

**PROSPECTUS  
INCLUDING  
Annexes and Articles of Association**

**DB PWM II  
(the "Company")**

An investment company with variable capital  
(*société d'investissement à capital variable*)  
in accordance with Part I of the Luxembourg law of 17 December 2010, as amended (the "UCI Law")  
on undertakings for collective investment, as amended

THIS PROSPECTUS (THE "PROSPECTUS") IS VALID ONLY IF ACCOMPANIED BY THE LATEST AVAILABLE ANNUAL REPORT OF THE COMPANY. IF THE REPORTING DATE TO WHICH IT REFERS IS MORE THAN EIGHT MONTHS AGO, THEN IT MUST ALSO BE ACCOMPANIED BY THE LATEST SEMI-ANNUAL REPORT.

THE PROSPECTUS AND THE ARTICLES OF ASSOCIATION, EACH AS AMENDED, AS WELL AS THE ANNUAL AND SEMI-ANNUAL REPORTS, CAN BE OBTAINED FROM THE MANAGEMENT COMPANY AND FROM ALL PAYING AGENTS.

NO PERSON IS AUTHORISED TO RELY ON STATEMENTS THAT ARE NOT CONTAINED IN THE PROSPECTUS OR IN OTHER DOCUMENTS ACCESSIBLE TO THE PUBLIC TO WHICH THE PROSPECTUS REFERS.

As of: May 20, 2025

## **Notes for investors with respect to the United States of America**

Shares may not be sold in the United States of America (USA) or to US citizens. US citizens are considered to be natural persons who:

- a) were born in the USA and its territories and possessions within its jurisdiction,
- b) are naturalised citizens (or green card holders),
- c) were born overseas as a child of a US citizen,
- d) are not citizens of the USA, but mainly live there,
- e) are married to a US citizen, or
- f) are taxable in the USA.

The following are also considered to be US citizens:

- a) companies and corporations incorporated under the laws of one of the 50 US states or the District of Columbia,
- b) a company or non-incorporated firm founded under an "Act of Congress",
- c) a pension fund ("pension fund") founded as US trust, or
- d) a company that is taxable in the USA.

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## **ORGANISATION OF THE COMPANY**

### **DB PWM II**

Investment company with variable capital  
1c, rue Gabriel Lippmann  
L-5365 Munsbach

## **BOARD OF DIRECTORS OF THE COMPANY**

### **Chairman of the board of directors**

Christoph Bosshard

### **Members of the board of directors**

Ansgar Billen

Stefan Molter

## **MANAGEMENT COMPANY**

### **Hauck & Aufhäuser Fund Services S.A.**

R.C.S. Luxembourg No. B28878  
1c, rue Gabriel Lippmann  
L-5365 Munsbach

Equity as of 15 March 2024: EUR 11,039,000

### **Other investment funds managed by the management company**

An overview of the investment funds managed by Hauck & Aufhäuser Fund Services S.A. is available from the registered offices of the management company. Interested parties may also find information from the website [www.hal-privatbank.com](http://www.hal-privatbank.com).

### **Board of directors of the Management company**

Elisabeth („Lisa“) Backes

Christoph Kraiker

Wendelin Schmitt

### **Supervisory Board of the Management Company**

#### **Chairman**

**Qiang (Alan) Liu**

Vice President

Fosun International Limited

#### **Members**

**Andreas Neugebauer**

Independent Director

**Marie-Anne van den Berg**

Independent Director

The latest annual and semi-annual reports contain up-to-date information on the equity of the management company and the composition of its boards.

**DEPOSITARY**

**Hauck Aufhäuser Lampe Privatbank AG, Niederlassung Luxemburg**  
1c, rue Gabriel Lippmann  
L-5365 Munsbach

**REGISTRAR AND TRANSFER AGENT**

**Hauck & Aufhäuser Administration Services S.A.**  
1c, rue Gabriel Lippmann  
L-5365 Munsbach

**PAYING AGENT**

**Hauck Aufhäuser Lampe Privatbank AG, Niederlassung Luxemburg**  
1c, rue Gabriel Lippmann  
L-5365 Munsbach

**INVESTMENT MANAGER**

Unless otherwise provided for in Appendix 2, the appointed Investment Manager for the Company is

**Deutsche Bank (Suisse) S.A.**  
3, Place des Bergues  
CH-1211 Geneva  
Switzerland

**AUDITOR**

**KPMG Audit S.à r.l.**  
39, Avenue John F. Kennedy  
L-1855 Luxembourg

## THE INVESTMENT COMPANY

**DB PWM II** is an open-ended investment company incorporated in Luxembourg as an investment company with variable capital ("société d'investissement à capital variable" or "SICAV" or "Company") under Part I of the UCI Law, and complies with the requirements of Directive 2009/65/EC of the Council of the European Communities of 13 July 2009, as last amended by Directive 2014/91/EU of the European Parliament and of the Council of 23 July 2014 ("Directive 2009/65/EC"). The Company was incorporated on 31 October 2006 with an unlimited duration.

The Company is a so-called "umbrella fund", which issues shares in one or various sub-funds (the "Sub-Funds"). The Company is registered with the Luxembourg Register of Commerce and Companies under no. B 121045.

The sole purpose of the Company is to invest the funds' assets raised in securities and other eligible financial assets within the meaning of Part I of the UCI Law in accordance with the principle of risk diversification and to provide the shareholders with the profits resulting from the management of their assets. The Company may take any measures and execute any transactions that it deems appropriate for the fulfilment and development of this purpose to the full extent permitted by Part I of the UCI Law.

The Company's board of directors (the "Board of Directors") is responsible for setting the investment objectives and policy of the respective Sub-Funds of the Company and for supervising the management and administration of the Company.

The Company's articles of association (the "Articles") were first published in the Luxembourg official gazette (*Mémorial C, Recueil des Sociétés et Associations*) on 20 November 2006.

## THE MANAGEMENT COMPANY

The investment company is managed by Hauck & Aufhäuser Fund Services S.A. ("Management Company"). The Management Company was appointed in accordance with a management agreement entered into between the Management Company and the Company, as may be amended from time to time. This agreement was concluded for an indefinite period of time.

The Management Company was founded on 27 September 1988 as a public limited liability company (*société anonyme*) under Luxembourg law for an unlimited duration. Its registered office is in Luxembourg. The articles of association of the Management Company were first published in the Luxembourg official gazette (*Mémorial C, Recueil des Sociétés et Associations*), in the year 1988 and registered with the Register of Commerce and Companies at the District Court in Luxembourg. Any amendments made in the interim then have been published in the Luxembourg official gazette (*Mémorial C, Recueil des Sociétés et Associations* or *Recueil Électronique des Sociétés et Associations*, as applicable).

The objective of the Management Company is to launch and manage undertakings for collective investment ("UCIs") under Luxembourg law and to carry out all activities associated with the launch and management of such UCIs. In addition, the Management Company carries out activities within the meaning of the Luxembourg law of 12 July 2013 on alternative investment fund managers, as amended (the "AIFM Law"). These include in particular the activities listed in Annex I, point 1 of the AIFM Law as well as sub-activities of the additional administrative activities listed in Annex I, point 2 a) of the AIFM Law.

The Management Company is responsible, inter alia, for the general administrative duties that arise within the framework of the management of the Company and which are prescribed by Luxembourg law. Such administrative services mainly include, in particular, calculation of the net asset value per share and the keeping of the Company's accounts.

The Management Company has transferred the calculation of the net asset value, the keeping of the Company's accounts and the reporting to Hauck Aufhäuser Lampe Privatbank AG, Niederlassung Luxemburg, with registered office at 1c, rue Gabriel Lippmann, L-5365 Munsbach, under its responsibility, control and at its own expense.

Furthermore, the Management Company has outsourced the function of Registrar and Transfer Agent to Hauck & Aufhäuser Administration Services S.A., 1c, rue Gabriel Lippmann, L-5365 Munsbach, under its responsibility, control and at its own expense.

The IT administration of the Hauck Aufhäuser Lampe - Group is distributed across the locations of Luxembourg and Germany.

## INVESTMENT MANAGER

The Management Company has appointed Deutsche Bank (Suisse) S.A. (the "Investment Manager"), a company under Swiss law with registered office at 3, Place des Bergues, CH-1211 Geneva, Switzerland, as investment manager of the Company.

The Investment Manager is authorised to manage assets. The Investment Manager is in charge of, in particular, the independent daily implementation of the investment policy of the Company, the day-to-day asset management and other related services under the supervision, responsibility and control of the Management Company. These tasks are fulfilled in compliance with the investment policy and the investment restrictions of the Company and each Sub-Fund, in accordance with the provisions of this Prospectus and the Articles and in compliance with applicable laws. The Investment Manager may appoint agents and brokers to execute transactions of the Company's assets. The Investment Manager is responsible for the making of investment decisions and the placing of orders. The Investment Manager may, at its own expense and on its own responsibility, be advised by third parties, in particular by any investment advisors. With the approval of the Management Company, the Investment Manager may delegate some or all of its duties to third parties. If there is a comprehensive delegation of tasks, the Prospectus will be amended prior to such delegation.

The Investment Manager bears all the expenses it incurs in connection with the services it provides. However, the Board of Directors may decide that any costs incurred by the respective Investment Manager in connection with the appointment of a third party shall be charged to the relevant Sub-Funds. Brokerage commissions, transaction fees, and other operating expenses incurred in connection with the acquisition and sale of assets are borne by the relevant Sub-Funds.

## THE DEPOSITARY

The Company has appointed Hauck Aufhäuser Lampe Privatbank AG, Niederlassung Luxemburg, as depositary and paying agent of the Company.

The depositary is a branch of Hauck Aufhäuser Lampe Privatbank AG, Kaiserstr. 24, D-60311 Frankfurt am Main, a fully-licensed German credit institution as defined in the "Kreditwesengesetz" (KWG, which is the German Banking Act) and as defined in the Luxembourgian Law of 5 April 1993 on the financial sector (in its most current version). It is registered in the Commercial Register of Frankfurt am Main Local Court under HRB 108617. The Branch is based in 1c, rue Gabriel Lippmann, L-5365 Munsbach, the Grand Duchy of Luxembourg and registered in the commercial register of Luxembourg under the number B 175937.

Both, Hauck Aufhäuser Lampe Privatbank AG and its Niederlassung Luxemburg are supervised by the German Federal Financial Supervisory Authority (BaFin). Additionally, the Niederlassung Luxemburg of Hauck Aufhäuser Lampe Privatbank AG is subject to the Luxembourgian commission for the supervision of the finance sector (CSSF) regarding liquidity, money laundering and market transparency.

All duties and responsibilities of the depositary are carried out by the branch. Its role is particularly defined by the UCI Law, Circular CSSF 16/644, the depositary agreement and the Sales Prospectus as well as the articles of association. As a paying agent, the Depositary has the obligation to pay out any distributions, as well as the redemption price of any redeemed shares and other payments.

In performing its duties, the depositary acts honestly, reputably, professionally and independently as well as in the interest of the Fund and its shareholders.

The depositary may receive remuneration. The amount is stated in the overview in the Sales Prospectus.

The depositary ensures that the Fund's cash flows are monitored effectively and properly. The depositary checks that all payments of unit-holders are made and that the Fund's entire financial resources are recorded in monetary accounts in the name of the Fund at the depositary (or another credit institution).

The depositary safeguards/monitors all the Fund's assets. The UCI Law makes a distinction in this regard between the financial instruments to be kept in safe custody and the other assets, whereby the allocation is not always clear on a case-by-case basis.

The depositary is subjected in some cases to different duties and different stricter liability for the safeguarding of financial instruments (such as securities, money market instruments, units in undertakings for collective investment) than for the safeguarding of other assets. Financial instruments to be safeguarded are kept in safe custody by the depositary in segregated depositary accounts. With the exception of a few individual cases, the depositary is liable for the loss of these financial instruments even in cases where the loss was caused by a third party rather than the depositary itself. Other assets are not held in securities custodial accounts, instead the depositary keeps records of the assets for which it has



ascertained the Fund's ownership. The depositary is liable for the fulfilment of these tasks vis-à-vis the Management Company in the case of gross negligence and wilful misconduct.

For the safeguarding of assets of any kind, the depositary may appoint a Sub-Custodian, service providers, proxies and other third parties ("Correspondents") in order to safeguard the assets in accordance with the provisions indicated in the UCI Law. The depositary's liability towards the Management Company remains unaffected by the commissioning of a Correspondent. An overview of any Sub-Custodian appointed is available on the Depositary's website (<https://www.hal-privatbank.com/en/imprint>). No third party is, in principle, commissioned for the safeguarding of other assets, unless otherwise expressly indicated in the sales prospectus.

As far as possible, Conflicts of interest shall be avoided and in case of existence to be treated in compliance with the applicable statutory and regulatory provisions.

When a Correspondent is commissioned for financial instruments that are to be safeguarded, the depositary is, in particular, obliged to check that the Correspondent is subject to an effective supervision (including minimum capital requirements) and regular external auditing that guarantees that the assets are in its possession ("**supervision requirement**"). The depositary also has to ensure that the Correspondent separates these financial instruments from its own assets and special assets of the depositary.

For financial instruments which have to be safeguarded in a certain state that is not a member of the EU and the resident law prescribes that certain financial instruments must be kept in safe custody by a local authority that does not fulfil the above-mentioned supervision requirement (a "**Inadequate Depositary**"), the depositary can commission this inadequate depositary if certain legal requirements are met: Amongst other things, the safeguarding of financial instruments can only be transferred to an Inadequate Depositary upon express instruction from the Board of Directors of the Investment Company.

Prior to commissioning an Inadequate Depositary, the Investment Company will properly inform the Shareholders.

The Depositary or the Company are entitled to terminate the appointment of the Depositary at any time, in compliance with the Depositary agreement. In the event of termination, the Board of Directors is obliged to either dissolve the company or appoint a new depositary prior to the expiry of a time limit of two months, which assumes the duties and functions as the depositary. Until a new depositary is appointed, the former depositary will fulfil its duties and functions as the depositary in full in accordance with the statutory provisions.

**Any bank balances held with credit institutions other than the Depositary may not be protected by a deposit guarantee institution.**

## **THE REGISTRAR AND TRANSFER AGENT**

Hauck & Aufhäuser Administration Services S.A. („HAAS“) acts as the registrar and transfer agent of the Company (the "Registrar and Transfer Agent").

In its function as registrar and transfer agent, the HAAS will, in particular, properly maintain and administer the register in accordance with the provisions of Luxembourg law and will also handle the processing of subscriptions, redemptions and, where applicable, conversions of shares or disposal of shares, as well as the related communication with investors. In order to perform these tasks, the Management Company is permitted to transfer parts of the aforementioned functions to third parties. This is at its own expense and responsibility. Investors can obtain information on this subject free of charge upon request.

## **RISK CLASSIFICATION BY THE MANAGEMENT COMPANY**

The Management Company assigns an appropriate risk profile to each Sub-Fund in Appendix II. This is done in accordance with the respective investment policy and investment objectives of the Sub-Funds. The "GENERAL RISK NOTE" set out in the Prospectus also applies to each Sub-Fund.

The risk profiles are expressly not to be understood as an indication of possible returns. The classification may be adjusted by the Management Company where necessary. The sales documents of the relevant Sub-Fund will be adjusted accordingly.

## **RIGHTS OF THE SHAREHOLDERS**

The Investment Manager invests the Sub-Fund's assets in accordance with the principle of risk diversification, under the Company's own name for joint account of the shareholders of the relevant Sub-Fund, in securities and other admissible assets. The capital made available and the assets acquired with that capital make up the relevant Sub-Fund's assets, which is held separately from the Management Company's own assets.

The shareholders hold an interest in the assets of the relevant Sub-Fund proportionate to the respective number of shares held by the shareholders.

In the legal relationship between the shareholders, each Sub-Fund is considered to be a separate unit in terms of assets and liability. The rights and obligations of the shareholders of a Sub-Fund are separated from those of the shareholders of the other Sub-Funds. In relation to third parties, the assets of a Sub-Fund are only liable for liabilities and payment obligations that affect that Sub-Fund.

Shareholders may only assert their rights in their entirety directly against the Company if such shareholder entered in the share register of the Company in his/her/its own name. Where a shareholder has invested in the Company through an intermediary, which has made the investment in its own name but on behalf of such shareholder, such shareholder may not necessarily assert all of his/her/its rights directly vis-à-vis the Company. In the event of an error in the calculation of the net asset value, non-compliance with the investment regulations or other errors at fund level, the ability to pay indemnification to shareholders may be affected if the shares were subscribed for through an intermediary. Shareholders are advised to seek advice on their rights in such case.

## **INVESTMENT OBJECTIVE AND INVESTMENT POLICY OF THE COMPANY**

The exclusive objective of the Company is to place the Sub-funds available to it in transferable securities and other permitted assets of any kind permitted by part I of the 2010 Law, including financial derivative instruments, with the aim of spreading investment risks and affording its Shareholders the results of the management of its portfolios. The Company may take any measures and carry out any transaction which it may deem useful for the fulfilment and development of its purpose to the largest extent permitted under part I of the 2010 Law.

The specific investment objective and policy of each Sub-fund is described in Appendix II.

The investments of each Sub-fund shall at any time comply with the restrictions set out in the prospectus, and Shareholders should, prior to any investment being made, take due account of the risks of investments set out in the prospectus.

## **GENERAL RISK INFORMATION**

Investment in the units/shares of a fund/company is associated with risks, such as share, interest, credit and liquidity risks. Before investing in units in the fund name, the investor should therefore read the following risk information carefully, together with the other information in the prospectus and the management regulations, and take this into account when making the investment decision.

