI0247157212 LI0350495177 LI0350495409
<b>Distributing / Accumulating</b>	Accumulating	Accumulating	Accumulating
<b>Minimum Initial Subscription</b>	1 Unit	Equivalent of CHF 1 Mio, unless otherwise agreed with the Management Company	1 Unit
<b>Minimum Additional Subscription</b>	0.001 Unit	0.001 Unit	0.001 Unit
<b>Minimum Redemption Amount</b>	0.001 Unit	0.001 Unit	0.001 Unit
<b>Minimum Holding Amount</b>	1 Unit	1 Unit	1 Unit
<b>Initial Subscription Day</b>	N/A	N/A	N/A
<b>Initial Subscription Price</b>	EUR 1'000.00 CHF 1'000.00 USD 1'000.00	EUR 1'000.00 CHF 1'000.00 USD 1'000.00	EUR 1'000.00 CHF 1'000.00 USD 1'000.00
<b>Valuation Day</b>	At least weekly, on the first Business Day of the week, or such other day or days as the UCITS or the Management Company may (with the consent of the Depositary) determine and notify in advance to Unitholders, and the end of the Accounting Year.		
<b>Subscription Day</b>	At least weekly, on the first Business Day of the week, and/or such other days determined from time to time by the UCITS or the Management Company.		
<b>Subscription Price</b>	Net Asset Value per Unit (subject to the Subscription Fee and applicable taxes, levies or charges)		
<b>Subscription Deadline</b>	Until 11:00 (CET) on the Subscription Day.		
<b>Subscription Payment Day</b>	Within two Settlement Days of the base currency of the particular unit class following the Subscription Day or such other days determined from time to time by the UCITS or the Management Company.		
<b>Redemption Day</b>	At least weekly, on the first Business Day of the week, and/or such other days determined from time to time by the UCITS or the Management Company.		
<b>Redemption Price</b>	Net Asset Value per Unit (subject to the Redemption Fee and applicable taxes, levies or charges)		
<b>Redemption Deadline</b>	Until 11:00 (CET) on the Redemption Day.		
<b>Redemption Payment Day</b>	Within two Settlement Days of the base currency of the particular unit class following the Redemption Day or such other days determined from time to time by the UCITS or the Management Company.		
<b>Conversion Day</b>	At least weekly, on the first Business Day of the week, and/or such other days determined from time to time by the UCITS or the Management Company.		
<b>Conversion Deadline</b>	Until 11:00 (CET) on the Conversion Day.		
<b>Duration</b>	Unlimited		
<b>Base Currency</b>	Euro (EUR)		
<b>Denomination</b>	With 3 decimal places		
<b>Listing</b>	No		
<b>Securitization</b>	No		
<b>Liquidity Gate Trigger</b>	N/A		
<b>End of Accounting Year</b>	31 <sup>st</sup> May		

### 3. Costs Charged to Unitholders

Costs Charged to Unitholders	Unit Classes		
Unit Class / Currency	(EUR) B (CHF) B (USD) B	(EUR) I1 (CHF) I1 (USD) I1	(EUR) C (CHF) C (USD) C
<b>Subscription Fee</b>	Max. 5%	Max. 5%	Max. 5%
<b>Redemption Fee</b>	None	None	None
<b>Max. Conversion Fee</b>	CHF 100.00 or equivalent	CHF 100.00 or equivalent	CHF 100.00 or equivalent
<b>Swing Factor</b>	N/A	N/A	N/A
<b>Swing Threshold</b>	N/A	N/A	N/A

### 4. Costs Charged to Sub-Fund

Costs Charged to Sub-Fund <sup>3 4 5 6</sup>	Unit Classes		
Unit Class / Currency	(EUR) B (CHF) B (USD) B	(EUR) I1 (CHF) I1 (USD) I1	(EUR) C (CHF) C (USD) C
<b>Max. All-In-Fee</b>	1.75% p.a.	0.79% p.a.	0.89% p.a.
<b>Performance Fee</b>	None	None	None

### 5. Investment Policy

#### 5.1. Investment Policy of the Sub-Fund

The Sub-Fund is managed as a portfolio of Permitted Investments in accordance with the investment policy set out in this section. Investors should note that during any period of suspension of valuation or redemption or when the Sub-Fund is wound down, the UCITS or the Management Company on behalf of the UCITS, acting in the best interests of the Unitholders, may resolve that it is unreasonable and/or impracticable to comply with some or all of the policies and guidelines in this section.

The Sub-Fund is a feeder UCITS, which permanently invests at least 85% of its net asset value in the Master Fund and up to 15% of its assets in liquid assets, as described in below under the heading "Permitted Investments of the Sub-Fund". The Sub-Fund aims to ensure that its performance is as similar as possible to that of the Master Fund, although there may be differences, inter alia, due to deviating fee structures.

The Sub-Fund qualifies as a "Mixed Fund" for the purposes of the German Investment Tax Act. Please see section 7.5.7 of the Prospectus titled "Additional Investment Provisions – German Investment Tax Act" for further information in relation to this classification.

#### 5.1.1. Investment Objective of the Sub-Fund

The investment objective of the Sub-Fund is for the Sub-Fund investors to participate in the performance of the Master Fund.

<sup>3</sup> The commission or fee charged is reported in the semi-annual and annual reports.

<sup>4 4</sup> Plus taxes and other expenses: Transaction costs charged by third parties and expenses incurred by the Management Company and the Depositary in exercising their responsibilities. For further information please refer to section 11 (Tax Provisions) and 12 (Costs and Fees) of the Prospectus.

<sup>5</sup> Where the Sub-Fund is liquidated, the Management Company and/or the Depositary may charge a liquidation fee of not more than CHF 15,000 for its own benefit.

<sup>6</sup> Further charges may be invoiced to the Sub-Fund by the Master Fund. Further information can be found below under "Fees and Expenses of the Master Fund".

There is no guarantee that the investment objective of the Sub-Fund and the Master Fund will be achieved, and investment results may vary substantially over time.

### **5.1.2. Permitted Investments of the Sub-Fund**

The Sub-Fund may invest up to 15% of its net asset value in:

- liquid assets, including deposits with credit institutions (which are either located in an EEA country or in a third country where the supervision rules are equivalent to the EEA), and which are repayable on demand (or have the right to be withdrawn) and will mature in no more than 12 months;
- and in financial derivative instruments other than futures contracts (e.g. options and currency forward transactions traded on stock exchanges or on the OTC-market) which may solely be used for hedging purposes.

## **5.2. Investment Policy of the Master-Fund**

### **5.2.1. Investment Objective of the Master-Fund**

The investment objective of the Master Fund is to generate consistent long-term capital appreciation.

The Master Fund seeks to avoid, where possible, capital losses over the recommended investment period of five years or longer, however it may exhibit short-term fluctuation.