When it comes to investing in the sub-fund, it should be noted that, based on our experience, it may be subject to large price fluctuations that present investors with potential opportunities and risks. Due to various risk parameters and influencing factors, this may result in corresponding price gains or losses for the investor within the sub-fund. Moreover, the increases in value which are hoped for from the sub-fund cannot be guaranteed. However, the risk of the investor is limited to the sum which is invested. The following list of risks in connection with investment in the units of the sub-fund is not exhaustive. The order in which the risks are listed is not an indication of the probability of their occurrence or the significance of individual risks in the event of their occurrence.

Potential risk parameters and influencing factors for the sub-fund include:

### **Risks of investment in the fund**

#### **Fluctuation in unit value**

The share value is calculated from the value of the sub-fund divided by the number of shares in circulation. The value of the sub-fund corresponds to the total market values of all assets in the fund less the total market values of all liabilities of the fund/sub-fund. The unit value therefore depends on the value of the assets held in the sub-fund and the amount of liabilities of the sub-fund. If the value of those assets falls or the value of the liabilities increases, the unit value will fall.

**Factors affecting the individual results from a tax perspective**

The way in which capital yields are handled in relation to tax depends on the individual circumstances of the respective investor and may be subject to change in the future. For specific questions – in particular taking account of the individual tax situation – the investor should consult their personal tax advisor.

**Changes to the investment strategy or the investment conditions**

The management company is entitled to change the management regulations with approval from the CSSF. The management company may also change the investment strategy within the legally and contractually permitted investment spectrum, and thus without any change to the management regulations and approval of such change by the CSSF.

**Suspension of the redemption of shares**

The management company may temporarily suspend the redemption of shares insofar as exceptional circumstances apply that make a suspension appear necessary, taking into account the interests of the unit holders. Exceptional circumstances in this regard include, for example, economic or political crises, exceptional demand for redemptions under the condition in Article 9 No. 2 of the management regulations, stock exchanges or markets closing, trade restrictions and other factors that make it difficult to determine the net asset value per unit. Furthermore, the CSSF can order the management company to suspend the redemption of shares where this is in the interest of the unit holders or in the public interest. The unit holders cannot redeem their shares during this period. The net asset value per unit can drop even if unit redemption is suspended, for example if the management company is forced to sell assets below the market value while unit redemption is suspended. After unit redemption has been resumed, the net asset value per unit may be lower than it was before redemption was suspended.

A suspension may result in the sub-fund being dissolved directly without the redemption of shares being resumed. For the unit holders, there is therefore a risk that they may not be able to realise the holding duration they had planned and that they may not have access to a significant portion of their invested capital for an indefinite period.

**Dissolution or merger of the fund or sub-fund**

The management company is entitled to dissolve the fund or sub-fund at its own discretion at any time. Moreover, the management company may merge the fund or sub-fund with another fund or sub-fund managed by it or another management company. For the unit holders, there is therefore a risk that they may not be able to realise the holding duration they had planned. If the fund shares are derecognised from the unit holder's depositary account after the liquidation procedure has come to an end, the unit holder may be liable to pay income tax.

**Risks arising from the range of investments**

Taking into consideration the investment principles and limits laid down in Luxembourg legislation and in the management regulations, which provide for a very broad spectrum within which the sub-fund can operate, the actual investment policy, for example, may also focus on acquiring assets in only a few sectors, markets or regions/countries. This focus on a few specific investment sectors may carry risks (e.g. a narrow market, considerable fluctuation margin within certain economic cycles). The annual report provides information on the content of the investment policy after the corresponding reporting year has come to an end.

**Performance risk**

It cannot be guaranteed that the investment will be as successful as the investor hopes. The unit value of the sub-fund may fall and lead to losses for the investor. Guarantees are not provided by the management company or third parties regarding a specific minimum return on redemption or a specific yield on the investment in the sub-fund. Moreover, the performance of the assets acquired for the particular sub-fund may differ from the performance that was expected at the time of acquisition. Investors may therefore receive back a lower amount than the amount originally invested. A subscription fee paid on purchase of shares or a redemption fee paid when selling the shares can also reduce or wipe out the return on an investment, especially if the investment is only for a short time.

**Risks arising from the performance of the sub-fund or from the range of investments****Market risk**

The assets in which the management company or fund manager invests on behalf of the sub-fund are subject to risk. In particular, the price and the market development of financial products are dependent on the performance of the capital markets, which themselves are influenced by the general state of the world economy and the economic and political framework conditions in the individual countries. If there are losses on the international stock exchanges, a sub-fund is rarely unaffected. The more specific the investment focus of the sub-fund, the greater the market risk may be, as a very specific focus is typically associated with limited diversification of risk. The price may fall and the market value of the assets drop below the purchase price, or the spot price and forward price may develop differently.

### **Price change risk for shares**

Experience indicates that shares are subject to significant price fluctuations and therefore associated with a risk of losses. These price fluctuations are affected in particular by the profit performance of the issuing company, developments in the sector and overall economic trends. Confidence of market participants in the company in question can also affect the price development. This applies in particular to companies for which the shares have been listed on the stock exchange or another organised market for only a short time; for these, even small changes in forecasts can lead to significant price movements. If the proportion of freely tradable shares in the ownership of many shareholders (so-called free-float shares) is low, even small buy and sell orders can have a significant impact on the market price and thus lead to greater price fluctuations.

### **Price change risk for convertible and option bonds**

Convertible and option bonds confer the right to convert the bond into shares or to purchase shares. The change in value of convertible and option bonds therefore depends on the price performance of the share as a base value. The risks associated with the performance of the underlying shares can therefore also affect the performance of the convertible and option bonds. Option bonds that grant the issuer the right to offer the investor a fixed number of shares specified at the outset instead of repaying a nominal amount (reverse convertibles) depend to a large extent on the corresponding share price.

### **Interest rate change risk**

There is a possibility associated with investment in fixed-rate securities that the market interest rate that applied at the time a security was issued will change. If the market interest rate changes in relation to the interest rate at the time of issue, the prices of fixed interest securities usually fall. If the market interest rate falls, however, the price of fixed interest securities increases. This price performance means that the current returns on the fixed interest security correspond approximately to the current market interest rate. However, these price fluctuations affect fixed interest securities to a different degree, depending on the (remaining) term. Fixed interest securities with shorter terms generally have lower price risks than fixed-interest securities with longer terms. Fixed interest securities with shorter terms generally have lower yields than fixed interest securities with longer terms. Because of their short term of a maximum of 397 days, financial market instruments tend to have lower price risks. In addition, the interest rates of different interest rate-based financial instruments that apply to the same currency with comparable remaining terms can develop differently.

### **Risks connected with target funds (UCITs/UCIs)**

The risks associated with investment units acquired for the sub-fund are closely linked to the risks associated with the assets contained in these target funds and/or the investment strategies pursued by them. However, these risks may be reduced by diversification of the assets within the target fund of which units are acquired, and through diversification within the sub-fund itself. As the managers of the individual target funds act independently of one another, however, it may be the case that several target funds pursue identical or opposing investment strategies. This could cause the risks involved to accumulate and any potential opportunities to cancel each other out.

It is not normally possible to monitor the management of target funds. The investment decisions taken by these target funds may not necessarily reflect the assumptions or expectations of the management company or the fund manager. Often, up-to-date information about the composition of the target fund may not be readily available. If the composition differs from the assumptions or expectations, it may be that the management company or fund manager can only react with a significant delay by redeeming the target fund units.

Target funds in which the sub-fund acquires units could also temporarily suspend the redemption of units, effectively preventing the management company or fund manager from selling the units in the target fund by returning them to the management company or depositary of the target fund against payment of the redemption price.

Investments in target funds may incur subscription or redemption fees at the target fund level. Generally, a management fee at target fund level may also be incurred when units of target funds are acquired. This can result in a double cost burden.

### **Risks associated with bonds backed by assets not contained within the assets of the sub-fund**

The risks associated with bonds (certificates, structured products, etc.) acquired for the sub-fund and backed by underlying assets that are not part of the assets of the sub-fund are closely linked to the specific risks of such underlying assets or of the investment strategies that may be pursued by those underlying assets, as in the case of commodities as underlying assets (see, for example, the section headed "Risks associated with units in target funds (UCITs/UCIs)" below). However, the aforementioned risks can be reduced by means of asset diversification within the sub-fund.

### **Special risk of investment in certificates**

The investment in certificates entails the risk that no regulated market price is available for such certificates due to a certain illiquidity; this also applies to listed certificates and certificates traded in a regulated market. This is particularly the case when a significant proportion of the certificates is held by the fund or traded OTC. To mitigate the associated valuation risk,

the management company may use the valuation of an independent market maker at its own discretion. Moreover, it cannot be ruled out that higher markdowns than the actual price of the certificates have to be accepted in their disposal for the reasons stated above. In addition, a counterparty default risk exists for certificates (see section on counterparty default risk, counterparty risk).

### **Risks arising from utilising derivatives**

For sub-funds that use derivative financial instruments, it cannot be guaranteed that the performance of the derivative financial instruments will have positive effects for the sub-fund and its unit holders. As a result of the leverage associated with derivatives, the value of the sub-fund assets can be influenced, both positively and negatively, more than would be the case for a direct acquisition of securities and other assets; accordingly, utilising derivatives involves particular risks. Because of the accompanying leverage, the value of the net sub-fund assets can be influenced to a considerably greater extent, both positively and negatively, in comparison with a situation involving conventional securities. Financial futures contracts that are deployed for a purpose other than that of hedging also incur considerable opportunities and risks, as only a fraction of the contract value needs to be paid immediately (the margin). Price changes can therefore result in considerable gains or losses within the sub-fund assets. This can increase the risk and the volatility of the fund/sub-fund.

### **Risks connected with OTC transactions**

As a general rule, the sub-fund may enter into transactions (particularly transactions involving derivatives) on the OTC market provided this is mentioned in the respective sub-fund-specific investment policy. This involves individual off-exchange agreements. The transactions in OTC markets are less strictly regulated than on an organised stock exchange. OTC derivatives are carried out directly with the counterparty and not via a recognised stock exchange or clearing house. Counterparties for OTC derivatives do not enjoy the same protection as on recognised stock exchanges (e.g. performance guarantee of a clearing house). Concluding OTC transactions exposes the specific sub-fund/fund to the risk that the contracting party will not meet its payment obligations at all, not meet them in full or not meet them in a timely manner (counterparty risk). Investments in OTC derivatives may also be exposed to the risk of different valuations because of different valuation methods. In contrast to stock market-traded derivatives, which have standard terms of contract, OTC derivatives generally operate through negotiations with the other party. There is therefore a risk that the parties will not be able to agree on the form of the terms of contract (legal or documentation risk).

This may affect the performance of the respective sub-fund and may result in the partial or total loss of any unrealised gains.

### **Inflation risk**

Inflation poses a devaluation risk for all assets. This also applies to the assets held in the sub-fund. Inflation may grow at a faster rate than the value of the sub-fund.

### **Risks in connection with currencies**

The sub-fund may invest in securities or cash in currencies other than the currency of the sub-fund. Accordingly, exchange rate fluctuations of these currencies against the currency of the sub-fund will have an impact on the value of the fund/sub-fund. Currency losses can come about and there is also a so-called transfer risk for these investments. In the event of any economic or political instability in countries where a sub-fund may invest, there is a risk that despite the issuer of the relevant security or asset remaining solvent, the sub-fund may not receive the funds it is entitled to at all, not receive them in full, not receive them in a timely manner, or only receive them in a different currency.

### **Concentration risk**

Additional risks may result from a concentration of the investment in particular assets or markets. If a sub-fund holds only a limited number of securities and is therefore regarded as concentrated, the value of the sub-fund may fluctuate more than in a diversified fund that has a larger number of securities. The choice of securities in a concentrated portfolio can also lead to a sector-based and geographical concentration. In the case of a sub-fund with a geographical concentration, the value of the sub-fund may be more susceptible to disadvantageous economic, political, currency, liquidity, tax, legal or regulatory events that affect the relevant market.

### **Risk of negative interest rates**

Generally speaking, an interest rate corresponding to international interest rates less a certain margin is agreed for the investment of the particular sub-fund's cash and cash equivalents with the depositary or other credit institutions. If these interest rates fall below the agreed margin, this will lead to negative interest on the relevant account. Short, medium and long-term deposits with banks may see a negative rate of return depending on developments in the interest rate policies of the relevant central banks.

### **Company-specific risk**

The price performance of securities held directly or indirectly by a sub-fund also depends on company-specific factors, for instance the issuer's economic situation. If the company-specific factors deteriorate, the price of the security can fall significantly and permanently, even if the stock market otherwise performs well over the same period.

**Risk in connection with smaller companies**

Shares in smaller companies may be less liquid and more volatile than the shares in companies with higher market capitalisation and tend to be associated with a comparatively higher financial risk.

**Risk in connection with the exclusion of securities/assets**

The exclusion of companies that do not meet certain criteria (e.g. social or sustainability factors) or that are not regarded as socially responsible from the portfolio of a sub-fund can mean that the particular sub-fund performs differently to similar funds or sub-funds that do not have such principles.

**Hedging risk**

The particular sub-fund may take measures that are intended to offset certain risks. These may not work perfectly, may not be practical or may fail completely. The sub-fund may use hedges in its portfolio to minimise currency, duration, market or credit risks and to hedge against the currency risk in relation to certain unit classes or the effective duration of the unit class. Costs are associated with hedging, which can reduce the performance of the investment.

**Downgrading risk**

A sub-fund may invest in bonds with an investment grade rating and retain it after a subsequent downgrading to avoid an emergency sale. If the sub-fund has downgraded bonds of this sort, there is an increased non-payment risk, which in turn entails the risk of capital loss for the sub-fund. The attention of investors is drawn to the fact that the yields or unit value of the sub-fund (or both) may fluctuate.

**Risks associated with investment in emerging markets**

There are various risks associated with investing in target funds and/or securities from emerging markets. These risks are primarily related to the fast economic development process that some of these countries experience and in this context, no assurance can be provided that this development process will continue in the coming years. In addition, these markets tend to have a low level of market capitalisation and they tend to be volatile and more illiquid. Other factors (e.g. political change, exchange rate fluctuations, stock exchange controls, taxes, restrictions on the investment of foreign capital and capital recovery, etc.) can further compromise the marketability of the assets and the resulting income.

Moreover, these companies may be subject to a significantly lower degree of governmental supervision and less differentiated legislation. Their accounting and auditing are not always of the standard enforced in this country.

**American Depositary Receipts (ADR)**

American Depositary Receipts (ADR) are depositary receipts denominated in US dollars, issued by US custodian banks in the US, which embody a certain number of deposited shares of a foreign company and are traded in their place on the US capital market like shares. Depositary receipts that represent shares are therefore entitlements that are intended to give the holder the same economic position as a holder of shares, although legally a third party is the holder of the underlying asset. The holder of the depositary receipt has no original membership right, but usually a contractual right to the membership right being exercised only according to his will. In addition, if one or more markets are suspended or closed, there is a risk that the value of the ADRs may not accurately reflect the value of the underlying securities. There may also be circumstances which cause the fund manager not to invest in an ADR or not to do so, or where the characteristics of the ADRs do not accurately reflect the underlying security. Particularly in the event of insolvency of the custodian or in the event of enforcement measures against it, there is a possibility that these shares will be used economically as part of an enforcement measure against the custodian or that the shares on which the depositary receipts are based will be subject to a restriction on disposal. Global Depositary Receipts (GDR) Global Depositary Receipts (GDR) are depositary receipts developed along the lines of American Depositary Receipts (ADR) that certify ownership of shares. A GDR can relate to one, several or just a fraction of shares. GDRs are traded on exchanges worldwide as a proxy for the original stock. In this respect, the risk warnings made for ADR also apply analogously to GDR.

**Liquidity risks****Liquidity risk**

The liquidity of a sub-fund may be affected by various factors which make the sub-fund unable to process redemption applications temporarily and even, in exceptional circumstances, cause the assets of the fund to lose value and therefore lead to liquidation under the conditions prescribed by law. Liquidity risks can come about, for example, if under certain market conditions liquid securities are difficult to sell, even though as a general rule the sub-fund is only allowed to invest in those instruments that can be sold at any time without large price reductions. It cannot therefore be ruled out that the transaction volume will be exposed to significant price fluctuations, depending on the market situation. In the case of increased buy and sell orders by investors, the particular sub-fund may also be compelled to sell or buy assets under worse conditions than planned in order to maintain the liquidity of the sub-fund, which can also have a negative effect on the assets of the fund.

**Risk due to borrowing**

The management company may take out borrowing on account of the sub-fund. Borrowing at a variable interest rate can have a negative impact on the sub-fund assets due to increasing interest rates. If the management company has to repay a loan and cannot offset it through follow-up financing or liquidity in the sub-fund, it may be compelled to sell assets earlier or at worse conditions than planned.

**Risks arising from increased numbers of redemptions or subscriptions**

Buy or sell orders placed by unit holders cause liquidity to flow to the sub-fund assets or from the sub-fund assets. After netting, the inflows and outflows may result in net inflows or outflows of the fund's liquid assets. This net inflow or outflow may prompt the management company or the fund manager to buy or sell assets, thereby incurring transaction costs. This is particularly applicable when the inflows or outflows cause cash and cash equivalents to exceed or fall below a quota set for cash and cash equivalents by the management company for the sub-fund. As a result, the sub-fund will incur transaction costs, which may adversely affect the sub-fund's performance. In the case of inflows, increased fund liquidity can have a negative impact on the performance of the sub-fund if the funds cannot be invested on adequate terms.

**Risk resulting from public holidays in certain regions/countries**

The fund/sub-fund can make investments in various regions/countries. Because of local public holidays in these regions/countries, there may be variations between the trading days on stock exchanges in these regions/countries and valuation days for the sub-fund. It may not be possible for the sub-fund to respond to a market development on the same day if it is not a valuation day in the regions/countries or on a valuation day that is not a trading day in those regions/countries on which the local market does not trade. The sub-fund may be prevented from selling assets within the required time. It can have a negative impact on the ability of the fund/sub-fund to meet demands for redemption or other payment obligations.

**Operational and other risks for the sub-fund****Risks arising from criminal activities, wrongdoing or natural disasters**

The sub-fund may fall victim to fraud or other criminal activities. It may experience losses resulting from misunderstandings or errors on the part of employees of the management company or external third parties, or from external events such as natural disasters.

**Counterparty default risk, counterparty risk**

The sub-fund carries out transactions through or with brokers, clearing houses, counterparties and other agents. Accordingly, the sub-fund is subject to the risk of such a counterparty being unable to meet its obligations because of insolvency, bankruptcy or for other reasons. The counterparty default risk (credit risk) entails the risk of the other party to a reciprocal contract failing to fulfil its obligation with respect to a receivable despite the provision of the relevant consideration. This applies to all reciprocal contracts concluded on behalf of the fund. In addition to the general trends in the capital markets, specific developments affecting the relevant issuer will affect the price of a security. Even careful selection of securities cannot, for instance, exclude the risk that losses may be incurred due to the financial collapse of an issuer. Losses incurred due to the financial collapse of an issuer will have an impact to the extent that securities have been acquired from this issuer for the sub-fund. Due to the sub-fund's investment strategy (investment in non-investment grade bonds), the fund may be subject to increased exposure to such risks.

**Cyber risk information**

The management company and its service providers may be susceptible to cyber security incidents and the associated risks which endanger operational and information security. In general, cyber security incidents may be the result of intentional attacks or unintended occurrences affecting third parties. Cyber attacks include, among other things, obtaining unauthorised access to digital systems (e.g. by hacking or using malware) for the purposes of stealing assets or sensitive information, damaging data or causing operational disruptions. Cyber attacks can also be carried out by different means – i.e. without gaining unauthorised access – by preventing access to services on websites, for example ( i.e. attempts to paralyse web services so that they are no longer available to the intended users). Cyber security incidents that have an impact on relevant individuals can cause disruptions and impair business operations, which can entail the potential to cause financial losses, including in preventing a sub-fund from calculating its net inventory value, making it more difficult to carry out transactions for a portfolio in the sub-fund, preventing unit holders from carrying out transactions with the fund/sub-fund, bringing about breaches of relevant data protection and data security legislation or other laws, incurring penalties and fines from supervisory bodies, damaging reputations or incurring costs for reimbursements, other damages or remedies, legal fees or costs resulting from additional compliance requirements. Similar disadvantageous consequences can result from cyber security incidents that damage issuers of securities in which the sub-fund invests, counterparties with whom a sub-fund enters into transactions, state or other supervisory bodies, stock exchanges and other participants in the financial markets, banks, stock brokers and dealers, insurance companies and other financial institutions and parties. Although information management systems and emergency plans have been designed to reduce risks in relation to cyber security, risk management systems for cyber security or emergency plans are naturally subject to limitations, including the

possibility that certain risks may be impossible to identify or were not identified. In addition, the cyber security plans and systems of service providers of the management company or issuers of securities in which a specific fund/sub-fund invests are not under the control of the management company.

### **Country/region and industry risk**

The value of the fund's assets may also be adversely affected by unforeseeable events such as international political developments, changes in government policies, restrictions on foreign investments and currency repatriations, as well as by other developments and applicable laws and regulations. If a sub-fund focuses on certain countries, regions or industries in the context of its investment, this reduces the risk diversification. As a result, the sub-fund will be particularly exposed to developments affecting individual or interrelated countries and regions or companies domiciled and/or operating in these countries and regions, as well as to general trends and the development of corporate profits in individual or interrelated sectors.

### **Legal and political risks**

The sub-fund may invest in jurisdictions that are not subject to Luxembourg law, or where the place of jurisdiction for any legal dispute is outside Luxembourg. The resulting rights and obligations for the management company on behalf of the sub-fund may differ from those that apply in Luxembourg to the detriment of the sub-fund or the unit holder. Political or legal developments, including changes to the legal framework conditions in these jurisdictions, may not be recognised by the management company in due time, or not recognised at all, or they may result in restrictions with regard to assets that can be acquired or those that have already been acquired. These consequences could also arise if the legal framework conditions for the management company and/or the sub-fund management change in Luxembourg.

### **Key person risk**

If the sub-fund's performance is very strong over a certain period, this success may also be attributable, at least in part, to the expertise of the individuals acting on behalf of the sub-fund and thus the right decisions being made by the management team. The members of the fund management team may, however, change. The actions of the new decision-makers may then lead to less success.

### **Custody risk**

The custody of assets entails a risk of loss which results from the insolvency, negligence or improper conduct by the custodian or a sub-custodian.

### **Settlement risk**

In particular, if unlisted securities are acquired or derivative instruments are used, there is a risk that the transaction will not be settled as expected due to one counterparty failing to pay or deliver in due time or as agreed.

### **Sustainability risks**

As a matter of principle, the fund manager makes investment decisions considering sustainability risks. Sustainability risks can arise from environmental and social impacts on a potential asset as well as from the corporate governance of the issuer of an asset.

The sustainability risk can either represent a separate risk category or have a reinforcing effect on other risk categories relevant to the fund / sub-fund, such as market risk, liquidity risk, credit risk or operational risk. and in this context can substantially contribute to the overall risk of the sub-fund.

Insofar as sustainability risks materialize, they may have a significant impact - up to and including a total loss - on the value and/or return of the assets concerned. Such effects on the asset(s) can negatively influence the overall return of the sub-fund.

By taking into consideration sustainability risks, it is the fund manager's aim to identify the occurrence of these risks at an early stage and to take appropriate measures to minimise the impact on the affected asset(s) or the overall portfolio of the sub-fund.

The sustainability aspects that can have a negative impact on the return of the sub-fund are divided into environmental, social and governance aspects (hereinafter "ESG"). While environmental aspects include e.g. climate protection, social aspects include e.g. compliance with workplace safety requirements. Consideration of compliance with employee rights and data protection are among the components of the governance aspects. In addition, climate change aspects are also considered, including physical climate events or conditions such as heat waves, rising sea levels and global warming.

### **Counterparty specific sustainability risks**

The risks associated with ESG aspects can have a negative impact on the market value of an asset.



The market value of financial instruments issued by companies that do not comply with ESG standards and / or do not (neither) commit to implementing ESG standards in the future may be negatively affected by materialising sustainability risks.

Such influences on the market value can be caused, e.g. by reputational damage and/or sanctions. Other examples include physical risks and transition risks caused, e.g. by climate change.

#### **Specific operational risks regarding sustainability**

The sub-funds or the management company may suffer losses due to environmental disasters, socially induced aspects relating to employees or third parties, as well as due to failures in corporate governance. These events may be caused or exacerbated by a lack of attention to sustainability aspects.

### **CONFLICTS OF INTEREST**

The Management Company and/or its employees, representatives or affiliates may act as directors, investment advisors, investment managers, central administration agent, registrar and transfer agent or otherwise as a service provider for the Company. The function of the Depositary can also be exercised by an affiliate of the Management Company. The Management Company is aware that conflicts of interest may arise due to the various functions it performs in relation to the management of the Company. In accordance with the UCI Law and the applicable regulations of the CSSF, the Management Company has sufficient and appropriate structures and control mechanisms, and in particular it acts in the best interests of the Company and ensures that conflicts of interest are avoided. The Management Company has established principles for dealing with conflicts of interest, the current version of which is available to interested shareholders on its website at <https://www.hal-privatbank.com/en/legal-notice>. When outsourcing tasks to third parties and commissioning third parties, conflicts of interest may arise both in the cooperation with the third party and within the third party company.

### **PERFORMANCE**

An overview of the performance of the Sub-Funds is provided in the Key Information Document.

### **SHARES**

Shares in the Company are shares in the respective Sub-Fund. The rights and obligations of the shareholders of a Sub-Fund are separated from rights and obligations of the investors of the other Sub-Funds. In relation to third parties, the assets of a Sub-Fund are only liable for liabilities and payment obligations that affect that Sub-Fund. If shares are issued in book form by transfer to securities accounts, the Company will issue fractions of up to 0.001 shares, unless otherwise stated in the respective Annex to the Prospectus. Shares will be issued in registered form only. Registered Shares are in non-certificated form.

All shares of the respective Sub-Funds have the same rights and are freely transferable, unless a restriction to this effect is mentioned in the Sub-Fund-specific annex.

### **MARKET TIMING AND LATE TRADING**

The Board of Directors does not permit any practice of market timing (= systematic purchase and sale of shares of the Company within short periods of time using time differences and/or deficiencies or imperfections in the system for calculating the net asset value per share) and late trading acceptance of a subscription, conversion or redemption request for shares of the Company after the acceptance period at an already known or predictable issue or redemption price) or other excessive trading practices and reserves the right to reject subscription, conversion or redemption requests from an investor that the Board of Directors believes is engaged in such practices. The Board of Directors reserves the right to take the necessary measures to protect the other shareholders of the Company.

### **ISSUE OF SHARES**

Shares in the aforementioned Sub-Funds are issued at the issue price, which is made up of the share value and, if applicable, the sales commission indicated in the overview. Where shares are issued in countries where stamp duties or other charges apply, the issue price increases accordingly.

The Company is authorised to issue new shares on an on-going basis. However, the Company reserves the right to suspend or terminate the issue of shares in accordance with the provisions of the Articles printed below; in this case, payments already made will be reimbursed immediately.

Shares may be purchased from the Company, the Depositary and the Paying Agent referred to in this Prospectus.

Subscription applications received by the Registrar and Transfer Agent before the order cut-off time on a valuation day will be settled on the basis of the net asset value of the following valuation day. Subscription applications received by the Registrar and Transfer Agent after the order cut-off time on a valuation day will be settled at the share value of the second following valuation day.

**The times specified in the provisions of the respective Sub-Fund-specific annex are applicable for determining the acceptance periods for subscription applications.**

#### **REGULATIONS ON THE PREVENTION OF MONEY LAUNDERING AND TERRORIST FINANCING**

The Management Company is responsible for measures to combat money laundering and terrorist financing in accordance with Luxembourg law and the circular published by the CSSF on this matter. In accordance with international regulations and laws and regulations of Luxembourg, including the Luxembourg law on combating money laundering and the financing of terrorism of 12 November 2004, as amended, and all related amendments or succession regulations and the relevant directives and circulars of the Luxembourg Financial Supervisory Authority CSSF, as amended, obligations are imposed on all persons and companies operating in the financial sector to prevent misuse for the purpose of money laundering and/or the financing of terrorism.

These measures fundamentally require the identification and verification of the identity of an investor and the economic beneficiaries in accordance with the Money Laundering Act.

Information that is submitted in this context is collected exclusively for compliance with the provisions on combating money laundering and the financing of terrorism.

The Management Company is obliged to have certain information relating to those investors who qualify as beneficial owners within the meaning of the 2004 Act entered in the Luxembourg Register of Beneficial Owners in accordance with the Act of 13 January 2019 on the Register of Beneficial Owners (the "Act of 2019"), in which case certain information will be publicly available in the Register of Beneficial Owners.

Any person who is considered to be the beneficial owner of the fund within the meaning of the 2019 Act is required by law to provide the information required in this regard upon request.

#### **DATA PROTECTION REQUIREMENTS**

##### **Purpose and legal basis**

The shareholder or potential shareholder is obliged to provide the Company with the personal data required for the investment (including, but not limited to, name, address and amount invested by an investor). These may be collected, recorded, stored, transferred, processed and otherwise used in electronic and paper form, by the Company and by third parties appointed by the Company.

Personal data will be used in particular for the administration of accounts, the processing of subscription, redemption and conversion applications, the management of the share register, the provision of services relating to the Company and in order to comply with applicable laws or regulations, in Luxembourg and other jurisdictions, including, but not limited to, applicable company law, laws and regulations relating to the fight against money laundering and terrorist financing and tax law, such as Foreign Account Tax Compliance Act (FATCA), Common Reporting Standard (CRS) or similar laws or regulations.

If a shareholder or potential shareholder does not provide such personal data in the form desired by the general partner of the Company, the Company may limit or prohibit ownership of the shares of the Company as described in this sales prospectus. In such event, the shareholder or potential shareholder shall be responsible for and pay compensation for the costs incurred by the Company, by third parties authorised by the Company, or the Depositary for such action.

The data are neither used for marketing purposes nor passed on to unauthorized third parties.

The collection, storage and processing of personal data and information of natural persons shall be governed at all times by the provisions of Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of individuals with regard to the processing of personal data Traffic and repealing Directive 95/46/EC (the

"General Data Protection Regulation" or "GDPR"), which is supplemented by any applicable national law (the "Data Protection Act").

#### Additional recipients of the data

The Company may entrust another legal entity with the processing of personal data. The Company undertakes not to transfer personal information to third parties other than the delegate, unless required by law or approved by the shareholders. If, in order to fulfil its contractual obligations, the Company uses the services of a processor within the meaning of the GDPR to perform certain processing activities for the Company/Fund, and if data or information are processed by natural persons, the Company undertakes to indemnify this processor by way of a contract or other legal instrument, under Union or national law of the member state, to impose the same data protection obligations that the Company would have if it were itself a processor. The Company undertakes, when selecting the processor(s), to ensure that adequate guarantees are provided that the appropriate technical and organizational measures are carried out in such a way that processing takes place in accordance with the requirements of the GDPR.

#### Rights of affected persons and contact

Upon written request of the shareholder/investor, the latter will be granted access to his own personal data provided to the Company. In the same way, the shareholder can assert all the rights to which he is entitled under the GDPR. This desire is always to be met.

The current version of the privacy policy of the Company is available on the management company's website (<https://www.hal-privatbank.com>). The rights of the shareholder/investor within the meaning of the GDPR can be viewed either on the subscription agreement or the membership application or on the website of the management company's privacy policy (<https://www.hal-privatbank.com/datenschutz>).

The current contact details of the data protection officer appointed by the managing company can be viewed at <https://www.hal-privatbank.com/datenschutz>.

By subscribing to shares of the Fund, each shareholder agrees to the processing of his/her personal data. This consent is formally granted in writing on the underlying subscription agreement.

## **CALCULATION OF THE NET ASSET VALUE PER SHARE**

To calculate the net asset value per share, the value of the assets less liabilities ("net fund assets") is calculated on each valuation day in accordance with the provisions of the Articles, and divided by the number of shares outstanding and rounded up the closest second decimal place.

Additional details on the calculation of the net asset value per share are specified in the Articles, in particular Article 11 of the Articles.

If the Sub-fund or the Management Company becomes aware of a material error in the calculation of the Sub-fund's Net Asset Value per share, the Management Company will apply CSSF circular 02/77 (as from 1 January 2025 CSSF circular 24/856, which repeals CSSF circular 02/77 with effect from the same date) concerning the protection of investors. In the event of an error in the calculation of the net asset value, non-compliance with the investment regulations or other errors at Sub-fund level, the ability to pay indemnification to shareholders may be affected if the units were subscribed for through an intermediary.

## **REDEMPTION AND CONVERSION OF SHARES**

Shareholders may at any time request the redemption or conversion of their shares at the redemption or conversion price specified in the Articles of the Company through any of the paying agents, the Depositary or the Company. Requests for the conversion of shares may only be submitted to the Registrar and Transfer Agent as orders for amounts.

Redemptions are made at the redemption price of the corresponding valuation day. Redemption applications received by the Registrar and Transfer Agent before the redemption cut-off time on a valuation day will be settled at the redemption price of that valuation day, which is calculated on the following valuation day. Redemption applications received by the Registrar and Transfer Agent after the redemption cut-off time on a valuation day will be settled at the share value of the following valuation day, which is calculated on the second following valuation day.

**The times specified in the provisions of the respective Sub-Fund-specific annex are applicable for determining the acceptance periods for redemption applications.**

## **DISTRIBUTION POLICY**

The distribution of income is determined for each share class of the respective Sub-Fund.

The provisions of Article 27 of the Articles shall apply if income of the share class concerned may be distributed.

Any distributions on shares are paid out through the paying agents, the Depositary or the Management Company. Any other payments to shareholders are also made through these offices.

## **PUBLICATIONS AND CONTACT PERSONS**

The current valid issue and redemption prices of the shares and all other information for shareholders may be obtained at any time at the registered office of the Company, the Management Company, the Depositary or the paying agents and Distributors.

At those same locations, the current version of the Prospectus and the Articles, the Key Information Document and the annual and semi-annual reports are available and the contracts concluded by the Company with the principal parties involved can also be inspected there.

The Prospectus and of the Articles, each as amended, the Key Information Document as well as the annual and semi-annual reports may be downloaded from the following Internet address of the Management Company: [www.hal-privatbank.com](http://www.hal-privatbank.com). In addition, a printed version will be made available on request by the Management Company or the Distributor.

The currently valid issue and redemption price is published on the website of the Management Company ([www.hal-privatbank.com](http://www.hal-privatbank.com)) and may also be published in a national daily newspaper or an online medium.

Other important information to shareholders is published on the website of the Management Company ([www.hal-privatbank.com](http://www.hal-privatbank.com)). In addition, if required by law, this information is also published in a Luxembourg daily newspaper or in RESA.

Investor complaints may be addressed to the Company, the Management Company, the Depositary and any paying agents or Distributors, where they will be duly processed within 14 days.

## **COSTS**

For the management of the Company, the Management Company receives a fee from the net assets of the Company, the amount, calculation and payment of which can be found in Annex II.

The Depositary receives a fee from the respective net assets of the Company, the amount of which can be found in Annex II.

The fees mentioned are calculated and paid in accordance with the provisions of the relevant annex to this Prospectus.

In addition, the Management Company and the Depositary may also be reimbursed for additional expenses listed in the special regulations of the Company, in addition to the costs listed in the Articles of the Company.

These costs are listed in the annual reports.

In addition, the assets of the respective Sub-Fund may be charged with additional costs in accordance with the Articles.