### **5.2.2. Investment Focus of the Master Fund**

Subject to the investment restrictions specified in Appendix 1 to the constitutive documents of the Master Fund, the Master Fund will seek to achieve its investment objective by investing (either directly or indirectly as further described in the constitutive documents of the Master Fund) primarily in equity and fixed income securities and instruments and to a lesser extent in other securities, as further described under Permitted Investments & Techniques of the constitutive documents of the Master Fund. In addition, the Master Fund may be (indirectly) exposed to the economic risks of assets classes such as commodities, insurance-linked strategies, hedge funds, private equity or real estate (all together the “**Target Asset Classes**”).

The Master Fund does not pursue a specific sectoral focus.

### **5.2.3. Investment Strategy of the Master-Fund**

The Master Funds’ portfolio is actively managed and is not managed in reference to a benchmark.

To achieve the investment objective, the Master Asset Manager of the Master Funds employs an investment process using both fundamental analyses of a security and an analysis of current market conditions.

When selecting investments for the Master Fund, the Master Asset Manager promotes environmental and/or social characteristics by undertaking an ESG analysis of the investment universe as described further in Annex I to the constitutive documents of the Master Fund. This process involves taking into consideration ESG aspects of the companies, supranational entities and countries involved.

## **5.3. Sustainability-related disclosures**

The investment decisions for this Sub-Fund have been delegated to the Investment Manager. As part of its investment process, the latter is responsible for taking sustainability risks into account and for considering the adverse impacts of investment decisions on sustainability factors. The management company periodically reviews the Investment Manager in this regard.

### **5.3.1. Integration of sustainability risks**

Investments with high sustainability risks are sensitive to changes in the areas Environmental, Social and Governance (e.g. environmental, social or regulatory changes, heat and drought periods, floods,



forest fires, avalanches etc.). The realization of sustainability risks may have a direct impact on the value of an investment and thus adversely affect the return of the Sub-Fund.

The Management Company shall continuously monitor the exposure of the Sub-Fund to sustainability risks. In doing so, the sustainability risk is divided into physical risks and transitory risks and evaluated separately.

Based on the investment strategy, it is generally not expected that the Sub-Fund is significantly directly exposed to sustainability risks. However, the realization of sustainability risks may influence the volatility and profitability of global markets as well as the risk appetite of the participants. This may adversely affect the return of the Sub-Fund.

### 5.3.2. Consideration of adverse impacts of investment-decisions

#### Investment Manager

The investment **decisions** for this Sub-Fund have been delegated to the Investment Manager. The latter does take into account principle adverse impacts of investment decisions on sustainability factors at the corporate level.

#### Management Company

The Management Company of this Sub-Fund takes into account principal adverse impacts of investment decisions on sustainability factors at the corporate level.

#### Product Level

For this Sub-Fund, principle adverse impacts of investment decisions on sustainability factors are considered in the investment decision process. Further details on how principle adverse impacts on sustainability factors are considered can be found the SFDR Annex below.

The results of the consideration of principal adverse impacts on sustainability factors are disclosed in the annual report of the Sub-Fund.

## 6. Profile of a Typical Investor

The Sub-Fund and the Master Fund are suitable for investors with a long-term investment horizon, of at least five or more years, and who can accept higher volatility and a prolonged decrease in the net asset value of the units. Investors should not be dependent on liquidating the investment at a specific point in time. Investors cannot exclude the risk of price decreases, foreign exchange losses and volatile returns due to market developments which are unfavourable for investors.

## 7. Specific Risk Factors

**The Sub-Fund will invest at least 85% of its assets in the Master Fund (excluding up to 15% holding of ancillary liquid assets and/or currency hedging instruments). Nevertheless, given the broad diversification of the Master Fund, the Sub-Fund is expected to be sufficiently diversified. The Sub-Fund cannot guarantee or control the Master Fund in this regard. The Sub-Fund's performance may differ from the Master Fund's performance.**

**The performance of the Units depends on the investment policy and the development of the markets or the materialization of risks inherent in securities and instruments in which the Master Fund invests and cannot be determined in advance. In this context, it should be noted that the value of the Units may rise above or fall below the issue price at any time. There is no guarantee that investors will recover the full amount of their initial capital investment.**

This investment type is subject to market risk, issuer risk and interest rate risk, which may have negative effects on net assets, since most assets of the Master Fund are invested in equity securities and similar instruments as well as in debt securities and similar instruments. Other additional risks may also materialise, such as currency risk.

The use of financial derivatives for purposes other than hedging may give rise to increased risk.

**The above list is not a complete list of all potential risk factors. The Management Company and the Master Asset Manager seek to limit risks by monitoring the Master Fund's asset allocation. Please note that an investment in the Sub-Fund should be seen as a long-term exposure which may be subject to a high volatility.**

In addition, this Sub-Fund may also be subject to the general risks described in section “Risk Factors” in the Prospectus.

## **8. Fees and Expenses of the Master Fund**

The Sub-Fund will directly (through its investment in the Master Fund) bear a pro rate share of the costs of the expenses of the Master Fund, which will include (non-exhaustive) legal, auditing, organisational, administrative, custodial and operating expenses.

Where, in connection with an investment in the Master Fund a distribution fee, commission fee or other monetary benefit is received by the Sub-Fund, the Management Company or any person acting on behalf of either the Sub-FundMaster Asset Manager or the Management Company, the fee, commission or other monetary benefit shall be paid into the assets of the Sub-Fund.

No subscription fee, redemption charge or conversion fee will be payable by the Sub-Fund when subscribing for or redeeming units in the Master Fund. The Investment Manager shall not receive any commission by virtue of an investment by the Sub-Fund in the units of the Master Fund.

## **Taxes**

There are no adverse tax consequences for investors resulting from the Sub-Fund's investment in the Master Fund relative to investing directly. Investors in the Sub-Fund should refer to the section of the prospectus entitled “Taxation” for further information on taxation provisions which should be taken into account when considering an investment in the Sub-Fund. Prospective investors should consult their own professional advisors on the relevant tax considerations applicable to the purchase, acquisition, holding, switching and disposal of units of the Sub-Fund, as well as, the receipt of distributions (if applicable) under the laws of their countries of citizenship, residence or domicile.

## **9. Information Sharing**

The Management Company of the Sub-Fund and the management company of the Master Fund, have put in place an Information Sharing Agreement (the “Information Sharing Agreement”) in relation to the investment by the Sub-Fund in units of the Master Fund. The Information Sharing Agreement sets out which unit classes of the Master Fund are available for investment by the Sub-Fund, details of the charges and expenses to be borne by the Sub-Fund, the standard dealing arrangements and the events affecting dealing arrangements.

Further information relating to the Master Fund (including the prospectus and articles of association) and the Information Sharing Agreement are available, free of charge, from the Management Company of the Sub-Fund.