## **REMUNERATION POLICY**

In accordance with the UCI Law, in particular taking into account the principles laid down in Article 111 *ter* of the UCI Law, the Management Company has established a remuneration policy that is compatible with and conducive to sound and effective risk management. This remuneration system is based on the sustainable and entrepreneurial business policy of the Hauck Aufhäuser Lampe Group and is therefore not intended to provide incentives to assume risks that are incompatible with the risk profiles and the constitutional documents of the investment funds managed by the Management Company. The remuneration system is intended to be consistent with the business strategy, objectives, values and interests of the Management Company and the funds it manages and of the investors in such funds and also includes measures to prevent conflicts of interest. In particular, the variable remuneration elements are not linked to the performance of the investment funds managed by the Management Company. The fixed and variable components of total remuneration

are in appropriate proportion to each other, with the proportion of the fixed component of the total remuneration high enough to offer complete flexibility in terms of variable remuneration components, including the possibility of paying no variable component at all. The remuneration system is reviewed at least once a year and adjusted if necessary.

Details of current remuneration policy, including a description of how the remuneration and other benefits are calculated, and the identity of the people responsible for the allocation of remuneration and other benefits, including the composition of the remuneration committee, if there is such a committee, are available on the Management Company's website (<https://www.hal-privatbank.com/en/legal-notices>). In addition, a printed version will be made available free of charge on request by the Management Company.

## **TAXATION OF THE ASSETS AND INCOME OF THE COMPANY**

The income of the Company and its Sub-Funds is not taxed in the Grand Duchy of Luxembourg. It may, however, be subject to withholding or other taxes in countries where the respective assets of the Company/Sub-Fund are invested. Neither the Company, the Management Company nor the Depositary will obtain receipts in respect of such taxes on behalf of individual or all shareholders.

The assets of the Company are subject to a *taxe d'abonnement* of a maximum of 0.05% p.a. in the Grand Duchy of Luxembourg. This *taxe d'abonnement* is calculated and paid quarterly based on the net fund assets reported at the end of each quarter.

On 10 November 2015, the Council of the European Union adopted Directive (EU) 2015/2060 repealing the EU Savings Directive (Directive 2003/48/EC). As a consequence, there will be complete tax transparency within the EU by 2018 at the latest and the EU withholding tax will become obsolete from this point in time. In this framework, Luxembourg applies the automatic exchange of information on financial accounts. Until the repeal of the EU Savings Directive, all Member States of the European Union were obligated to provide the competent authorities of the Member States with information on interest payments and equivalent payments made to a person resident in another Member State in the Member State providing the information. However, some states were granted a transitional period to levy a withholding tax instead.

Prospective investors should regularly seek information on the taxes payable under the laws of the country of their nationality, residence or domicile on the purchase, holding and sale of shares and on distributions before subscribing shares. Investors should consult their tax advisor regarding the impact of their investments in the Sub-Funds in accordance with the tax law applicable to them, in particular the tax legislation of the country in which they are resident.

## **OECD COMMON REPORTING STANDARD (CRS)**

The OECD has developed Common Reporting Standards (the "CRS") to address the problem of tax evasion in offshore areas globally.

Based on this standard, participating countries have undertaken to exchange financial information of persons resident for tax purposes abroad by means of a multilateral international treaty, and in the European Union by means of the Mutual Assistance Directive. Domestic financial institutions are therefore legally obliged to automatically transmit to the Luxembourg tax authorities on an annual basis any reportable accounts of foreign taxpayers identified on the basis of the joint due diligence and reporting procedure. The Grand Duchy of Luxembourg implemented the CRS with the law of 18 December 2015 on the automatic exchange of financial information in the field of taxation.

Data collection in the framework of the exchange of information may also include information relating to funds. Accordingly, the Management Company is required to comply with the due diligence and reporting procedures under the CRS as provided for in the Luxembourg Implementation Act 2015.

Accordingly, investors may be requested to provide the Management Company or an authorised third party with additional information in order to enable the Management Company or a third party to fulfil its obligations under the CRS. If the requested information is not provided, the investor can be held liable for taxes, fines or other payments. The Management Company reserves the right to carry out a compulsory redemption for the shares of such an investor.

## **FATCA – FOREIGN ACCOUNT TAX COMPLIANCE ACT**

Sections 1471 to 1474 of the US Internal Revenue Code of 1986, as amended ("FATCA"), impose reporting requirements and a possible 30% withholding tax liability ("FATCA withholding tax") on payments:

- to all financial institutions not domiciled in the USA (in each case a foreign financial institution, or "FFI", provided that these are not "Participating FFIs", i.e. FFIs that:

- conclude a contractual arrangement with the US tax authorities ((Internal Revenue Service ("IRS") to provide them with certain information regarding their account holders or investors; or
- are exempt from FATCA provisions for another reason; or
- have the status of an FFI deemed compliant with FATCA; or
- to investors (recalcitrant holders) who are not otherwise exempt from FATCA
- provisions for another reason and who do not provide adequate information in order to determine
  - whether such investors qualify as "US entities"; or
  - whether they should otherwise be treated as holders of a corresponding "US account".

The FATCA withholding tax scheme applies to payments derived from sources within the United States and could enter into force at a later date (not yet defined) for foreign passthrough payments. The United States has entered into intergovernmental agreements (IGAs) with numerous other states to facilitate the implementation of FATCA requirements.

Under FATCA and the "Model 1" and "Model 2" IGAs, an FFI in an IGA signatory country may be treated as a "Reporting FI" ("reporting financial institution" or, in the case of various exempted entities, a "Non-Reporting FI") and would accordingly not be subject to withholding tax on payments it makes or receives. Under both IGA models, a reporting financial institution is always required to report certain information concerning its account holders or investors either to the authorities of its home Member State or to the IRS.

On 28 March 2014, the United States and the Grand Duchy of Luxembourg signed an intergovernmental agreement (the "Luxembourg IGA"), which is largely based on the "Model 1" IGA. The rules of the Luxembourg IGA were transposed into national law by a law of 24 July 2015. The Management Company expects the Company to be treated as a Reporting Financial Institution in accordance with the provisions of the Luxembourg IGA and that accordingly no FATCA withholding tax will be withheld on payments made by the Company in connection with its shares. However, such an obligation cannot be entirely excluded, although.

Investors may be requested to provide additional information to the Management Company or to an appointed third party in order to enable the Management Company or a third party to fulfil its obligations under the provisions of FATCA.

The above description of the highly complex FATCA provisions is based on the existing provisions, the official guidelines, the IGA models and the Luxembourg IGA. All these documents are subject to change.

Potential investors should consult their own tax advisors as to the extent to which these provisions are relevant to payments they may receive in connection with an investment in the fund shares. In addition, under certain circumstances, other tax regimes of the United States or its local authorities may apply which are not discussed in this section.

## ANNEX 1 GENERAL INVESTMENT POLICY GUIDELINES

The following general principles and restrictions on investment policy apply in principle to all Sub-Funds of the Company. The Sub-Funds may also stipulate additions to or deviations from these principles. This is mentioned in the Prospectus.

The following definitions apply:

"Third Country": For the purposes of these Management Regulations, a third country is any country that is not a Member State.

"Money-market instruments":

Instruments which are normally traded on the money market, are liquid and whose value can be accurately determined at any time.

"Regulated Market":

A market as defined in Article 4, point 14 of Directive 2004/39/EC of 21 April 2004 on markets in financial instruments (as amended).

"Law of 2010": Law of 17 December 2010 on undertakings for collective investment, as amended.

"Member State":

A Member State of the European Union. Contracting states to the Agreement on the European Economic Area are equivalent to the Member States of the European Union within the limits of this Agreement and related acts.

"UCI":

Undertaking for Collective Investment. Each UCI that is subject to Part II of the Law of 2010 shall qualify as an AIF within the meaning of the Law of 12 July 2013 on Alternative Investment Fund Managers.

"UCITS":

Undertaking for Collective Investment in transferable securities subject to Directive 2009/65/EC.

"Directive 2009/65/EC":

Directive 2009/65/EC of 13 July 2009 on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (as most recently amended).

"Securities":

- Shares and other securities equivalent to shares ("shares")
- Bonds and other forms of securitised debt ("bonds")
- All other negotiable securities that grant entitlement to acquire securities of subscription or exchange, with the exception of the techniques and instruments set out No. 5 of this Annex.

The investment policy of the Sub-Funds shall be subject to the following regulations and investment restrictions: The respective net Sub-Fund assets are invested according to the principle of risk diversification. The investment policies of the individual Sub-Funds may comprise investments in securities, money-market instruments, fund units, derivative financial instruments and all other assets permitted under this Annex. The investment policies may differ, in particular according to the regions the Sub-Funds invest in, by the assets that are to be acquired, the currency in which they are denominated or by their maturities. A detailed description of the investment policy of each individual Sub-Fund can be found in the Prospectus.

1. The investments of the respective Sub-Fund may consist of the following assets:

Based on the specific investment policy of the respective Sub-Fund, several of the investment options stated below may not apply to the respective Sub-Funds. This is mentioned in the Prospectus.

a) Securities and money-market instruments that are listed or traded on a regulated market;

b) Securities and money market instruments that are traded in a Member State on a market that is recognised, regulated, open to the public and operates in an orderly manner;

c) Securities and money market instruments that are officially listed on the stock exchange of a third country or are traded on another regulated market in that country that is recognised, open to the public and that operates in an orderly manner;

- d) Securities and money-market instruments from new issues, insofar as the terms of issue include the obligation that application is made for admission to official listing on a stock exchange or for trading on a regulated market within the provisions stated above under No. a) to c) and the admission takes place within one year from the date of issue at the latest;
- e) Units of UCITS and/or other UCIs authorised according to Directive 2009/65/EC within the meaning of Article 1(2) a) and b) of Directive 2009/65/EEC with their registered office in a Member State, provided that:
- such other UCI have been approved in accordance with statutory rules subjecting them to official supervision that, in the opinion of the CSSF, is equivalent to that which applies under Community law, and that adequate provision exists for ensuring cooperation between authorities.
  - the level of protection for shareholders of the other UCI is equivalent to the level of protection provided for shareholders of a UCITS and, in particular, the rules on the segregation of fund assets, borrowing, lending, and short selling of securities and money market instruments are equivalent to the requirements of Directive 2009/65/EC;
  - the business activities of the other UCIs are subject to annual and semi-annual reportings that permit a judgement of the assets and liabilities, income and the transactions during the reporting period;
  - the UCITS or these other UCIs,
  - whose units are to be acquired may invest up to 10% in total of their assets in units of other UCITS or other UCIs according to their management regulations or constitutional documents.
- f) Demand deposits or deposits subject to withdrawal that mature in no more than 12 months at financial institutions, provided the financial institution concerned has its registered office in a Member State or, if the registered office of the financial institution is in a third country, provided that it is subject to prudential rules considered by the CSSF to be equivalent to those laid down in Community law;
- g) Derivative financial instruments, i.e. in particular options and futures as well as swaps ("derivatives"), including cash-settled instruments traded on a regulated market referred to in subparagraphs a), b) and c), and/or derivative financial instruments traded over-the-counter ("OTC derivatives"), provided that:
- the underlyings are instruments within the meaning of No.1. a) to h), financial indices (including bond, equity and commodity indices, which must meet all the criteria of a financial index, which, inter alia, must be recognised and sufficiently diversified), interest rates, exchange rates or currencies;
  - the OTC derivative transactions are entered into with counterparties that are institutions subject to official supervision of a category approved by the CSSF;
- the OTC derivatives are subject to reliable and verifiable valuation on a daily basis  
at the respective fund's initiative can be sold at their fair value, liquidated or closed at any time by an offsetting transaction.
- h) Money-market instruments that are not traded on a regulated market and do not fall under the above-mentioned definition, provided that the issue or issuer of such instruments itself is subject regulations for the purpose of protecting deposits and investors protection, and provided that they are:
- issued or guaranteed by a central, regional or local authority or the central bank of an EU Member State, the European Central Bank, the European Union or European Investment Bank, a third country, or, in the case of a federal state, by one of the Member States making up the federation or by a public international body to which one or more European Union one Member State belongs; or
  - issued by a company whose, the securities are traded on a Regulated Markets referred to in a), b) or c); or
  - issued or guaranteed by an institution that is subject to official supervision in accordance with criteria defined under Community law, or by an institution that is subject to and complies with prudential rules considered by the CSSF to be at least as strict as those laid down by Community law; or
  - issued by other issuers belonging to one of the categories by the Luxembourg supervisory authority, provided that investments in such instruments are subject to investor protection rules equivalent to that laid down in the first, second or third indent and provided that the issuer is either a company whose capital and reserves amount to at least ten million euros (EUR 10 million) and which presents and publishes its annual financial statements in accordance with Directive 78/660/EEC a legal entity that, that draws on a credit line granted by a bank for the purpose of financing the collateralisation of liabilities.



i) Equity participations within the meaning of Section 2 (8) of the German Investment Tax Act (InvStG).. Equity participations in this sense are:

- Shares in corporations admitted to official trading on a stock exchange or admitted to or included in another other organised market,
- Shares in corporations domiciled in a Member-State of the European Union or another signatory state to the Agreement on the European Economic Area that are subject to corporate income tax there and are not exempt from it;  
Shares in corporations based in a third country that are subject to corporate income tax there of at least 15% and are not exempt from it;
- 
- Shares/units in other investment funds (target funds) in the amount of the value published on each valuation day at which they actually invest in the aforementioned shares in corporations, if no actual quota is published, in the amount of the minimum quota laid down in the investment conditions of the other investment fund.

2. In addition, the respective Sub-Fund may:

- a) invest up to 10% of its net Sub-Fund assets in investments other than the securities and Money-Market instruments referred to under No. 1;
- b) hold up to 20 % of its net Sub-Fund assets in liquid assets;
- c) take up loans for a short period up to an equivalent value of 10% of its net assets. These loans may be subject to pledging or a provision of collateral. Hedging transactions in connection with the sale of options or the purchase or sale of forward contracts are not considered borrowing in terms of this investment restriction;
- d) acquire currencies within the framework of a back-to-back transaction.

3. In addition, the following investment limits apply to the Companies investment of its assets the shall observe the following investment restrictions when investing their assets:

- a) The Company may invest a maximum of 10% of its net Sub-Fund assets in transferable securities or money market instruments of a single issuer, whereby the securities held directly in the portfolio and the underlyings of structured products are considered jointly. The respective Sub-Fund may invest a maximum of 20% of its net Sub-Fund assets in deposits of a single institution. The counterparty-default risk for OTC derivative transactions entered into by the Fund may not exceed 10% of its net assets iwhen the counterparty is a financial institution within the meaning of No. 1 f). In other instances, the maximum limit is 5% of the Companies net assets..
- b) The total value of the securities and money-market instruments of issuers with which the Sub-Fund invests respectively more than 5% of its net assets may not exceed 40% of the value of its net Sub-Fund assets. Such restriction does not apply to deposits and OTC derivatives transactions entered into with credit institutions subject to official supervision.

Notwithstanding the upper limits individually listed under No. 3. a), the Company may invest up to a maximum of 20% of its net Sub-Fund assets with a single institution in a combination of:

- Securities or Money-Market instruments issued by such institution,
- Deposits with such institution, or

OTC derivatives acquired from this institution.

- c) The upper limit laid down in No. 3. a) sentence 1 totals a maximum of 35% if the securities or money market instruments are issued or guaranteed by a Member State or its local authorities, by a non-Member State or by public international bodies to which one or more Member States belong.
- d) The upper limit laid down in No. 3. a) sentence 1 will not exceed 25% for covered bonds within the meaning of Article 3(1) of Directive (EU) 2019/2162 of 27 November 2019 on the issue of covered bonds and covered bond public supervision and amending Directives 2009/65/EC and 2014/59/EU, and for bonds that were issued before 8 July 2022 and meet the following conditions:
  - i. these bonds were issued by a financial institution based in a Member State that, due to statutory requirements, is subject to special regulatory supervision for the protection of the holders of these bonds;

- ii. in particular, revenue deriving from the issue of these bonds must be invested in assets in accordance with the legal provisions such that sufficient funds are available to cover claims attached to the bonds for the entire term of the bonds and, in the event the issuer defaults, such funds would be used as a priority to reimburse capital and pay interest.

If the Company/Sub Funds invests more than 5% of its net assets in bonds referred to in the subparagraph above, where the bonds are issued by a single issuer, the total value of these investments may not exceed 80% of the value of the net assets of the Company/ respective sub-fund.

- e) The securities and Money-Market instruments referred to No 3. c) and d) are not taken into account when applying the 40% investment limit provided for in No. 3 b).

The limits referred to in No. 3. a), b), c) and d) may not be accumulated. Therefore, in accordance with No. 3. a), b), c) and d) investments in securities or money market instruments of any single issuer or in deposits with this issuer as well as in derivatives of the same may not exceed 35% of the net assets of the Company.

Companies which belong to the same corporate group for the purposes of preparing consolidated annual financial statements within the meaning of Directive 83/349/EEC or according to recognised international accounting rules shall be deemed a single issuer when calculating the investment limits set out at a) to e) in this section.

The Sub-Fund may invest cumulatively up to 20% of its net assets in securities and Money-Market instruments of any single corporate group.

- f) Notwithstanding the investment limits set out in 3. k), l) and m), the upper limits for investments in shares and/or debt instruments of the same single issuer specified in No. 3 a) to e) are a maximum of 20% if it is the objective of the respective Sub- Fund's investment strategy is to replicate a particular equity or bond index that has been recognised by the CSSF, whereby the following preconditions apply:

- the composition of the index is sufficiently diversified;
- the index represents an appropriate benchmark for the market to which it refers;
- the index is published appropriately.