## **10. Termination of the Master Fund**

In circumstances where the Master Fund is liquidated, the Sub-Fund shall also be liquidated unless the FMA approves: (i) the investments of at least 85% of the Sub-Fund's net asset value in the units of another master UCITS, or (ii) the amendment of the constitutive documents in order to enable the Sub-Fund to convert into a UCITS which is not a feeder UCITS.

In circumstances where the Master Fund merges with another UCITS or is divided into two or more UCITS, the Sub-Fund shall be liquidated unless the FMA grants prior approval to the Sub-Fund to: (i) continue to be a feeder UCITS of the Master Fund or another UCITS resulting from the merger or division of the Master Fund; (ii) invest at least 85% of the Sub-Fund's net asset value in the units of another master UCITS not resulting from the merger or division of the Master Fund; or (iii) amend the constitutive documents in order to enable the Sub-Fund to convert into a UCITS which is not a feeder UCITS.

## **11. Past Performance**

The historic performance of the Sub-Fund (including Unit Classes), once available, shall be published on the website of the LAFV (*Liechtensteinischer Anlagefondsverband*) ([www.lafv.li](http://www.lafv.li)). Past performance is not a guarantee or indication of present and/or future performance.

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

**Product Name:** LGT Multi-Assets SICAV – LGT Strategy 5 Years (the “Sub-Fund” or “financial product”).

**Legal entity identifier:** 549300XJB6YPBEOOKK25

## Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?



Yes



No

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

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

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

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

☒ It promotes Environmental/Social (E/S) characteristics and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 30% of sustainable investments

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

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

☒ with a social objective

☐ It promotes E/S characteristics, but will not make any sustainable investments<sup>7</sup>



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

The investment objective of the Sub-Fund is to participate in the performance of the Master Fund (LGT CP Strategy 5 Years, a sub-fund of LGT CP Multi Assets SICAV). The characteristics promoted by the Sub-Fund are therefore aligned and based on the disclosure of the Master Fund, which promotes environmental and social characteristics through certain direct and indirect investments it makes:

<sup>7</sup> For the avoidance of doubt, the Sub-Fund does not commit to making sustainable investments, but such investments may exist in the Sub-Fund on a non-committal basis.

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

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

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

- Environmental considerations include a company's or issuer's energy consumption, its carbon footprint and its impact on land; and
- Social considerations include a company's or issuer's relationship with its employees and the communities in which they operate.

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

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

Depending on whether the Master Fund invests in an underlying fund or directly in securities or instruments, the following factors will be considered in determining whether the Master Fund is attaining the environmental and/or social characteristics it promotes, based on one or more of the following three components:

- The proportion of underlying funds in which the Master Fund invests (the "**Underlying Funds**") that meet the criteria to be identified as ESG Oriented Funds or ESG Focused Funds.
- Application of Master Asset Manager's proprietary ESG rating system of securities and instruments (the "**Securities and Instruments ESG Rating System**"). This proprietary ESG rating system is based on data from external data providers that provides objective, relevant and systematic ESG information and which measures the environmental and social characteristics of companies and issuers.
- Application of the Master Asset Manager's "**Manager ESG Rating System**" whereby fund managers are assessed on their ESG practices (in the areas of commitment to ESG, investment process, ownership and reporting).
- An assessment of whether the Master Asset Manager in respect of the Master Fund has successfully and consistently executed its ESG exclusion policy.

### ● ***What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?***

The investment objective of the Sub-Fund is to participate in the performance of the Master Fund (LGT CP Strategy 5 Years, a sub-fund of LGT CP Multi Assets SICAV). The Master Fund aims to invest in issuers that positively contribute to the UN SDGs, thus promoting environmental and/or social characteristics through a combination of environmental and social objectives.

An investment with an environmental objective aligned with SFDR is one which is oriented towards, for example, climate change adaptation (e.g. support adaptation related research), climate change mitigation (e.g. develop renewable energies technologies), protection of biodiversity (e.g. promote organic farming), reduction of air, soil and water pollution.

An investment with a social objective aligned with SFDR is an investment that contributes to tackling inequality or that fosters social cohesion, social integration and labour relations, or an investment in human capital or economically or socially disadvantaged communities.

### ● ***How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?***

In terms of ensuring that the sustainable investments do not cause significant harm to any environmental or social sustainable investment objective, a requirement for sustainable investments is the positive contribution to UN SDGs, which cover a broad set of ESG activities.

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

In addition, the portfolio is systematically screened for controversies across environmental and / or social issues as part of the Master Asset Manager's "do no significant harm" ("DNSH") assessment in respect of issuers as well as in respect of projects that are financed through the UOP instruments. A sudden drop due to an ESG controversy will generally lead to an alert to be triggered so further assessment and action can be taken.

As an additional safeguard, the mandatory principal adverse impacts set out in Annex 1 of the regulatory technical standards supplementing the SFDR are used to further screen against activities that may significantly harm any of the environmental or social objectives, whereby investments that do not meet minimum thresholds applied by the Master Asset Manager for each of the mandatory PAI indicators in Annex 1 shall be excluded from investment consideration whereby investments that do not meet minimum thresholds applied by the Master Asset Manager for each of the mandatory PAI indicators in Annex 1 shall be excluded from investment consideration.

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

Principal adverse impacts on sustainability factors in the context of sustainable investments are considered in the following manner:

- Principal adverse impact indicators are captured under the DNSH principle for sustainable investments outlined in the section entitled "How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?"
- Principal adverse impacts are assessed as part of the ESG rating system.
- Principal adverse impact indicators are reported on as outlined in the section entitled "Does this financial product consider principal adverse impacts on sustainability factors?"

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

The Master Asset Manager monitors breaches and controversies for new and existing investments which largely relies on the quality of data supplied by external data providers.

Where the Master Asset Manager identifies clear breaches of norms outlined in the a) OECD Guidelines for Multinational Enterprises, b) the UN Guiding Principles on Business and Human Rights, including the principles and rights set out in the eight fundamental conventions identified in the Declaration of the International Labour Organisation on Fundamental Principles and Rights at Work, and c) the International Bill of Human Rights the Master Asset Manager will seek to exclude the issuer from investment by the Master Fund. However, it cannot be guaranteed that all investments, especially in jurisdictions where data scarcity is pronounced, can be assessed and thereby excluded.

*The EU Taxonomy sets out a "do not significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.*

*The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.*

*Any other sustainable investments must also not significantly harm any environmental or social objectives.*



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



Yes

Yes, the Master Asset Manager considers a range of principle adverse impact indicators in respect of the Master Fund, but the availability of data on some indicators is limited due to a lack of reporting of metrics by companies, issuers, investee entities or there may be lacking market practice for the type and/or nature of the instruments traded. Accordingly, the integration of principle adverse impact indicators is conducted on a best-efforts basis; however, it is expected that principle adverse impact indicators can be applied to a greater portion of the portfolio once data availability improves. This will allow for enhanced insight in the adverse impacts caused by investee companies or issuers.

For further information on principal adverse impacts refer to the Master Asset Manager's website and the Master Fund's forthcoming annual report.



No



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

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

The investment objective of the Sub-Fund is to participate in the performance of the Master Fund (LGT CP Strategy 5 Years, a sub-fund of LGT CP Multi Assets SICAV). The Master Fund will seek to achieve its investment objective by investing (either directly or indirectly) primarily in equity and fixed income securities and instruments and to a lesser extent in other securities. In addition, the Master Fund may be (indirectly) exposed to the economic risks of assets classes such as commodities, hedge funds, private equity or real estate.

The Master Fund does not pursue a specific sectoral focus. For further information, please refer to the Section 4 titled "Investment Management".

When selecting investments, the Master Asset Manager undertakes an ESG analysis of the investment universe of the Master Fund in order to promote environmental and/or social characteristics, according to the description in this Annex.

### ● ***What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?***

The investment objective of the Sub-Fund is to participate in the performance of the Master Fund (LGT CP Strategy 5 Years, a sub-fund of LGT CP Multi Assets SICAV). The primary binding element is a commitment of at least 75% of the assets of the Master Fund to underlying investments which promote environmental and/or social characteristics. The computation of this asset allocation commitment, as determined by the Master Asset Manager, consists of the investments rating positively based on one or more of the following three components:

- i. Investments in permitted investments of the Master Fund that are ESG Oriented Funds or ESG Focused Funds, which have ESG-related binding elements of their own, form the first category for attaining environmental and/or social characteristics.
- ii. Application of the Securities and Instrument ESG Rating System, which includes further rating and exclusion criteria, to investments that do not fall into the first category or as deemed appropriate for an asset class or type. Such instruments

form the second category of investments for the purpose of attaining environmental and/or social characteristics.

- a. **ESG Exclusion Policy.** Exclusions are applied in the investment selection process based on ESG factors, including for inhumane weapons and coal.
- b. **Screening based on ESG Rating.** Following the application of the above exclusions, the Master Asset Manager utilises its ESG rating system in respect of the remaining eligible investments. The Master Asset Manager has developed a proprietary ESG rating system based on external data providers and sources that provides objective, relevant and systematic ESG information. The ESG rating provides a ranking based on ESG criteria, whereby companies or issuers with more attractive ESG values are scored more highly than others.

The ESG rating serves as a main indicator in addition to traditional financial or credit metric to identify risks and opportunities that are not yet factored in the current prices and are expected to impact the pricing of a security negatively.

In respect of companies and supranationals as issuers, the application of the ESG rating screening process as outlined above is applied to the total universe of such companies or issuers analysed through the Master Asset Manager's proprietary rating tool and the lowest scoring 25% of companies and supranationals analysed, in terms of their ESG score, are excluded from investment consideration. It should be noted that the range of companies and supranationals analysed through the Master Asset Manager's proprietary rating tool may be wider than the target investment universe of the Master Fund, meaning that the actual amount of investments excluded from the Master Fund's scope of investments may effectively be a minimum rate that is lower than 25%. In respect of the ongoing monitoring of this process, if, after the point of initial investment, companies or supranationals as issuers subsequently fall into the lowest scoring 25% issuers available through the Master Asset Manager's proprietary rating tool in terms of their ESG score, the Master Asset Manager commits to divesting or disposing of such positions according to its internal guidelines and acting in the best interests of Shareholders.

Investors should note that the abovementioned screening and reduction of 25% of lowest scoring companies and supranational issuers does not apply to countries as issuers. The application of the ESG rating exclusion is embedded into the Master Fund's investment selection process and is therefore a binding element.

- c. **Sustainable Investments.** In order for an investee entity to be considered a sustainable investment, it must be assessed by the Master Asset Manager as meeting the following criteria: (i) it must contribute to an environmental or social objective (which may be assessed on the basis of alignment of such investments with the UN SDGs, as considered further below); (ii) it must do no significant harm to any other environmental or social objective; and (iii) it must follow good governance practices. At least 50% of the assets of the Master Fund will be committed to sustainable investments. This commitment is embedded into the Master Fund's investment selection process and is therefore a binding element.
- d. **UN SDGs.** The UN SDG alignment of an instrument can be ascertained through positive screening criteria in two ways:
  - i. **Use of Proceeds.** To invest into a UOP instrument classifying as a sustainable investment of an issuer who has not been removed following the above-described exclusion methods, the Master Asset Manager needs to additionally assess that:
    - 1. the instrument qualifies as "Green", "Social" or "Sustainable" under the ICMA standards and contributes to a relevant UN SDG. The Master Asset Manager periodically reviews all publicly available UOP frameworks, allocation



and assurance reports of every individual UOP instrument and verifies the association to each relevant UN SDG in an internally maintained database. To undertake this analysis the Master Asset Manager may use data provided by external ESG data providers and proprietary models, as well as directly communicating with the issuer; and

2. there are no controversies in relation to such instrument. Such controversies may arise from the stated financing goals, type of activity, governance and reporting expectations which are inferior to the current ICMA standard and market practice; and
3. according to an independent and market recognized second party opinion the instrument's framework is verified and aligned with the relevant standard and the market practice.

- iii. **Sovereign Issuer Net UN SDG Impact Score.** When investing in sovereign bonds, the Master Asset Manager has developed a tiered classification system for considering certain sovereign issuances to be sustainable investments. The approach consists of four tiers, where issuers in tier 1 and 2, which have a positive overall SDG score and at least 85% net positive UN SDG sub-category scores, are considered to meet such consideration. Issuers in tier 3 and 4 are not sustainable investments, but may have environmental and/or social characteristics.
- iv. **Company or Corporate Issuer's Net UN SDG Impact Score.** When investing in companies or corporate issued instruments which are not UOP, the Master Asset Manager selects companies or issuers with a net positive SDG score, based on the outputs from the ESG rating system.

- iii. Application of the Manager ESG Rating System to investments that do not fall into categories one or two. Managers receive a score of 1 to 4 (where 1 = excellent, 2 = good, 3 = fair, 4 = poor) on each of the four measures (commitment to ESG, investment process, ownership and reporting), resulting in an overall rating for each manager, which is then documented in the Master Asset Manager's monitoring system and taken into consideration during the asset selection and monitoring processes. Managers rated 1-3 form the third category for attaining environmental and/or social characteristics and managers rated 4 do not attain environmental and/or social characteristics.