- g) The limit set out under No. 3. f) amounts under 35% insofar as this is justified by exceptional market conditions, and in particular on regulated markets where certain securities or money-market instruments are in a strongly dominant position. An investment up to this upper limit is only permitted for a single issuer.

- h) Notwithstanding the terms under No. 3. a) to e), Company may according to the principle of risk diversification, invest up to 100% of its net Sub-Fund assets in securities and Money-Market instruments of various issues that are issued or guaranteed by a Member State or its local authorities, or by an OECD country or public international bodies to which one or more Member States belong, provided that (i) such securities have been issued as part as of at least six different issues; and (ii) not more than 30% of the net assets of the Company/ respective Sub-Fund are invested in securities of a single issue.**

- i) The Company may acquire units of other UCITS and/or other UCIs within the meaning No. 1. e) provided that it does not invest more than 20% of its net Sub-Fund assets in a single UCITS or other UCI.

When applying this investment limit, each Sub-Fund of an umbrella fund is to be treated as an independent issuer within the meaning of Article 181 of the Law of 2010, provided that the principle of individual liability will apply for each Sub-Fund with respect to third parties.

- j) Investments in shares of UCIs other than UCITS may not exceed a total of 30% of the net assets of the respective Sub-Fund.

If the Sub-Fund acquires units of a UCITS and/or other UCI, the investments of the relevant UCITS or other UCI are not considered with respect to the upper limits mentioned under No. 3. a) to e).

If the Sub-Fund acquires units of other UCITS and/or other UCIs that are managed directly or indirectly by the same Management Company or by another company with which the Management Company is linked by the basis of joint management or by a substantial direct or indirect holding, then the Management Company or the other company

may not charge any fees for subscription or redemption of units of the other UCITS and/or other UCI by the Company.

If the Sub-Fund invests in units of target funds that are issued and/or managed by other companies, it should be noted that any sales commissions and redemption fees will be charged for these target funds. The sales commissions and redemption fees paid by the respective Sub-Fund are specified in the annual reports.

If the Sub-Fund invests in target funds, fees for the administration and management of the target funds as well as the fees incurred in relation to the administration and management of the investing fund will be charged to the Sub-Fund assets. In this respect, the possibility of fees for fund administration and fund management being charged twice cannot be excluded.

In general when acquiring units in target funds, a management fee may be charged at the level target fund. Therefore, the respective Sub-Fund will not invest in target funds that are subject to a management fee of more than 3%. The annual report of the Company contains information relating to the maximum percentage of the management fee which is borne by the Company and the target funds.

- k) The respective Sub-Fund may not acquire sufficient voting shares to an extent that would enable it to exert a material influence on the management of the issuer.
- l) Furthermore, the Sub-Fund may not in total acquire more than:
- 10% of the non-voting shares of a single issuer;
  - 10% of the bonds of a single issuer;
  - 25% of the units of a single UCITS or other UCI within the meaning of Article 2(2) of the UCI Law;
  - 10% of the money market instruments of a single issuer.

The investment limits at the second, third and fourth indents may be left out of consideration if the gross amount of bonds or money-market instruments or the net amount of shares issued cannot be calculated at the time of purchase.

- m) The aforementioned provisions under No. 3. k) and l) are not applicable with respect to:
- aa) Securities and Money-Market instruments issued or guaranteed by a Member State or its regional authorities;
  - bb) Securities and Money-Market instruments which are issued or guaranteed by a third country;
  - cc) Securities and Money-Market instruments issued by public international bodies to which one or more Member States belong;
  - dd) Shares of companies that have been established under the law of a third country, provided that (i) such a company mainly invests its assets in securities of issuers from that country; (ii) under the law of that country, an investment by the Fund in the capital of such a company is the only possible way to acquire securities issued by issuers in that country and (iii) within the framework of the investment of its assets, this company observes the investment restrictions under No. 3 a) to e) and No. 3 i) to l) above;
  - ee) shares held in the capital of subsidiaries that carry out only and exclusively management, consulting or marketing activities for the Fund in the country where the subsidiary is located with regard to the redemption of units at the unit holders' request.
- n) The respective Sub-Fund may not acquire any goods or precious metals with the exception of certificates that qualify as securities and are recognised as assets in the context of administrative practice.
- o) The respective Sub-Fund may not invest in property, whereby investments in property-backed securities or interest thereon or investments in securities issued by companies that invest in property and interest thereon are permitted.

p) At the expense of the assets of the respective Sub-Fund, no loans or guarantees may be issued for third parties, whereby this investment restriction does not hinder the respective Sub-Fund from investing its net assets in securities, money market instruments or other financial instruments within the meaning of No. 1 e), g) and h) that are not fully paid up provided that the respective Sub-Fund has sufficient cash or other liquid assets to be able to meet the outstanding payments; such reserves may not be allocated for the sale of options.

q) Short sales of securities, Money-Market instruments or other financial instruments listed in 1. e), g) and h) may not be entered into.

4. Notwithstanding any provision to the contrary contained herein:

a) the respective Sub-Fund does not need to comply with the investment restrictions provided for in No. 1 to 3 when exercising subscription rights linked to securities or Money-Market instruments which they hold in their fund assets;

b) the respective Sub-Fund may deviate from the provisions established in No. in 3. a) to j) above for a period of six months after its admission.

c) the Sub-Fund shall, if these provisions are exceeded for reasons that are beyond the control of the Fund or due to subscription rights, seek as a priority to rectify the situation as part of its sales transactions, taking account the interests of its shareholders.

d) in the event that an issuer forms a legal entity with multiple sub-funds where the assets of a Sub-Fund are liable solely for claims of the Sub-Fund's investors and for the creditors whose claim has arisen in connection with the formation, term, or liquidation of the Sub-Fund, each sub-fund will be regarded as an independent issuer for the purpose of applying the rules on risk diversification in No. 3. a) to g) and No. 3. i) and j).

The Fund's Management Company is entitled to establish additional investment restrictions, provided this is necessary to comply with the legal and administrative provisions in those countries in which the Fund's shares are offered or sold.

5. A Sub-Fund may acquire and/or hold shares of another Sub-Fund or several other Sub-Funds of the Company ("Target Sub-Funds"), provided that:

- the Target Sub-Funds do not invest in the Sub-Funds; and
- the proportion of assets that the Target Sub-Funds can themselves invest in other Target Sub-Funds of the Company may not exceed 10% in total; and
- any voting rights related to the respective shares are suspended for as long as the Target Sub-Fund's shares are held, without prejudice to proper accounting procedures and the regular reports; and
- the value of these shares is not included in the calculation of the net assets of the Company as long as such shares are held by the Sub-Fund, insofar as the verification of the minimum net assets of the Company provided for by the Law of 2010 is relevant.

6. Techniques and instruments

The respective Sub-Fund may use derivatives and other techniques and instruments for hedging and efficient portfolio management, for the portfolio's maturities and risk management and for earning income, i.e. for speculative purposes.

If these transactions concern the use of derivative instruments, the conditions and limits must comply with the provisions laid down under No 1 to 4 of this Annex. Furthermore, with respect to the risk management procedures for derivatives, the provisions in No. 7 of this Article below must be taken into account.

7. Risk management process for derivatives

If transactions relate to derivatives, the Company shall ensure that the overall risk associated with derivatives does not exceed the total net value of its portfolio.

In the calculation of risk, the market value of the underlyings, the counterparty risk, future market fluctuations and the liquidation period of the positions will be taken into account: This also applies to the following paragraphs.

- As a part of its investment strategy, the Company may, invest in derivatives within the limits laid down in No. 3 e) of this Annex, , provided that the total risk of the underlyings does not exceed the investment limits laid down

in No. 3 a) to e) of this Article. If the Fund invests in index-based derivatives, these investments must not be taken into account in the investment limits of No. 5.3 a) to e) of this Annex.

- When a derivative embedded in a security or money market instrument, it must be taken into account with respect to the investment limits in 3. e) above of this Annex.

The Management Company shall inform to the CSSF on a regular basis of the types of derivatives in the portfolio, the risks associated with the underlyings, the investment limits and the methods used to measure the risks associated with the derivative transactions in respect to the Company.

The investment restrictions listed in this annex refer to the date of the acquisition of the respective assets. If these limits are exceeded after acquisition due to increases in value, the Company will restore the investment restrictions, taking into account the interests of investors.

## **ANNEX 2 – SUB-FUND DETAILS**

The Company is designed to give Investors the flexibility to choose between investment portfolios with differing investment objectives and levels of risk.

All the Sub-Funds offer different share classes (“Classes” and individually “Class”) specified hereafter.

In respect of such additional Classes, the Sub-Fund may hedge the shares of such Classes in relation to the Classes currency or in relation to currencies in which the relevant Sub-Fund's underlying assets are denominated (as detailed in relation to each Fund).

Where undertaken, the effects of this hedging will be reflected in the Net Asset Value and, therefore, in the performance of such Classes. Similarly, any expenses arising from such hedging transactions will be borne by the Class in relation to which they have been incurred.

It should be noted that these hedging transactions may be entered into whether the classes currency is declining or increasing in value relative to the relevant Reference currency and so, where such hedging is undertaken it may substantially protect investors in the relevant Class against a decrease in the value of the Reference currency relative to the Classes currency, but it may also preclude investors from benefiting from an increase in the value of the Reference currency.

In addition the Sub-Fund may hedge the Sub-Fund currency against the currencies in which the underlying assets of the Sub-Fund are denominated or the underlying unhedged assets of a target fund are denominated.

There can be no assurance that the currency hedging employed will fully eliminate the currency exposure to the Classes currency.

The specific investment objectives and policies of the different Sub-Funds are the following:

## **SUB-FUND NAME: DB PWM II – ACTIVE ASSET ALLOCATION PORTFOLIO – CONSERVATIVE (EURO)**

### **1. Investment Objective & Policy**

**DB PWM II – Active Asset Allocation Portfolio – Conservative (Euro)** (the “Sub-Fund”) objective is the preservation of capital, the maintenance of purchasing power and the consistent real growth of wealth. The Sub-Fund seeks to maintain a generally well diversified asset mix.

A low to medium equity exposure, combined with a medium to high fixed income exposure will produce low to medium volatility for the Sub-Fund.

The Sub-Fund aims to mitigate the exposure of the Sub-Fund to the equity and fixed income markets by investing the remaining portion of its assets in (i) units or shares of regulated open-ended hedge funds and/or (ii) units or shares of UCIs in accordance with Article 41 (1) e) of the 2010 Law, the principal objective of which is the investment in real estate and/or (iii) real estate-related companies and/or (iv) forward contracts and indices based on commodity future contracts, including indirect investments in the latter instruments.

This Sub-Fund promotes environmental and social characteristics and qualifies as a product in accordance with article 8(1) of Regulation (EU) 2019/2088 on sustainability related disclosures in the financial services sector. The pre-contractual disclosure template for the Sub-Fund contains further information concerning the relevant requirements.

However, no assurance can be given that the stated investment objective will be met.

The Sub-Fund will invest in equity fixed income securities, ADRs and GDRs, closed ended REITs, convertible bonds, reverse convertible bonds, exchangeable bonds and warrant bonds either directly or through investments in UCITS and/or UCIs including ETFs which comply with the provisions set forth in Annex 1 No. 1 e), including those managed by the Investment Manager of the Sub-Fund or companies related to the Investment Manager.

Additionally, the Sub-Fund may acquire certificates with financial indices, equities, interest rates and foreign currencies as underlying as well as certificates which reflect the performance of the underlying 1:1 (1:1 certificates) on commodity indices and commodity prices as well as other permitted underlying assets. The certificates are officially listed or traded on stock exchanges or other regulated markets that are recognised and open to the public and that operate regularly (“Regulated Markets”).

Investments are possible worldwide, including emerging markets.

For hedging purposes and for the purposes of efficient portfolio management, the Sub-Fund may use derivatives, certificates with embedded derivative components (discount, bonus, leverage, knock-out certificates, etc.) and other techniques and instruments in accordance with Annex 1 No. 6. If these techniques and instruments involve the use of derivatives as defined in Annex 1 No. 1. g), the relevant investment restrictions of Annex 1 must be taken into account. The provisions of Annex 1 No. 7 concerning risk management procedures for derivatives must also be observed.

Concerning the portion of the Sub-Fund’s portfolio which is invested in units or shares of UCITS and/or UCIs (including hedge funds), the following rules shall apply as regards multiplication of fees:

- There may be duplication of management fees (i.e. two layers of management fees) even in case of investment by the Sub-Fund in Deutsche Bank UCITS and/or UCIs.
- The Sub-Fund will not invest in underlying UCIs which are themselves submitted to a management fee exceeding 2.5%.
- In case of investment by the Sub-Fund in Deutsche Bank funds of third-party funds, the Sub-Fund will bear additional costs and expenses at the level of the underlying third-party funds, in particular subscription, redemption or conversion fees, management fees, Depositary fees and other related costs. For shareholders of the Sub-Fund, the accumulation of these costs may cause higher costs and expenses than the costs and expenses that would have been charged to the said Sub-Fund if the latter had invested directly.

The Sub-Fund may include up to 20% of liquid assets depending on the financial market situation. That limit may be temporarily exceeded for a period which is absolutely necessary, if circumstances require this due to exceptional market conditions and if exceeding the limit is justified by the interests of investors, for example in very serious circumstances such as the attacks of September 11, 2001 or the insolvency of Lehman Brothers in 2008.

Liquid assets are deposits at sight that are available at all times at a bank in order to make current and extraordinary payments, as well as payments relating to the disposal of permissible assets in accordance with Article 41(1) of the act of 2010.

Furthermore, for liquidity management purposes the Sub-Fund may invest in money market funds, hold deposits at sight in the form of overnight deposits and deposits at notice in the meaning of Article 1 No. 1 (f) of Annex 1 General investment policy guidelines and invest in money market instruments in the meaning of Article 1 No. 1 of Annex 1 General investment policy guidelines.

The Sub-Fund does not enter into securities financial transaction, such as a repurchase transaction, securities or commodities lending, securities or commodities borrowing, a buy-sell back transaction, sell-buy back transaction, a margin lending transaction or a total return swap.

Should the Sub-Fund in the future enter into any of the above transactions, this Prospectus will be adapted accordingly. Moreover, the conditions of CSSF Circular 14/592 on guidelines of the European Securities and Markets Authority on traded funds (ETFs) and other issues related to UCITS, the Regulation (EU) 2015/2635 of 25 November 2015 on transparency of securities financing transactions and of reuse and amending Regulation (EU) No 648/2012 and other applicable regulation will have to be respected.

Explanation regarding certificates:

Certificates are typically listed bonds. The price development of certificates depends on the performance of the underlying and the contractual structure. The price of the certificate may outperform, underperform or match the price of the underlying, or it may be completely independent. Depending on the structure of the contract, there could be a total loss of value.

More information can be found on our website <https://www.hal-privatbank.com>.

## **2. Profile of typical investor**

A typical investor should take into consideration that the Sub-Fund portfolio has low to medium volatility and that a short to medium time period might be required to pay out on the investment.

Investment in the Sub-Fund entails a certain risk and is only appropriate for persons who can accept the possibility of certain degree of capital losses, including the risk to lose their entire investment. DB PWM II and the Management Company however will seek to minimise such risks by a strict risk management and an adequate spreading of the risks involved.

The Sub-Fund is designed for investment only by those investors for whom an investment in the Sub-Fund does not represent a complete investment program, who understand the degree of risks involved and believe that the investment is suitable based upon their investment objectives and financial needs.

The time horizon for a typical investor should be 3 to 5 years.

## **3. Risk Management**

To determine the global risk exposure the Management Company is using the relative VaR Method. As benchmark the following combination of ten indices will be used. The ten indices are composed as follows:

7% of the index is an equity index with the following profile:

- The index is composed of the 500 largest US publicly traded companies weighted by market value
- The index provides a broad diversification in terms of sectors
- The index is calculated in USD

9% of the index is an equity index with the following profile:

- the equity index provides an exposure to 50 large blue-chip European companies operating within Eurozone nations
- the index delivers a broad diversification in terms of countries and sectors
- the index is calculated in EUR, the companies included are weighted according their market capitalisation

1,5% of the index is an equity index with the following profile:

- the index is calculated based on all the domestic common stocks listed on the TSE First Section
- the index provides a broad diversification in terms of sectors and market capitalisation



- the index is a free-float adjusted market capitalization-weighted index
- the index is calculated in JPY

2,5% of the index is an equity index with the following profile:

- the equity index captures large and mid cap representation across 24 Emerging Markets countries
- it covers approximately 85% of the free float-adjusted market capitalization in each country
- the index is calculated in USD

5% of the index is a daily reference rate that expresses the weighted average of unsecured overnight interbank lending in the European Union and the European Free Trade Association (EFTA)

38% of the index is a fixed-income index with the following profile:

- The index offers exposure to euro-denominated domestic government bonds issued by Eurozone countries
- The bonds are broad diversified in terms of credit rating and have a term to maturity from 1 - 10 years
- The index is calculated in EUR

23% of the index is a fixed-income index with the following profile:

- the index reflects the performance of EUR denominated investment grade corporate bonds
- the bonds have a minimum time to maturity of 1 year and an outstanding face value of at least \$500 million
- the bonds included are weighted according their market capitalisation

4% of the index is a fixed-income index with the following profile:

- the index offers exposure to euro-denominated high yield liquid corporate debt
- the index provides a broad diversification in terms of countries, sectors and market capitalisation
- the index is market-value weighted with an issuer cap of 3% and a country cap of 20%

3% of the index is a fixed-income index with the following profile:

- the index measures the performance of international government bonds issued by emerging market countries that are considered sovereign
- the bonds have a minimum time to maturity of 1 year and an outstanding face value of at least \$500 million
- the index is calculated in USD, the bonds are weighted according their market capitalisation

7% of the index is a fixed-income index with the following profile:

- the index measures the credit sector of the global investment grade, fixed-rate bond market, including corporate, government and agency securities
- the index includes bonds from developed and emerging markets issuers
- the index is calculated in USD

#### **Leverage:**

The leverage effect of derivatives and other financial products with derivative components is expected to amount to up to 200% of the volume of the Sub-Fund, depending on how the Investment Manager manages the Sub-Fund. Depending on market conditions, however, the leverage value is subject to fluctuations, so that the expected value may be exceeded in the short term. The Company will monitor the leverage figure on a daily basis.