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

The investment objective of the Sub-Fund is to participate in the performance of the Master Fund (LGT CP Strategy 5 Years, a sub-fund of LGT CP Multi Assets SICAV). There is no commitment to reduce the investment universe at the Master Fund's or the Master Fund's level, however Underlying Fund(s) investments of the Master Fund may apply such policies resulting in an investment universe that has been systematically reduced on ESG grounds.

Investors should note the universe reduction applied to certain types of investments disclosed under "What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?".

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

The investment objective of the Sub-Fund is to participate in the performance of the Master Fund (LGT CP Strategy 5 Years, a sub-fund of LGT CP Multi Assets SICAV). The Master Asset

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



Manager seeks to ensure that good governance practices, as reasonably determined by the Master Asset Manager, are followed by investee companies in respect of the Master Fund.

In order to ensure this, in terms of direct investments in certain asset types, the Master Asset Manager's quantitative screening of corporate governance considers the independence and competency of investee company boards in terms of leadership and composition, existing and independent key committees, compensation policy, the degree of integration of long-term and ESG related targets, and minority shareholder protections. In addition, good governance is a factor in the qualitative assessment of individual companies prior to investment.

Where the Manager ESG Rating System is applied, the Master Asset Manager expects managers to consider good governance factors.



**Asset allocation** describes the share of investments in specific assets.

Taxonomy-aligned activities are expressed as a share of:

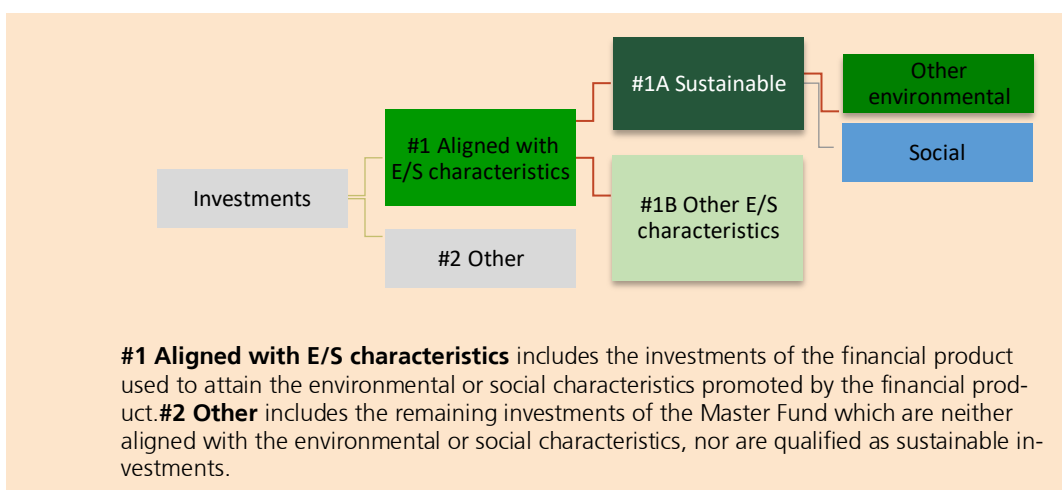
- **turnover** reflecting the share of revenue from green activities of investee companies.
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities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

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

The investment objective of the Sub-Fund is to participate in the performance of the Master Fund (LGT CP Strategy 5 Years, a sub-fund of LGT CP Multi Assets SICAV). At least 75% of the assets of the Master Fund will be allocated to investments aligned with environmental and/or social characteristics (#1). At least 30% of the assets of the Master Fund will be committed to sustainable investments which are not aligned with the EU Taxonomy (#1A).

Minimum environmental and social safeguards and the purpose of the remaining portion of investments is outlined in the section titled "What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?"

The below graphical representation contextualises the types of investment considered.



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

The Master Fund does not use derivatives specifically for the purpose of attaining the environmental and or social characteristics it promotes. Rather, the Master Fund may use derivatives for ordinary purposes, which may include, for investment purposes, hedging, efficient portfolio management and/or overlay purposes and in certain cases this may therefore incidentally relate to the Master Fund attaining the environmental and or social characteristics it promotes.



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

The Master Fund does not commit to invest any proportion of its assets in environmentally sustainable economic activities aligned with the EU Taxonomy. Accordingly, the level of EU Taxonomy-aligned investments shall be zero per cent.

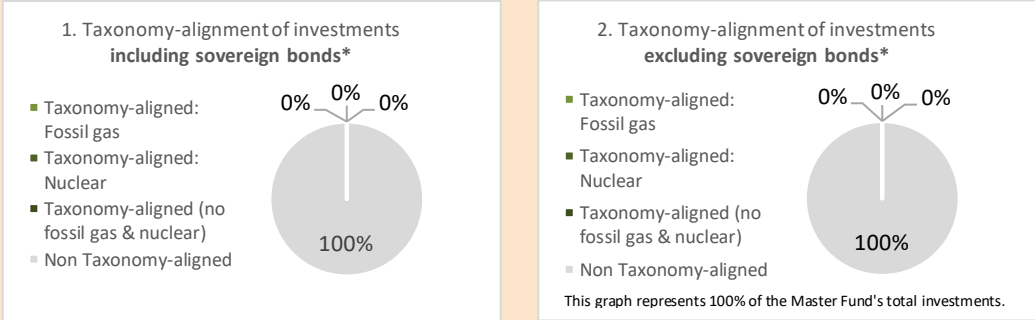
To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

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

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

- **Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy?**<sup>8</sup>
  - Yes:
    - In fossil gas
    - In nuclear energy
  - ✗ No

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



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

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

The Master Fund does not commit to make sustainable investments with an environmental objective aligned with the EU Taxonomy. Hence, the Master Fund commit to invest in sustainable investments in transitional and enabling activities.



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



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

The sustainable investments of the Master Fund will target a combination of environmental and social objectives across the spectrum and among those will be sustainable investments with an environmental objective that are not aligned with the EU Taxonomy.

While the minimum share of sustainable investments, environmental and social combined, that are not aligned with the EU Taxonomy will be 30% of the assets of the Master Fund, on the basis that the Master Fund does not have a specific environmental focus, the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy shall greater than 0% of the assets of the Master Fund.

<sup>8</sup> Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.



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

The sustainable investments of the Master Fund will target a combination of environmental and social objectives across the spectrum and among those will be sustainable investments with a social objective that are not aligned with the Taxonomy Regulation.

While the minimum share of sustainable investments, environmental and social combined, that are not aligned with the Taxonomy Regulation will be 30% of the assets of the Master Fund, on the basis that the Master Fund does not have a specific social focus, the minimum share of sustainable investments with a social objective that are not aligned with the Taxonomy Regulation shall be greater than 0% of the assets of the Master Fund.



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

Investments under “#2 Other” are investments which are neither aligned with the environmental or social characteristics nor qualify as sustainable investments, for example:

There may be insufficient data available to verify any classification under sustainable investments or investments with environmental and/or social characteristics.