Notes on the calculation of leverage:

The calculation is based on the sum of the nominal values as set out in Boxes 24 and 25 of ESMA Guideline 10-788.

#### **Risk management procedure:**

Key risk indicators can be used to assess sustainability risks. The key risk indicators can be of quantitative or qualitative nature and are based on environmental, social and governance aspects and measure the risk of the aspects under consideration.

#### **4. Special risk considerations**

Investors should refer to the section "Profile of the typical investor" as detailed above and to the section "GENERAL RISK NOTE" of the Prospectus.

In addition to the considerations related to above, investors should be aware that:

- there is no limitation on international market, sector or industry exposure. The Fund is therefore not benchmark

driven and the performance may differ significantly from market benchmarks.

- the ability to concentrate positions in specific markets, sectors or industries may lead to higher than expected levels of Fund volatility than experienced in the market as a whole.
- the Sub-Fund may invest some of its assets into alternative investments such as UCITS-hedge funds. These investments carry a higher level of risk than traditional asset classes such as equities and bonds and may subsequently lead to higher levels of volatility in the Fund than in a fund investing only into traditional asset classes.

## 5. Initial Subscription Period and Initial Issue Date

There was no Initial Subscription Period.

Initial issue dates:

Class A	28.11.2007
Class PF	27.02.2013

## 6. Share Classes and applicable fees

Currently the following Share Classes are available:

	<b>ISIN:</b>	<b>WKN:</b>
Class A	LU0327311477	A0M7LT
Class PF	LU0794123256	A1JZS0

Subscription to all Share Classes of the Sub-Fund is restricted to Deutsche Bank entities, or such other Institutional Investors who may be admitted from time to time at the discretion of the Directors, subscribing in their own name and either on their own behalf or on the behalf of investors who have entered into and maintain a discretionary management or advisory relationship with a Deutsche Bank entity and are not entitled to any direct claim against the Company.

<u>Share Class</u>	<u>Share Class currency</u>	<u>Depositary Fee<sup>1</sup> (in % of the net Sub-Fund assets):</u>	<u>Management Fee<sup>2</sup> (in % of the net Sub-Fund assets):</u>	<u>Fund Management Fee<sup>3</sup> (in % of the net Sub-Fund assets):</u>	<u>Performance Fee</u>
<b>Class A</b>	EUR	up to 0.08 % <sup>4</sup>	up to 0.07 % <sup>4</sup>	up to 0.10 % <sup>4</sup>	none
<b>Class PF</b>	EUR	up to 0.08 % <sup>4</sup>	up to 0.07 % <sup>4</sup>	up to 1.00 % <sup>4</sup>	Please see below

### Performance Fee for Class PF:

The Investment Manager receives a performance-related remuneration (a performance fee) for share class PF.

The amount of the performance fee is up to 25% of the amount by which the unit price per share class exceeds the high-water mark at the end of a settlement period and furthermore exceeds the hurdle rate of 2.0%. The initial high-water mark corresponds to the unit price as of 30 November 2018 of the share class.

The reference period for the high-water mark began on 01 December 2018 and subsequently corresponds to the entire term of the share class. The settlement period generally corresponds to the financial year of the fund. The first settlement

<sup>1</sup> The depositary fee is calculated daily on the net assets of the respective share class Sub-Fund of the previous valuation day and paid monthly in arrears. The depositary fee is subject to value added tax as applicable.

<sup>2</sup> The management fee is calculated daily on the net assets of the respective share class of the Sub-Fund of the previous valuation day and paid monthly in arrears. The management fee is subject to value added tax as applicable.

<sup>3</sup> The fund management fee is calculated daily on the net assets of the respective share class Sub-Fund of the previous valuation day and paid monthly in arrears. The fund management fee is subject to value added tax as applicable.

<sup>4</sup> The provision is established in EUR.

period began on 01 December 2018 and ended on the closing date of the following end of the financial year or the end of the financial year after that, but no earlier than 12 months after the initial price calculation of the share class.

Entitlement to a performance fee is determined on a daily basis (consideration day) and is taken into account in the particular unit price that is determined. Performance fee is calculated after deducting any costs and taking into account subscriptions and redemptions. Entitlement to a performance fee determined during the settlement period does not necessarily lead to payment at the end of the settlement period.

The **high-water mark** is either the higher price of 30. November 2018 or the unit price at the end of the settlement period for which the last performance fee was paid, whichever is the higher. If the share price on the observation date is higher than the current high-water mark plus hurdle rate, the performance fee will be calculated and accrued. If the unit price on the consideration day is lower than the current high-water mark plus hurdle rate, no performance fee will be calculated. If the unit price falls below the high-water mark plus hurdle rate, positive accruals are reversed in favour of the respective share class. The performance fee is limited to 1.5% p.a. of the assets of the share class (Cap).

A positively accrued entitlement to a performance fee will only be paid at the end of a settlement period if the unit price exceeds the high-water mark plus hurdle rate. In this case, the high-water mark will be adjusted to the unit price at the end of the previous settlement period. If, during the settlement period, the Sub-Fund or a share class is liquidated or merged or if there is a complete redemption or conversion of share certificates by the investor and if a performance fee is due for shares affected by this, this is generally paid out pro rata on the day of liquidation or merger or on the day the share certificates are completely redeemed or converted.

If the accruals are negative at the end of the settlement period, these will be taken into account in the subsequent consideration. There is no entitlement to the reimbursement of performance fees already paid. The performance fee will be paid out in the currency of the respective share class at the end of the financial year.

This fee is subject to VAT as applicable.

*Calculation examples of the performance fee:*

Settlement period	Unit price at the beginning of the settlement period	Unit price at the end of the settlement period	Performance fee in %	Hurdle rate	High-water mark for the settlement period	High-water mark plus hurdle rate	Outperformance (absolut)	Payment of a performance fee	Performance fee	Cap on fund volume	Performance fee to be paid
1	100	110	25%	2%	100	102	8	Yes	2.00	1.50%	1.65
2	110	105	25%	2%	110	112.2	-7.2	No	0.00	1.50%	0.00
3	105	95	25%	2%	110	112.2	-17.2	No	0.00	1.50%	0.00
4	95	100	25%	2%	110	112.2	-12.2	No	0.00	1.50%	0.00
5	100	140	25%	2%	110	112.2	27.8	Yes	6.95	1.50%	2.10

## 7. Initial Issue Price

The Initial Issue Price for the Shares of Class A was 1,000.00.

The Initial Issue Price for the Shares of Class PF was 100.00 EUR.

## 8. Subscriptions and Redemptions

Subscriptions for shares shall be accepted on each Valuation Day.

Subscription must be received by the Registrar Agent of the Company no later than 12.00 noon (Luxembourg time) one Banking Day before the applicable Valuation Day.

Subscription monies are payable in EUR and must reach the Company no later than two Banking Days after the applicable Valuation Day.

Subscriptions must be sent to the Company for the amount subscribed, or for a number of shares, in the reference currency of the Sub-Fund concerned only.

Shares may be redeemed on each Valuation Day.

Redemption requests must be received by the Registrar Agent of the Company by 12.00 noon (Luxembourg time) one Banking Day before the applicable Valuation Day.

Redemption proceeds shall be paid in EUR within four Banking Days after the applicable Valuation Day.

## **9. Subscription and Redemption Fees**

Subscription Fee: up to 6.00 %

Redemption Fee: No redemption fees will be charged by the Sub-Fund

## **10. Rebates**

The Investment Manager and/or the Management Company shall be entitled to retrocession paid on behalf of the Sub-Fund. Such retrocessions will be credited to the Sub-Fund.

## **11. Saving plans and withdrawal plans**

The Management Company will not offer saving plans or withdrawal plans. Investors can obtain additional information from the institution that maintains their custody account.

## **12. Investment Manager**

The Investment Manager of the Sub-Fund is Deutsche Bank (Suisse) S.A., Place des Bergues 3, CH-1211 Geneva, Switzerland.

## **13. Reference Currency**

The reference currency of the Sub-Fund is EUR.

The Sub-Fund may hedge the assets of the Sub-Fund denominated in a currency other than the EUR. Nevertheless, it is not the intention of the Directors to hedge all of the Sub-Fund's assets.

## **14. Banking day**

With respect to this Sub-Fund, a Banking Day means any day that is also a banking and trading day in Luxembourg and Frankfurt/Main.

## **15. Valuation Day**

The Net Asset Value per share will be determined each Banking Day.

## **16. Distribution policy**

Class A and Class PF are income accumulating classes.

## **17. Exchange listing**

Exchange listing of the shares of the Sub-Fund is not applicable.

## **18. Subscription Tax (Taxe d'abonnement)**

Class A shares are subject to a subscription tax at an annual rate of 0.01% of the net assets of the Sub-Fund which is calculated and payable quarterly at the end of the relevant quarter. However, this tax is not due for the part of the Company's net assets invested in other Luxembourg UCIs.

Class PF shares are subject to a subscription tax at an annual rate of 0.05% of the net assets of the Sub-Fund which is calculated and payable quarterly at the end of the relevant quarter. However, this tax is not due for the part of the Company's net assets invested in other Luxembourg UCIs.

## PRE-CONTRACTUAL DISCLOSURE RELATING TO SFDR

### PRE-CONTRACTUAL DISCLOSURE for 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

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

Product name:

DB PWM II – Active Asset Allocation Portfolio – Conservative (Euro)

Legal entity identifier:

549300072LGWZSNTJG46

### Environmental and/or social characteristics

#### Does this financial product have a sustainable investment objective?

☒ ☒ ☐ Yes

☐ 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**: \_\_\_\_%

☒ ☐ ☒ No

☐ 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**

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



The sub-fund **DB PWM II – Active Asset Allocation Portfolio – Conservative (Euro)** (the “Sub-Fund” or “Financial Product”) promotes environmental and social characteristics by investing at least 80% of the its net asset value in investments (i.e. investment funds, equities or bonds) that meet a minimum MSCI ESG Rating<sup>4</sup> of BBB. Additionally, the Sub-Fund applies exclusion criteria based on data provided by the external data provider MSCI in order to exclude investments that are detrimental to the environmental or social characteristics promoted by the Sub-Fund. For clarification purposes, these exclusion criteria do not apply to liquid assets such as cash and cash equivalents and derivatives.

The Sub-Fund does not invest in sustainable investments within the meaning of article 2 (17) of Regulation (EU) 2019/2088 (hereinafter “SFDR”) and does not consider the EU criteria for environmentally sustainable economic activities, as defined under Regulation (EU) 2020/852 (“EU-Taxonomy”) in its investment decisions.

<sup>4</sup> MSCI assesses for issuers of financial instruments and investment funds various environmental and social characteristics and assigns an ESG rating ranging from AAA (highest score) to CCC (lowest score).

The Sub-Fund does not designate a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the Financial Product.

#### Sustainability indicators

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

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

The attainment of the promoted environmental and social characteristics is assessed via the use of ESG data provided and updated by MSCI ESG Research (UK) Limited and MSCI ESG Research LLC (all “MSCI”) based on relevant minimum criteria for (i) investment funds, (ii) countries, federal, regional and local authorities, and other (inter)national organisations and state-linked or other similar issuers (hereafter referred to as sovereigns) and (iii) other corporate issuers (hereafter referred to as companies).

The methodology applies a variety of assessment categories that are used as sustainability indicators to assess the attainment of the promoted environmental and social characteristics, which are as follows:

##### **1. Exclusion Criteria (negative screening)**

- %-share of **investment funds** as a proportion of the Sub-Fund’s net asset value in violation of the UN Global Compact (“UNGC”) principles
- %-share of the Sub-Fund’s net asset value invested in **investment funds** allocating assets into controversial business sectors as per the below defined exclusion strategy, exceeding the predefined revenue thresholds
- %-share of the Sub-Fund’s net asset value that are issued by **companies** that are in violation of the UNGC principles
- %-share of the Sub-Fund’s net asset value invested in direct investments issued by **companies** involved in controversial business sectors as per the below defined exclusion strategy, exceeding the predefined revenue thresholds
- %-share of the Sub-Fund’s net asset value invested into debt instruments issued by **sovereigns** where the respective countries are labelled as “not free” by Freedom House

##### **2. ESG-Rating (positive screening)**

- %-share of the Sub-Fund’s net asset value that is invested in assets in breach of the minimum MSCI ESG Rating of at least BBB or for which there is no MSCI ESG Rating available

Details regarding the methodology to assess the attainment of each of the environmental or social characteristics promoted by this Financial Product are further described in the subsequent section titled “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 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 Financial Product intends to promote environmental and social characteristics but does not seek to make investments within the meaning of article 2 (17) of the Sustainable Finance Disclosure Regulation (“SFDR”).

#### ***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?***

The Sub-Fund does not seek to make sustainable investments within the meaning of article 2 (17) SFDR.

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

The Sub-Fund does not seek to make sustainable investments within the meaning of article 2 (17) SFDR.

*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 Sub-Fund does not seek to make sustainable investments within the meaning of article 2 (17) SFDR.

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?

**X**

Yes, the Sub-Fund takes into account the following principal adverse impacts (hereafter “PAI”) from Table 1 in Annex I of the Commission Delegated Regulation (EU) 2022/1288 supplementing the Sustainable Finance Disclosure Regulation (“SFDR RTS”) for investments:

The below depicted table describes the selection of indicators, as well as the procedures put in place to mitigate principal adverse impacts on sustainability factors:

#	PAI	Coverage via
Indicators applicable to investments in investee companies		
<b>CLIMATE AND OTHER ENVIRONMENT-RELATED INDICATORS</b>		
2	Carbon footprint	• Exclusion criteria (negative screening)
3	GHG intensity of investee companies	• Exclusion criteria (negative screening)
4	Exposure to companies active in the fossil fuel sector	Exclusion criteria (negative screening)
<b>INDICATORS FOR SOCIAL AND EMPLOYEE, RESPECT FOR HUMAN RIGHTS, ANTI-CORRUPTION AND ANTI-BRIBERY MATTERS</b>		
10	Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	Exclusion criteria (negative screening)
14	Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical	• Exclusion criteria (negative screening)

#### 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.

	weapons and biological weapons)	
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PAI are considered for the Sub-Fund by selecting investments that are in line with the exclusion criteria referred to in subsequent sections of this annex. The Sub-Fund excludes **(i)** issuers active in the fossil fuel sector that exceed the predefined turnover threshold further detailed below (sustainability factors related to the thermal coal exposure and the adverse impact indicators no. 2, 3 and 4), **(ii)** issuers that are severely violating the UNGC principles without positive perspective (sustainability factors related to the adverse impact indicator no. 10) and **(iii)** issuers that have exposure to controversial weapons (sustainability factors related to the adverse impact indicator no. 14).

Details on the respective exclusion criteria are further described in the section headed “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?”.

Further information on principal adverse impacts will be provided in an annex to the Sub-Fund’s annual report in accordance with Article 11 SFDR, under the section titled “Periodic disclosure for 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”.

 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’s objective is the preservation of capital, the maintenance of purchasing power and the consistent real growth of wealth. The Sub-Fund seeks to maintain a generally well diversified asset mix. A low to medium equity exposure, combined with a medium to high fixed income exposure will produce low to medium volatility for the Sub-Fund. The Sub-Fund aims to mitigate the exposure of the Sub-Fund to the equity and fixed income markets by investing the remaining portion of its assets in (i) units or shares of regulated open-ended hedge funds and/or (ii) units or shares of UCIs in accordance with Article 41 (1) e) of the 2010 Law, the principal objective of which is the investment in real estate and/or (iii) real estate-related companies and/or (iv) forward contracts and indices based on commodity future contracts, including indirect investments in the latter instruments.

At least 80% of the Sub-Fund’s net asset value is allocated to investments that meet the promoted environmental and social characteristics as described in the following sections. The alignment of the portfolio with the binding elements of the investment strategy – the consideration of a minimum MSCI ESG Rating of BBB and an exclusion strategy – used to attain the promoted environmental and social characteristics, is continuously controlled and monitored via the Sub-Fund’s investment guidelines.

#### **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 methodology to assess the eligibility of investments for the proportion of assets “#1 Aligned with E/S characteristics” (at least 80% of the Sub-Fund’s net asset value), the Sub-Fund applies a variety of steps for investments in **(i)** investment funds, **(ii)** sovereigns and **(iii)** companies, as further detailed in subsequent sections of this annex:

##### **1) Exclusion criteria (negative screening)**

For the different types of investable assets listed below, the Sub-Fund applies the following negative screening criteria based on data provided by MSCI, whereas the threshold for investment funds should be understood as applying at portfolio level of the target funds for the proportion of assets in breach of the below defined criteria, the thresholds for companies as a revenue threshold and the threshold for all of which cannot be violated by investee assets.



For the avoidance of doubt: These exclusion criteria do not apply to liquid assets such as cash and cash equivalents or derivatives.

Type of investment	Threshold
<b>Investment funds (other than government bond funds)</b>	
Exposure to companies involved in thermal coal based on an underlying revenue threshold of 10% or more of their revenues	≤ 0.49%
Exposure to companies in a serious violation of the UN Global Compact principles (without positive perspective)	≤ 0.49%
Exposure to companies involved in controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons, depleted uranium weapons, blinding laser weapons, incendiary weapons, and non-detectable fragments) based on an underlying revenue threshold of 0%	≤ 0.49%
Exposure to companies involved in nuclear weapons based on an underlying revenue threshold of 0%	≤ 0.49%
Exposure to companies involved in conventional weapons based on an underlying revenue threshold of 10%	≤ 0.49%
Exposure to companies involved in firearms based on an underlying revenue threshold of 10%	≤ 0.49%
Exposure to companies involved in the cultivation and production of tobacco based on an underlying revenue threshold of 0%	≤ 0.49%
<b>Sovereigns and affiliated issuers</b>	
No serious violations of democratic and human rights (based on the assessment as “not free” according to the Freedom House Index)	
No social violations of investee countries (based on the sanction list of the European Union)	
<b>Corporate Issuers</b>	
No serious violations of the UN Global Compact principles (without positive perspective)	No violation
No serious violations of “Labor Compliance” (based on the fundamental principles of the International Labor Organisation („ILO“))	No violation
No serious violations of “Human Rights Compliance” (based on the UN Guiding Principles for Business and Human Rights (“UNGPs”))	No violation
No very severe controversy case based on the assessment of controversies and the severity of environmental and / or social impacts	No violation
Involvement in activities linked to controversial weapons ( <i>anti-personnel mines, cluster munitions, chemical weapons and biological weapons, depleted uranium weapons, blinding laser weapons, incendiary weapons, and non-detectable fragments</i> )	No involvement
Involvement through industry ties in nuclear weapons	No involvement
Revenue derived from weapons systems, components, and support systems and services	≤ 5%
Revenue derived from the production and / or distribution via wholesale and retail of civilian firearms and ammunition	≤ 5%
Revenue derived from services linked to nuclear power generation (e.g. nuclear power reactor design and engineering, uranium enrichment and processing, etc.)	≤ 5%

Revenue derived from uranium mining	0%
Revenue derived from the production and / or distribution of thermal coal	≤ 5%
Revenue derived from unconventional oil and gas	≤ 5%
Revenue derived from thermal coal-based power generation	≤ 5%
Revenue derived from the production of adult entertainment	0%
Revenue derived from the distribution of adult entertainment	≤ 5%
Revenue derived from genetically modified organisms	0%
Revenue derived from the production of biocides	≤ 5%
Revenue derived from gambling operations (including online or gambling)	≤ 5%
Revenue derived from the cultivation and / or the production of tobacco	0%
Involvement in the production and / or distribution of palm oil	No involvement

## 2) ESG rating (positive screening)

In addition to the exclusion criteria applied by the Sub-Fund, it makes use of a minimum MSCI ESG Rating for the Sub-Fund's equity and bond positions and investment funds.

### ESG rating for funds:

MSCI assigns an ESG rating for a fund including Exchange Traded Funds ("ETF") based on the weighted average of the individual ESG scores of assets held in the portfolio – according to the fund's most recently published "holdings. This excludes positions of cash and cash equivalents as well as certain derivatives. The ESG rating of the fund may change either due to changes in the ESG ratings of the securities held in the fund or due to a change in the composition of the analysed fund. MSCI will assign ESG ratings to funds if a certain coverage ratio of a fund's holdings has been rated by MSCI for ESG purposes.

### ESG Rating for companies:

MSCI assigns an ESG rating for companies by assessing the ESG performance relative to its peers on the basis of various ESG criteria. These ESG criteria relate to environmental, social and governance topics, ranging from "Mitigation of climate change" to "Ban on child labour and forced labour" or "Corporate principles in accordance with the International Corporate Governance Network".

### ESG rating for sovereigns and affiliated issuers:

MSCI assigns an ESG rating for issuers such as sovereigns, regional authorities and issuers affiliated with sovereigns with a view to the ESG risk factors in the value chain of the relevant country. The focus lies amongst others on stewardship of resources, the entitlement to basic services and performance as well as the government and justice system, a low level of susceptibility to environmental impacts or other external factors.

Assets that are to be included under the minimum proportion "#1 Aligned with E/S characteristics" (at least 80% of the Sub-Fund's net asset value) have to comply with the below described positive screening criteria assessed via the MSCI ESG rating:

Type of investment	Threshold
<b>Investment funds</b>	
MSCI fund ESG quality score ("AAA" – "CCC") - <i>if the investment fund is listed by MSCI in a peer group with a name containing the term "emerging markets" or "high yield"</i>	minimum "BBB"
MSCI fund ESG quality score ("AAA" – "CCC") - <i>if the investment fund that – based on its peer group – invests exclusively or primarily in equities from a country whose public limited companies are included in the MSCI EM index</i>	minimum "BBB"
MSCI fund ESG quality score ("AAA" – "CCC")	minimum "A"

### Sovereigns and affiliated issuers

MSCI ESG government score ("AAA" – "CCC")	minimum "A"
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### Corporate Issuers

MSCI ESG rating ("AAA" – "CCC")	minimum "A"
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**Good governance** practices include sound management structures, employee relations, remuneration of staff and tax compliance.

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

The applied ESG investment strategy of the Sub-Fund does not pursue a committed minimum reduction of the scope of the investments.

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

To the extent that the Sub-Fund invests directly into financial instruments other than investment funds, the following applies: The procedure to assess the good governance practices of investee companies is based on the analysis of the corporate standards in regards of the UN Global Compact principles, the UN Guiding Principles on Business and Human Rights, the fundamental principles of the International Labour Organization and the non-violation of the assessment on severe controversies and the underlying severity of environmental and / or social impacts.

Please refer to the previous section of this annex under the paragraph "1) Exclusion criteria (negative screening)" for additional information on the Sub-Fund's implementation of negative screening.



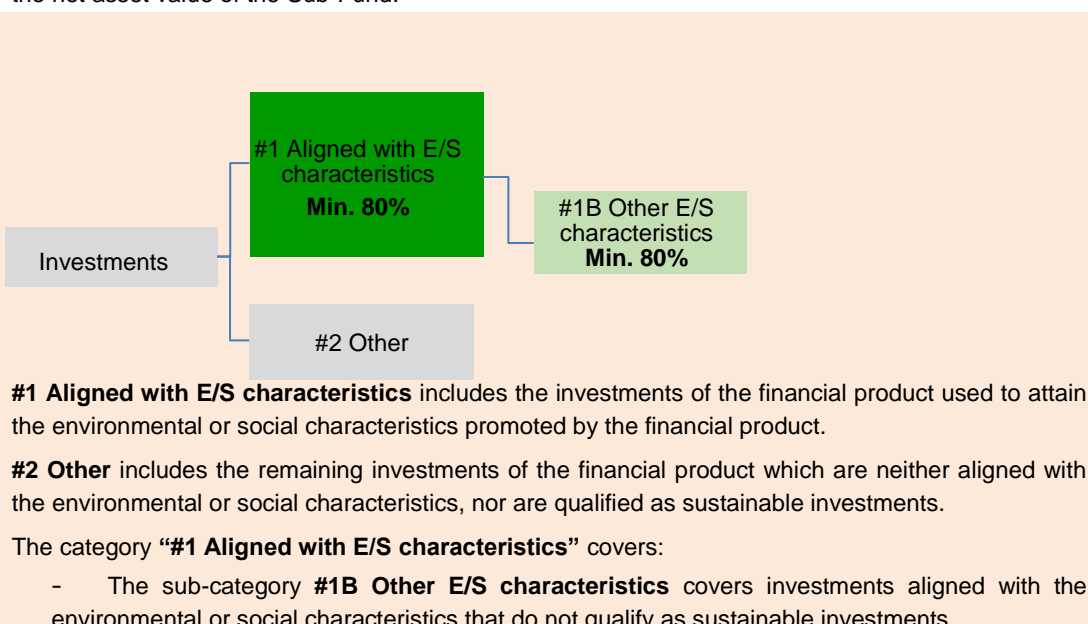
### What is the asset allocation planned for this financial product?

The Sub-Fund will at least 80% of the net asset value hold investments that are aligned with the promoted environmental and social characteristics ("#1 Aligned with E/S characteristics").

Up to 20% of the investments are not aligned with these characteristics and assigned under the proportion "#2 Other". The aforementioned allocation may account for bank balances, derivatives for the purpose of hedging or efficient portfolio management techniques, in addition to other investments that do not meet the sustainability indicators or do not have sufficient information available to allow an appropriate assessment.

No additional screening criteria as regards environmental or social minimum safeguards are set for the proportion of "#2 Other".

The percentages expressed within the below depicted Sub-Fund's asset allocation make reference to the net asset value of the Sub-Fund.



**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

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

Derivatives are not used to attain the environmental and social characteristics promoted by the Sub-Fund.



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

The Sub-Fund does not commit to make environmentally sustainable investments aligned with the EU-Taxonomy, i.e. the investments do not take into account the EU criteria for environmentally sustainable economic activities.

The minimum extent is 0%.

● **Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy<sup>5</sup>?**

☐ Yes:

☐ In fossil gas

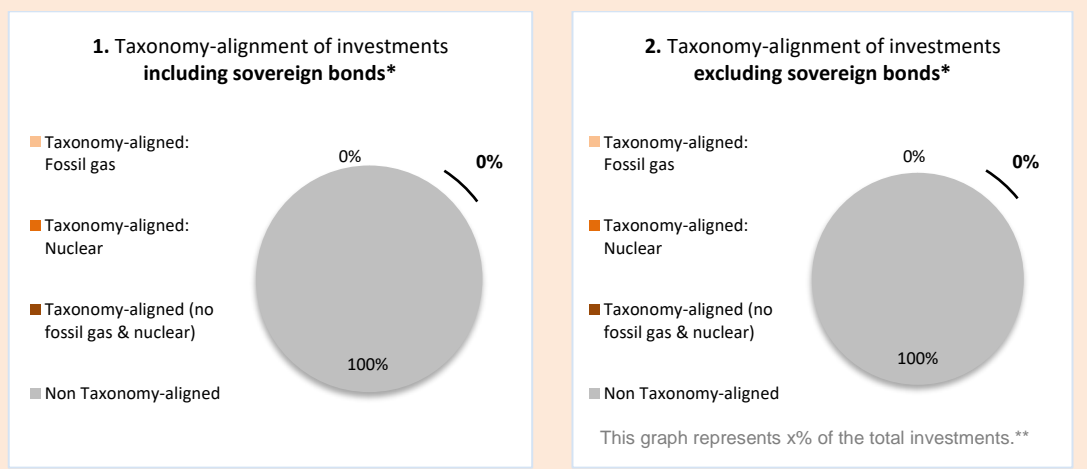
☐ In nuclear energy

☒ No

The Sub-Fund does not commit to make environmentally sustainable investments aligned with the EU-Taxonomy, in particular in fossil gas and/or nuclear energy. Nevertheless, it may also invest in companies that are active in these areas as part of the investment strategy.

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

**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.**



**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

<sup>5</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.

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

\*\* As the Sub-Fund does not commit to make sustainable investments that are aligned with the EU-Taxonomy, the figures across graphs do not differ.

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

The Sub-Fund does not commit to make environmentally sustainable investments that are aligned with the EU-Taxonomy, in particular not in investments in transitional activities in accordance with article 10 (2) of the EU-Taxonomy and enabling activities in accordance with article 16 of the EU-Taxonomy.

The minimum extent is 0%.

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

The Sub-Fund does not seek to make sustainable investments pursuant to article 2 (17) SFDR with an environmental objective that are not aligned with the EU Taxonomy.

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

The Sub-Fund does not seek to make socially sustainable investments pursuant to article 2 (17) SFDR.

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

The Sub-Fund invests at least 80% of its net asset value in investments that are aligned with the promoted environmental and social characteristics (“#1 Aligned with E/S characteristics”). The asset allocation “#2 Other” may account for bank balances, derivatives for the purpose of hedging or efficient portfolio management techniques, in addition to other investments that do not meet the sustainability indicators or do not have sufficient information to allow an appropriate assessment.

No additional screening criteria as regards environmental or social minimum safeguards are set for the proportion of “#2 Other”, which is limited to a maximum of 20% of the Sub-Fund's net-asset value.

● **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 Sub-Fund does not designate a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the Financial Product.

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

The Sub-Fund does not designate a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the Financial Product.

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

The Sub-Fund does not designate a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the Financial Product.

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

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



The Sub-Fund does not designate a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the Financial Product.

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

The Sub-Fund does not designate a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the Financial Product.



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

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

<https://www.hal-privatbank.com>

## **SUB-FUND NAME: DB PWM II – ACTIVE ASSET ALLOCATION PORTFOLIO – CORE (EURO)**

### **1. Investment Objective & Policy**

**DB PWM II – Active Asset Allocation Portfolio – Core (Euro)** (the “Sub-Fund”) objective is the preservation of capital, the maintenance of purchasing power and the consistent real growth of wealth. The Sub-Fund seeks to maintain a generally well diversified asset mix.

A medium to high equity exposure, combined with medium to lower fixed income exposure will produce moderate to high volatility for the Sub-Fund.

The Sub-Fund aims to mitigate the exposure of the Sub-Fund to the equity and fixed income markets by investing the remaining portion of its assets in (i) units or shares of regulated open-ended hedge funds and/or (ii) units or shares of UCIs in accordance with Article 41 (1) e) of the 2010 Law, the principal objective of which is the investment in real estate and/or (iii) real estate-related companies and/or (iv) forward contracts and indices based on commodity future contracts, including indirect investments in the latter instruments.

This Sub-Fund promotes environmental and social characteristics and qualifies as a product in accordance with article 8(1) of Regulation (EU) 2019/2088 on sustainability related disclosures in the financial services sector. The pre-contractual disclosure template for the Sub-Fund contains further information concerning the relevant requirements.

However, no assurance can be given that the stated investment objective will be met.

The Sub-Fund will invest in equity and fixed income securities, ADRs and GDRs, closed ended REITs, convertible bonds, reverse convertible bonds, exchangeable bonds and warrant bonds either directly or through investments in UCITS and/or UCIs including ETFs which comply with the provisions set forth in Annex 1 No. 1 e) , including those managed by the Investment Manager of the Sub-Fund or companies related to the Investment Manager.

The Sub-Fund will invest at least 25% of its assets in equity participations in accordance with No. 1. (i) of Annex 1..

Additionally, the Sub-Fund may acquire certificates with financial indices, equities, interest rates and foreign currencies as underlying as well as certificates which reflect the performance of the underlying 1:1 (1:1 certificates) on commodity indices and commodity prices as well as other permitted underlying assets. The certificates are officially listed or traded on stock exchanges or other regulated markets that are recognised and open to the public and that operate regularly (“Regulated Markets”).

Investments are possible worldwide, including emerging markets.

For hedging purposes and for the purposes of efficient portfolio management, the Sub-Fund may use derivatives, certificates with embedded derivative components (discount, bonus, leverage, knock-out certificates, etc.) and other techniques and instruments in accordance with Annex 1 No. 6. If these techniques and instruments involve the use of derivatives as defined in Annex 1 No. 1. g), the relevant investment restrictions of Annex 1 must be taken into account. The provisions of Annex 1 No. 7 concerning risk management procedures for derivatives must also be observed.

Concerning the portion of the Sub-Fund’s portfolio which is invested in units or shares of UCITS and/or UCIs (including hedge funds), the following rules shall apply as regards multiplication of fees:

- There may be duplication of management fees (i.e. two layers of management fees) even in case of investment by the Sub-Fund in Deutsche Bank UCITS and/or UCIs.
- The Sub-Fund will not invest in underlying UCIs which are themselves submitted to a management fee exceeding 2.5%.
- In case of investment by the Sub-Fund in Deutsche Bank funds of third-party funds, the Sub-Fund will bear additional costs and expenses at the level of the underlying third-party funds, in particular subscription, redemption or conversion fees, management fees, Depositary fees and other related costs. For shareholders of the Sub-Fund, the accumulation of these costs may cause higher costs and expenses than the costs and expenses that would have been charged to the said Sub-Fund if the latter had invested directly.

The Sub-Fund may include up to 20% of liquid assets depending on the financial market situation. That limit may be temporarily exceeded for a period which is absolutely necessary, if circumstances require this due to exceptional market conditions and if exceeding the limit is justified by the interests of investors, for example in very serious circumstances such as the attacks of September 11, 2001 or the insolvency of Lehman Brothers in 2008.

Liquid assets are deposits at sight that are available at all times at a bank in order to make current and extraordinary payments, as well as payments relating to the disposal of permissible assets in accordance with Article 41(1) of the act of 2010.

Furthermore, for liquidity management purposes the Sub-Fund may invest in money market funds, hold deposits at sight in the form of overnight deposits and deposits at notice in the meaning of Article 1 No. 1 (f) of Annex 1 General investment policy guidelines and invest in money market instruments in the meaning of Article 1 No. 1 of Annex 1 General investment policy guidelines.

The Sub-Fund does not enter into securities financial transaction, such as a repurchase transaction, securities or commodities lending, securities or commodities borrowing, a buy-sell back transaction, sell-buy back transaction, a margin lending transaction or a total return swap.

Should the Sub-Fund in the future enter into any of the above transactions, this Prospectus will be adapted accordingly. Moreover, the conditions of CSSF Circular 14/592 on guidelines of the European Securities and Markets Authority on traded funds (ETFs) and other issues related to UCITS, the Regulation (EU) 2015/2635 of 25 November 2015 on transparency of securities financing transactions and of reuse and amending Regulation (EU) No 648/2012 and other applicable regulation will have to be respected.

Explanation regarding certificates:

Certificates are typically listed bonds. The price development of certificates depends on the performance of the underlying and the contractual structure. The price of the certificate may outperform, underperform or match the price of the underlying, or it may be completely independent. Depending on the structure of the contract, there could be a total loss of value.

More information can be found on our website <https://www.hal-privatbank.com>.

## **2. Profile of typical investor**

A typical investor should take into consideration that the Sub-Fund portfolio has a medium to high volatility and that a medium to longer time period might be required to pay out on the investment.

Investment in the Sub-Fund might entail an above-average risk and is only appropriate for persons who can accept the possibility of major capital losses, including the risk to lose their entire investment. DB PWM II and the Management Company however will seek to minimise such risks by a strict risk management and an adequate spreading of the risks involved.