There may be exposures where an ESG assessment cannot be applied or there is lacking market practice for appropriate quantification of ESG factors.

Exposures consisting of certain FDI, types of hedging, cash or cash equivalents.

Any investments the Master Asset Manager considers as not having environmental and/or social characteristics. As the Master Asset Manager in respect of the Master Fund does not commit to ensuring that all investments are aligned with the environmental and/or social characteristics promoted by the Master Fund, these investments may be made in the ordinary course in accordance with the Master Fund’s investment policy as further described in the section of the Supplement entitled “Investment Policies”.

To the extent possible, minimum safeguards are applied for this portion of the portfolio, either directly by the Master Fund or indirectly in the context of the Underlying Funds. In terms of these minimum safeguards, the Investment Manger’s policy on exclusions relating to inhumane weapons will be applied to all investments included in this portion of the portfolio.



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

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

The Master Fund does not use a benchmark and neither measure whether the promoted environmental and/or social characteristics are attained with a benchmark.



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

You may find more information on [www.fundinfo.com](http://www.fundinfo.com) and the Master Asset Manager’s website: [www.lgtcp.com/en/regulatory-information](http://www.lgtcp.com/en/regulatory-information).

## Appendix 1 to Annex A

### Investment rules of the Ordinance on Occupational Retirement, Survivors' and Disability Pension Plans of 18 April 1984 (BVV 2, SR number 831.441.1), as of 01 October 2017

These read (in extract):

#### **Art. 53 Eligible Investments**

(Art. 71 (1) BVG)

<sup>1</sup> The following are eligible investments for the assets of a pension plan:

- a. Cash;
- b. Debt claims for a fixed amount of money, notably cash at bank or postal giro accounts, bonds (including warrant and convertible bonds), real estate lien; mortgage bonds (*Pfandbriefe*) and other promissory notes, regardless of whether secured by a lien or securitised or not;
- d. Shares, participation certificates, profit sharing certificates and other securities and interests as well as cooperative shares; shares in companies are eligible, if listed at an exchange or traded on any other regulated market open to the public;
- e. Alternative investments without margin requirements, such as hedge funds, commodities, private equity, insurance-linked securities; the prohibition of investments giving rise to margin requirements may not be waived in accordance with Article 50 (4).

#### **Art. 54 Limits for individual debtors**

(Art. 71 (1) BVG)

<sup>1</sup> No more than ten percent of the total assets may be invested in debt claims within the meaning of Article 53 (1) b against an individual debtor.

<sup>2</sup> The upper limit of paragraph 1 may be exceeded for the following debt claims:

- a. Debt claims against the Swiss Confederation;
- b. Debt claims against Swiss mortgage bond institutions;
- d. Debt claims against cantons or municipalities, if such debt claims arise from pension obligations not fully funded, such as shortfalls of cover, debt assumptions for cost-of-living allowances or ex-post financing for wage increases.

<sup>3</sup> Paragraphs 1 and 2 also apply for derivative products such as structured products or certificates.

#### **Art. 54a Limits for shareholdings in individual companies**

(Art. 71 (1) BVG)

Shareholdings in companies in accordance with Article 53 (1) (d) may not exceed 5 percent of the total assets per company.

#### **Art. 54b Limits for investments in individual properties and their encumbrance**

(Art. 71 (1) BVG)

<sup>1</sup> Investments in real estate property in accordance with Article 53 (c) may not exceed five percent of the total assets per property.

<sup>2</sup> To obtain temporary credit, a pension fund may encumber a property with no more than 30 percent of its market value.

<sup>3</sup> A pension fund that offers different investment strategies within a pension plan may not loan real estate.

#### **Art. 55 Limits by category**

(Art. 71 (1) BVG)

In terms of total assets, the following limits apply for the individual asset categories:

a.	50 percent:	for real estate liens, buildings in building law as well as building land; the liens on such properties may not exceed 80 percent of their market value; Swiss mortgage bonds are treated as real estate liens;
b.	50 percent:	for investments in shares;
c.	30 percent:	for investments in real estate, of which no more than one third may be located abroad;
d.	15 percent:	for alternative investments;
e.	30 percent	for foreign currencies without currency hedging.

#### **Art. 56 Collective investments**

(Art. 71 (1) BVG)

<sup>1</sup> Collective investments are pooled investments where different investors invest a part of their assets together. Institutional investment funds only serving a pension plan are treated equivalently.<sup>2</sup>

<sup>2</sup> The pension plan may participate in collective investments, if:

- a. these in turn make investments in accordance with Article 53; and
- b. the organisational structure of the collective investment scheme is regulated in such a way with regard to establishment of investment policy, regulation of powers and responsibilities, calculation of units as well as purchase and redemption of units, that the interests of the participating pension plans are verifiably protected;
- c.<sup>3</sup> the investors are able to recover the assets (*Aussonderung*) in the event that the collective investment scheme or its custodian become insolvent.

<sup>3</sup> In determining compliance with the limits in Articles 54, 54a, 54b (1) and 55, direct investments contained in the collective investments shall be taken into account. The limits concerning debtors, companies and real property pursuant to 54, 54a and 54b (1) are met, if:<sup>4</sup>

- a. the direct investments of the collective investment are adequately diversified; or
- b. the interest in any specific collective investment accounts for less than 5 percent of the total assets of the pension plan.

<sup>4</sup> Interests in collective investments are treated like direct investments if they meet the requirements of paragraphs (2) and (3).

#### **Art. 56a<sup>1</sup> Derivative financial instruments**

(Art. 71 (1) BVG)

<sup>1</sup> The pension plan may only use derivative financial instruments deriving from investments within the meaning of Article 53.

<sup>2</sup> The creditworthiness of the counterparty and the marketability shall be taken into account in accordance with the specific nature of the derivative used.

<sup>3</sup> All obligations which arise from derivative financial transactions for the pension plan or which may arise upon exercise of such right must be covered.

<sup>4</sup> The use of derivative financial instruments may not have the effect of leveraging the total assets.

<sup>5</sup> The limits pursuant to 54, 54a, 54b and 55 shall be complied with taking into account the derivative financial instruments.<sup>2</sup>

<sup>6</sup> In complying with the cover requirement and the limits, those liabilities shall be assumed which would arise for the pension plan from the derivative financial instruments in the event of a conversion into the underlying investment in the most extreme case.

<sup>7</sup> The annual financial statements must fully describe all current derivative financial instruments.

## Annex B: Specific Information for Individual Distribution Countries

### Permitted subscription of units from Third Countries

For unit subscriptions from Third Countries, Annex 1 of the Instructions 2018/7 of the Liechtenstein Financial Market Authority applies. Annex 1 contains a list of equivalently regulated Third Countries that have due diligence and safe-keeping obligations as well as supervisory standards that are in line with the requirements set out in the EU Anti-Money Laundering Directive.

Thus, a unit subscription is classified as permissible if it originates from a financial institution from an equivalently regulated Third Country. Unit subscriptions from Third Countries that are received via an LGT Entity that applies the global LGT minimum standard of the EEA AML requirements are also permitted.

Pursuant to the applicable law of the Principality of Liechtenstein, the FMA approves the constituent documents. This approval covers only information regarding the implementation of the provisions of the UCITS Law. For this reason, the following Annex B (which is based on foreign law) to the prospectus "Specific information for individual distribution countries" is not subject to the FMA's review and thus not covered by the approval.

### Information for Investors in Austria, Germany, Hungary, Italy, Romania, Slovakia, Czech Republic

The following sub-funds are authorized for public distribution in Austria, Germany, Hungary, Italy, Romania, Slovakia, Czech Republic:

- LGT Multi-Assets SICAV – LGT GIM Balanced
- LGT Multi-Assets SICAV – LGT GIM Growth
- LGT Multi-Assets SICAV – LGT Strategy 3 Years
- LGT Multi-Assets SICAV – LGT Strategy 4 Years

The following sub-funds are authorized for public distribution in Austria, Germany, Italy:

- LGT Multi-Assets SICAV – LGT Alpha Indexing Fund

The following sub-funds are authorized for public distribution in Austria, Germany:

- LGT Multi-Assets SICAV – LGT Strategy 5 Years

### This document is supplemental to, forms part of and should be read in conjunction with the Prospectus.

References to the Prospectus are to be taken as references to that document as supplemented or amended hereby. In addition, words and expressions defined in the Prospectus, unless otherwise defined below, shall bear the same meaning when used herein.

**In accordance with Directive (EU) 2019/1160 of the European Parliament and of the Council of 20 June 2019 amending Directive 2009/65/EC and 2011/61/EU**, LGT Multi-Assets SICAV has appointed FE fundinfo with registered address 6 Boulevard des Lumières, Belvaux, 4369, Luxembourg to provide the facilities to perform the tasks detailed in Article 92.

In accordance with Article 92(1) of Directive 2009/65/EC, details regarding the provision of the facilities to perform the tasks referred to in Article 92(1) of the Directive are referenced below.

For the contact details of the entity who can process subscriptions, repurchase and redemption orders and make other payments to unit-holders relating to the units of the UCITS in the above mentioned countries, contact FE fundinfo at the following email address: [fa\\_gfr@fefundinfo.com](mailto:fa_gfr@fefundinfo.com)

Any person who contacts this facility will be provided with the details of the regulated entity where they can request to process subscriptions, repurchase and redemption orders in the appropriate language for investors. This facility does

not constitute an offer, an invitation or a solicitation for any investment or subscription, for the units/shares/interests of the UCITS by investors.

Information on how orders can be made and how repurchase and redemption proceeds are paid can be found in the Prospectus on website of the LAFV, [www.lafv.li](http://www.lafv.li) or obtained from the following email address: [fa\\_gfr@fefundinfo.com](mailto:fa_gfr@fefundinfo.com)

Your request will be acknowledged and time and date stamped by FE fundinfo and will be forwarded to the fund's Transfer Agent. The Transfer Agent will then process your request and all further communication regarding your request should be directed to the Transfer Agent.

Procedures and arrangements referred to in Article 15 of Directive 2009/65/EC relating to the investors' exercise of their rights can be found in the Prospectus on website of the LAFV, [www.lafv.li](http://www.lafv.li) or complaints regarding your investment in the fund can be sent to the following email address: [fa\\_gfr@fefundinfo.com](mailto:fa_gfr@fefundinfo.com)

Pursuant of Chapter IX of Directive 2009/65/EC copies of the Instrument of Incorporation, the Prospectus including its Supplements, the Key Investor Information Documents and/or the Key Investor Documents, the audited annual report and, if subsequently published, the unaudited semi-annual report, as well as any further documents that may be listed under "Documents Available" in the Prospectus, may be obtained free of charge from the facility or the website of the LAFV, [www.lafv.li](http://www.lafv.li).

All issue and redemption prices of the Fund and all other notices are published on the LAFV (*Liechtensteinischer Anlagens fondsverband*) website «[www.lafv.li](http://www.lafv.li)» as the publication medium of the UCITS free of charge or can be obtained from the facility free of charge.

### **Tax Information**

It is strongly recommended, that investors and interested parties consult their tax advisor regarding the tax consequences of purchase and ownership of units of the UCITS as well as the disposal of such units and/or the claims arising from them. The Management Company shall not be liable for the achievement of specific tax results.

### **Additional Information for investors in Germany**

In accordance with article 167 of the Capital Investment Act (KAGB), German investors will also be notified of the following matters on a durable medium:

- a) the suspension of the redemption of Units in an investment fund,
- b) the termination of the management or winding-up of an investment fund,
- c) amendments to the Articles of Association incompatible with the current investment principles, affecting material Investor rights or concerning remuneration and reimbursement for expenses which may be taken from the investment fund's assets,
- d) the merging of investment funds in the form of merger information to be prepared in accordance with art. 43 of the Directive 2009/65/EC, and
- e) the conversion of an investment fund into a feeder fund or changes to a Master fund in the form of information to be prepared in accordance with art. 64 of Directive 2009/65/EC.

### **Tax Information**

It is strongly recommended, that investors and interested parties consult their tax advisor regarding the German and foreign tax consequences of purchase and ownership of units of the UCITS as well as the disposal of such units and/or the claims arising from them. The Management Company shall not be liable for the achievement of specific tax results. The type of taxation and the amount of income subject to taxation may be reviewed by the Federal Ministry of Finance (Bundesamt für Finanzen).

### **Information for investors in Switzerland**

#### **Representative and paying agent**



Pursuant to Swiss law, the representative represents the UCITS (and any of its Sub-Funds) in Switzerland vis-à-vis the investors and the regulatory authority:

- The representative in Switzerland is: OpenFunds Investment Services AG, Seefeldstrasse 35, 8008 Zurich, Switzerland.
- The paying agent in Switzerland is: LGT Bank (Switzerland) Ltd., Lange Gasse 15, 4002 Basel, Switzerland.

#### **Source for the relevant documents and publications**

Investors may obtain the prospectus, the Key Information Document (KID), the Articles of Association and the annual and semi-annual reports (as and when they have been issued) free of charge from the representative in Switzerland.

All communications to the investors will be published via the electronic platform [www.fundinfo.com](http://www.fundinfo.com).

For every issuance or redemption, the issue and redemption price of all Units of the UCITS and/or the net asset value with the notice "exclusive of commissions", respectively, will be published on [www.fundinfo.com](http://www.fundinfo.com). The prices will be published at least twice a month. Currently, prices are published on every trading day.

#### **Place of performance and jurisdiction**

For shares distributed in Switzerland, the place of performance and jurisdiction is the registered office of the Swiss representative representative or at the registered office or place of residence of the investor.

#### **Tax information**

Investors subject to Swiss taxation are asked to consult their own professional tax consultant with regard to the tax consequences of holding, buying and selling units in the UCITS or any of its sub-funds.

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

**a) *The Management Company and its delegates may pay retrocessions to cover distribution and marketing activities of the UCITS' Units in or from Switzerland.***

Such retrocessions may be used in particular to pay for the following services:

- Operation of fund trading platforms and/or trading infrastructure services, which provide access to fund subscriptions;
- the arrangement of road shows;
- participation in events and trade fairs;
- production of marketing material;
- training of distribution agents; and/or
- generally any other activities which are intended to promote and market the UCITS' Units.

Retrocessions are not deemed rebates even if they are (partly or in full) forwarded to investors.

Disclosure of the receipt of retrocessions is based on the applicable provisions or FinSA.

The recipients of retrocessions ensure a transparent disclosure and inform investors automatically and free of charge regarding the amount of retrocessions they may receive.

Upon request, recipients of retrocessions disclose the actual amounts received for the distribution of the collective investment schemes of the requesting investors.

**b) *The Management Company and its delegates may in relation to the distribution activity of the UCITS' Units in or from Switzerland upon request pay rebates directly to investors. Rebates aim to reduce the fees and costs paid by the relevant investor. Rebates are permitted if they:***

- i. are paid from fees earned by the Management Company and therefore cause no additional costs to the UCITS;

- ii. are paid based on objective criteria;
- iii. are offered to all investors equally, which fulfil such objective criteria and demand rebates.

The objective criteria for the payment of rebates by the Management Company are (which may be applied separately or any combination thereof):

Assets invested	Aims to reward sizeable commitments to the Company and develop long-term relationships (including assets invested in LGT Capital Partners Ltd. sponsored entities)
Seed money	For investors who invest upon launch and / or within a certain period after launch; aims to reward taking the risk of investing in a fund with no operating history and / or track-record.
Employees of LGT Capital Partners	In order to promote further the alignment of interest between the Company's investors and LGT Capital Partners Ltd. and its affiliated entities, employees may receive rebates in order to encourage investments.
Fees	Taking into account the amount of earnings generated by the investor for LGT Capital Partners Ltd. and its affiliated entities
Investor's investment characteristics	Reward long-term commitment to the Company and avoidance of high trading frequency which may have a negative impact on the Company's trading costs: <ul style="list-style-type: none"> <li>- based on expected time that the investor will stay invested</li> <li>- contractual agreement to lock-up periods</li> <li>- expected and / or actual frequency of trades</li> </ul>
Institutional investors	Institutional investors economically hold the shares for third parties: <ul style="list-style-type: none"> <li>i. life insurance companies;</li> <li>ii. pension funds and other types of pension schemes;</li> <li>iii. investment foundations;</li> <li>iv. Swiss fund management companies;</li> <li>v. foreign fund management companies and fund companies;</li> <li>vi. investment companies</li> </ul>
Distributors/Offering agents and fund trading platforms	As described above the Management Company may pay retrocessions to distribution/offering and placement agents and trading infrastructure providers for their services. Such retrocessions will be deducted from any rebates payable. This may result in no rebates being paid to the relevant underlying investors despite them being entitled to receive rebates based on the criteria set out above.
Financial Intermediaries	Some institutional investors and foundations have engaged specialised investment advisers as outsourced chief investment officers, which provide them with tailor made investment proposals that include shares in the Company. As this facilitates the distribution and investor relationship management, it may provide a rebate to all investors which have appointed such investment adviser.

Upon the request of an investor the Management Company will disclose the effective amount of rebates free of charge.

## Annex C: Remuneration Policies and Practices

With regard to its remuneration policies and practices, LGT PB Fund Solutions Ltd. (the "**Management Company**") is subject to the supervisory provisions contained in the Act on Certain Undertakings for Collective Investment in Transferable Securities (UCITS Act) applicable to management companies. The Management Company has an internal regulation in place providing for a detailed structure of the remuneration policy and practice, which aims at securing a sustainable remuneration system while avoiding misdirected incentives. The Management Company's remuneration policies and practices shall be reviewed at least once a year by the members of the Board of Directors for adequacy and compliance with any and all legal provisions. They combine fixed and variable (performance-related) remuneration elements.

The Management Company laid down a remuneration policy compatible with its business and risk policy. In particular, such policy does not contain incentives to assume excessive risks. The Management Company's comprehensive income, the relevant LGT Group companies' comprehensive income and/or the personal performance of the relevant employee and his or her department are taken into consideration when calculating the performance fee. In achieving the targets set during the personal performance assessment procedure, priority will in particular be given to a sustainable business development and the protection of the company against excessive risks. The variable remuneration elements are not linked to the absolute performance of the funds managed by the Management Company but based on an employee assessment system which takes into consideration both quantitative and qualitative performance criteria. Voluntary employers' payments in kind or benefits in kind are possible.

In addition, total remuneration ranges ensure that no significant dependence from variable remuneration components occurs and warrant an adequate balance between variable and fixed remuneration. The amount of the fixed salary component is configured in such a way that every employee with a full-time job (100%) will be able to support himself with the fixed salary component alone (taking into consideration salaries in line with the market). The Board of Directors shall be entitled to make the final decision on the allocation of the variable remuneration. LGT Group's internal audit function shall review the company's remuneration system at least once every year for adequacy and compliance with supervisory provisions governing remuneration.

Particular provisions shall apply to members of Management Company's management and employees whose activities have a material influence on the overall risk profile of the Management Company and the funds managed by it (risk takers). Employees who are able to exert a decisive influence on the Management Company's risk and business policy were identified as identified employees. Part of the variable remuneration of these risk-relevant employees is paid out for use by the employees over a period spanning several years. The ratio between direct and deferred remuneration avoids incentives to assume excessive risks and is in line with regulatory requirements. The deferred share of the remuneration during this period is risk-based. The variable remuneration, including the deferred share, will only be paid or vested if such payment is generally tolerable against the background of the financial position of the Management Company or LGT Group and justified by the performance of the relevant department and the relevant person. The total variable remuneration may decline considerably, taking into account ongoing remuneration and reduced pay-outs of amounts generated earlier, if the above-mentioned companies report a weak or negative financial result.

The LGT Group's remuneration report, which is provided to investors free of charge upon request, contains further details on the current remuneration policy.

A summary of the essential content of the regulation laying down the remuneration policy and practice is available at [www.lgt.com/li-de/fund\\_solutions](http://www.lgt.com/li-de/fund_solutions). Upon the investor's request, hard copies of the information shall also be provided by the Management Company at no charge.