The Sub-Fund is designed for investment only by those investors for whom an investment in the Sub-Fund does not represent a complete investment program, who understand the degree of risks involved and believe that the investment is suitable based upon their investment objectives and financial needs.

The time horizon for a typical investor should be 3 to 5 years.

## **3. Risk Management**

To determine the global risk exposure the Management Company is using the relative VaR Method. As benchmark the following combination of ten indices will be used. The ten indices are composed as follows:

14% of the index is an equity index with the following profile:

- The index is composed of the 500 largest US publicly traded companies weighted by market value
- The index provides a broad diversification in terms of sectors
- The index is calculated in USD

18% of the index is an equity index with the following profile:

- the equity index provides an exposure to 50 large blue-chip European companies operating within Eurozone nations
- the index delivers a broad diversification in terms of countries and sectors
- the index is calculated in EUR, the companies included are weighted according their market capitalisation

3% of the index is an equity index with the following profile:

- the index is calculated based on all the domestic common stocks listed on the TSE First Section
- the index provides a broad diversification in terms of sectors and market capitalisation
- the index is a free-float adjusted market capitalization-weighted index



- the index is calculated in JPY

5% of the index is an equity index with the following profile:

- the equity index captures large and mid cap representation across 24 Emerging Markets countries
- it covers approximately 85% of the free float-adjusted market capitalization in each country
- the index is calculated in USD

5% of the index is a daily reference rate that expresses the weighted average of unsecured overnight interbank lending in the European Union and the European Free Trade Association (EFTA)

26% of the index is a fixed-income index with the following profile:

- The index offers exposure to euro-denominated domestic government bonds issued by eurozone countries
- The bonds are broad diversified in terms of credit rating and have a term to maturity from 1 - 10 years
- The index is calculated in EUR

15% of the index is a fixed-income index with the following profile:

- the index reflects the performance of EUR denominated investment grade corporate bonds
- the bonds have a minimum time to maturity of 1 year and an outstanding face value of at least \$500 million
- the bonds included are weighted according their market capitalisation

4% of the index is a fixed-income index with the following profile:

- the index offers exposure to euro-denominated high yield liquid corporate debt
- the index provides a broad diversification in terms of countries, sectors and market capitalisation
- the index is market-value weighted with an issuer cap of 3% and a country cap of 20%

3% of the index is a fixed-income index with the following profile:

- the index measures the performance of international government bonds issued by emerging market countries that are considered sovereign
- the bonds have a minimum time to maturity of 1 year and an outstanding face value of at least \$500 million
- the index is calculated in USD, the bonds are weighted according their market capitalisation

7% of the index is a fixed-income index with the following profile:

- the index measures the credit sector of the global investment grade, fixed-rate bond market, including corporate, government and agency securities
- the index includes bonds from developed and emerging markets issuers
- the index is calculated in USD

#### **Leverage:**

The leverage effect of derivatives and other financial products with derivative components is expected to amount to up to 200% of the volume of the Sub-Fund, depending on how the Investment Manager manages the Sub-Fund. Depending on market conditions, however, the leverage value is subject to fluctuations, so that the expected value may be exceeded in the short term. The Company will monitor the leverage figure on a daily basis.

Notes on the calculation of leverage:

The calculation is based on the sum of the nominal values as set out in Boxes 24 and 25 of ESMA Guideline 10-788.

#### **Risk management procedure**

Key risk indicators can be used to assess sustainability risks. The key risk indicators can be of quantitative or qualitative nature and are based on environmental, social and governance aspects and measure the risk of the aspects under consideration.

#### **4. Special risk considerations**

Investors should refer to the section "Profile of the typical investor" as detailed above and to the section "GENERAL RISK NOTE" of the Prospectus.

In addition to the considerations related to above, investors should be aware that:

- there is no limitation on international market, sector or industry exposure. The Sub-Fund is therefore not benchmark driven and the performance may differ significantly from market benchmarks.

- the ability to concentrate positions in specific markets, sectors or industries may lead to higher than expected levels of Sub-Fund volatility than experienced in the market as a whole.
- the Sub-Fund may invest some of its assets into alternative investments such as UCITS-hedge funds. These investments carry a higher level of risk than traditional asset classes such as equities and bonds and may subsequently lead to higher levels of volatility in the Fund than in a fund investing only into traditional asset classes.

## 5. Initial Subscription Period and Initial Issue Date

There was no Initial Subscription Period.

Initial issue dates:

Class A	28.11.2007
Class PF	07.11.2012

## 6. Share Classes and applicable fees

Currently the following Share Classes are available:

	<b>ISIN:</b>	<b>WKN:</b>
Class A	LU0327311634	A0M7LV
Class PF	LU0794123330	A1JZS1

Subscription to all Share Classes of the Sub-Fund is restricted to Deutsche Bank entities, or such other Institutional Investors who may be admitted from time to time at the discretion of the Directors, subscribing in their own name and either on their own behalf or on the behalf of investors who have entered into and maintain a discretionary management or advisory relationship with a Deutsche Bank entity and are not entitled to any direct claim against the Company.

<u>Share Class</u>	<u>Share Class currency</u>	<u>Depository Fee<sup>5</sup> (in % of the net Sub-Fund assets):</u>	<u>Management Fee<sup>6</sup> (in % of the net Sub-Fund assets):</u>	<u>Fund Management Fee<sup>7</sup> (in % of the net Sub-Fund assets):</u>	<u>Performance Fee</u>
<b>Class A</b>	EUR	up to 0.08 % <sup>8</sup>	up to 0.07 % <sup>8</sup>	up to 0.10 % <sup>8</sup>	none
<b>Class PF</b>	EUR	up to 0.08 % <sup>8</sup>	up to 0.07 % <sup>8</sup>	up to 1.00 % <sup>8</sup>	Please see below

### Performance Fee for Class PF:

The Investment Manager receives a performance-related remuneration (a performance fee) for share class PF.

The amount of the performance fee is up to 25% of the amount by which the unit price per share class exceeds the high-water mark at the end of a settlement period and furthermore exceeds the hurdle rate of 3.0%. The initial high-water mark corresponds to the unit price as of 30 November 2018 of the share class.

The reference period for the high-water mark began on 01 December 2018 and subsequently corresponds to the entire term of the share class. The settlement period generally corresponds to the financial year of the fund. The first settlement period began on 01 December 2018 and ended on the closing date of the following end of the financial year or the end of the financial year after that, but no earlier than 12 months after the initial price calculation of the share class.

<sup>5</sup> The depository fee is calculated daily on the net assets of the respective share class Sub-Fund of the previous valuation day and paid monthly in arrears. The depository fee is subject to value added tax as applicable.

<sup>6</sup> The management fee is calculated daily on the net assets of the respective share class of the Sub-Fund of the previous valuation day and paid monthly in arrears. The management fee is subject to value added tax as applicable.

<sup>7</sup> The fund management fee is calculated daily on the net assets of the respective share class Sub-Fund of the previous valuation day and paid monthly in arrears. The fund management fee is subject to value added tax as applicable.

<sup>8</sup> The provision is established in EUR.

Entitlement to a performance fee is determined on a daily basis (consideration day) and is taken into account in the particular unit price that is determined. Performance fee is calculated after deducting any costs and taking into account subscriptions and redemptions. Entitlement to a performance fee determined during the settlement period does not necessarily lead to payment at the end of the settlement period.

The **high-water mark** is either the higher price of 30. November 2018 or the unit price at the end of the settlement period for which the last performance fee was paid, whichever is the higher. If the share price on the observation date is higher than the current high-water mark plus hurdle rate, the performance fee will be calculated and accrued. If the unit price on the consideration day is lower than the current high-water mark plus hurdle rate, no performance fee will be calculated. If the unit price falls below the high-water mark plus hurdle rate, positive accruals are reversed in favour of the respective share class. The performance fee is limited to 1.5% p.a. of the assets of the share class (Cap).

A positively accrued entitlement to a performance fee will only be paid at the end of a settlement period if the unit price exceeds the high-water mark plus hurdle rate. In this case, the high-water mark will be adjusted to the unit price at the end of the previous settlement period. If, during the settlement period, the Sub-Fund or a share class is liquidated or merged or if there is a complete redemption or conversion of share certificates by the investor and if a performance fee is due for shares affected by this, this is generally paid out pro rata on the day of liquidation or merger or on the day the share certificates are completely redeemed or converted.

If the accruals are negative at the end of the settlement period, these will be taken into account in the subsequent consideration. There is no entitlement to the reimbursement of performance fees already paid. The performance fee will be paid out in the currency of the respective share class at the end of the financial year.

This fee is subject to VAT as applicable.

*Calculation examples of the performance fee:*

Settlement period	Unit price at the beginning of the settlement period	Unit price at the end of the settlement period	Performance fee in %	Hurdle rate	High-water mark for the settlement period	High-water mark plus hurdle rate	Outperformance (absolute)	Payment of a performance fee	Performance fee	Cap on fund volume	Performance fee to be paid
1	100	110	25%	3%	100	103	7	Yes	1.75	1.50%	1.65
2	110	105	25%	3%	110	113.3	-8.3	No	0.00	1.50%	0.00
3	105	95	25%	3%	110	113.3	-18.3	No	0.00	1.50%	0.00
4	95	100	25%	3%	110	113.3	-13.3	No	0.00	1.50%	0.00
5	100	140	25%	3%	110	113.3	26.7	Yes	6.68	1.50%	2.10

## 7. Initial Issue Price

The Initial Issue Price for the Shares of Class A was 1,000.00 EUR.

The Initial Issue Price for the Shares of Class PF was 100.00 EUR.

## 8. Subscriptions and Redemptions

Subscriptions for shares shall be accepted on each Valuation Day.

Subscription must be received by the Registrar Agent of the Company no later than 12.00 noon (Luxembourg time) one Banking Day before the applicable Valuation Day.

Subscription monies are payable in EUR and must reach the Company no later than two Banking Days after the applicable Valuation Day.

Subscriptions must be sent to the Company for the amount subscribed, or for a number of shares, in the reference currency of the Sub-Fund concerned only.

Shares may be redeemed on each Valuation Day.

Redemption requests must be received by the Registrar Agent of the Company by 12.00 noon (Luxembourg time) one Banking Day before the applicable Valuation Day.

Redemption proceeds shall be paid in EUR within four Banking Days after the applicable Valuation Day.

## 9. Subscription and Redemption Fees

Subscription Fee: up to 6.00 %

Redemption Fee: No redemption fees will be charged by the Sub-Fund

#### **10. Rebates**

The Investment Manager and/or the Management Company shall be entitled to retrocession paid on behalf of the Sub-Fund. Such retrocessions will be credited to the Sub-Fund.

#### **11. Saving plans and withdrawal plans**

The Management Company will not offer saving plans or withdrawal plans. Investors can obtain additional information from the institution that maintains their custody account.

#### **12. Investment Manager**

The Investment Manager of the Sub-Fund is Deutsche Bank (Suisse) S.A., Place des Bergues 3, CH-1211 Geneva, Switzerland.

#### **13. Reference Currency**

The reference currency of the Sub-Fund is EUR.

The Sub-Fund may hedge the assets of the Sub-Fund denominated in a currency other than the EUR. Nevertheless, it is not the intention of the Directors to hedge all of the Sub-Fund's assets.

#### **14. Banking day**

With respect to this Sub-Fund, a Banking Day means any day that is also a banking and trading day in Luxembourg and Frankfurt/Main.

#### **15. Valuation Day**

The Net Asset Value per share will be determined each Banking Day.

#### **16. Distribution policy**

Class A and Class PF are income accumulating classes.

#### **17. Exchange listing**

Exchange listing of the shares of the Sub-Fund is not applicable.

#### **18. Subscription Tax (Taxe d'abonnement)**

Class A shares are subject to a subscription tax at an annual rate of 0.01% of the net assets of the Sub-Fund which is calculated and payable quarterly at the end of the relevant quarter. However, this tax is not due for the part of the Company's net assets invested in other Luxembourg UCIs.

Class PF shares are subject to a subscription tax at an annual rate of 0.05% of the net assets of the Sub-Fund which is calculated and payable quarterly at the end of the relevant quarter. However, this tax is not due for the part of the Company's net assets invested in other Luxembourg UCIs.

## PRE-CONTRACTUAL DISCLOSURE RELATING TO SFDR

### PRE-CONTRACTUAL DISCLOSURE for 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

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

Product name:

DB PWM II – Active Asset Allocation Portfolio – Core (Euro)

Legal entity identifier:

549300KIXO7M2CCQSB25

### 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**

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



The sub-fund **DB PWM II – Active Asset Allocation Portfolio – Core (Euro)** (the “Sub-Fund” or “Financial Product”) promotes environmental and social characteristics by investing at least 80% of the its net asset value in investments (i.e. investment funds, equities or bonds) that meet a minimum MSCI ESG Rating<sup>6</sup> of BBB. Additionally, the Sub-Fund applies exclusion criteria based on data provided by the external data provider MSCI in order to exclude investments that are detrimental to the environmental or social characteristics promoted by the Sub-Fund. For clarification purposes, these exclusion criteria do not apply to liquid assets such as cash and cash equivalents and derivatives.

The Sub-Fund does not invest in sustainable investments within the meaning of article 2 (17) of Regulation (EU) 2019/2088 (hereinafter “SFDR”) and does not consider the EU criteria for environmentally sustainable economic activities, as defined under Regulation (EU) 2020/852 (“EU-Taxonomy”) in its investment decisions.

<sup>6</sup> MSCI assesses for issuers of financial instruments and investment funds various environmental and social characteristics and assigns an ESG rating ranging from AAA (highest score) to CCC (lowest score).

The Sub-Fund does not designate a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the Financial Product.

#### Sustainability indicators

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

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

The attainment of the promoted environmental and social characteristics is assessed via the use of ESG data provided and updated by MSCI ESG Research (UK) Limited and MSCI ESG Research LLC (all “MSCI”) based on relevant minimum criteria for (i) investment funds, (ii) countries, federal, regional and local authorities, and other (inter)national organisations and state-linked or other similar issuers (hereafter referred to as sovereigns) and (iii) other corporate issuers (hereafter referred to as companies).

The methodology applies a variety of assessment categories that are used as sustainability indicators to assess the attainment of the promoted environmental and social characteristics, which are as follows:

##### 1. Exclusion Criteria (negative screening)

- %-share of **investment funds** as a proportion of the Sub-Fund’s net asset value in violation of the UN Global Compact (“UNGC”) principles
- %-share of the Sub-Fund’s net asset value invested in **investment funds** allocating assets into controversial business sectors as per the below defined exclusion strategy, exceeding the predefined revenue thresholds
- %-share of the Sub-Fund’s net asset value that are issued by **companies** that are in violation of the UNGC principles
- %-share of the Sub-Fund’s net asset value invested in direct investments issued by **companies** involved in controversial business sectors as per the below defined exclusion strategy, exceeding the predefined revenue thresholds
- %-share of the Sub-Fund’s net asset value invested into debt instruments issued by **sovereigns** where the respective countries are labelled as “not free” by Freedom House

##### 2. ESG-Rating (positive screening)

- %-share of the Sub-Fund’s net asset value that is invested in assets in breach of the minimum MSCI ESG Rating of at least BBB or for which there is no MSCI ESG Rating available

Details regarding the methodology to assess the attainment of each of the environmental or social characteristics promoted by this Financial Product are further described in the subsequent section titled “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 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 Financial Product intends to promote environmental and social characteristics but does not seek to make investments within the meaning of article 2 (17) of the Sustainable Finance Disclosure Regulation (“SFDR”).

#### *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?*

The Sub-Fund does not seek to make sustainable investments within the meaning of article 2 (17) SFDR.

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

The Sub-Fund does not seek to make sustainable investments within the meaning of article 2 (17) SFDR.

*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 Sub-Fund does not seek to make sustainable investments within the meaning of article 2 (17) SFDR.

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?

**X**

Yes, the Sub-Fund takes into account the following principal adverse impacts (hereafter “PAI”) from Table 1 in Annex I of the Commission Delegated Regulation (EU) 2022/1288 supplementing the Sustainable Finance Disclosure Regulation (“SFDR RTS”) for investments:

The below depicted table describes the selection of indicators, as well as the procedures put in place to mitigate principal adverse impacts on sustainability factors:

#	PAI	Coverage via
Indicators applicable to investments in investee companies		
<b>CLIMATE AND OTHER ENVIRONMENT-RELATED INDICATORS</b>		
2	Carbon footprint	• Exclusion criteria (negative screening)
3	GHG intensity of investee companies	• Exclusion criteria (negative screening)
4	Exposure to companies active in the fossil fuel sector	Exclusion criteria (negative screening)
<b>INDICATORS FOR SOCIAL AND EMPLOYEE, RESPECT FOR HUMAN RIGHTS, ANTI-CORRUPTION AND ANTI-BRIBERY MATTERS</b>		
10	Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	Exclusion criteria (negative screening)
14	Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical	• Exclusion criteria (negative screening)

**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.

	weapons and biological weapons)	
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PAI are considered for the Sub-Fund by selecting investments that are in line with the exclusion criteria referred to in subsequent sections of this annex. The Sub-Fund excludes **(i)** issuers active in the fossil fuel sector that exceed the predefined turnover threshold further detailed below (sustainability factors related to the thermal coal exposure and the adverse impact indicators no. 2, 3 and 4), **(ii)** issuers that are severely violating the UNGC principles without positive perspective (sustainability factors related to the adverse impact indicator no. 10) and **(iii)** issuers that have exposure to controversial weapons (sustainability factors related to the adverse impact indicator no. 14).

Details on the respective exclusion criteria are further described in the section headed “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?”.

Further information on principal adverse impacts will be provided in an annex to the Sub-Fund’s annual report in accordance with Article 11 SFDR, under the section titled “Periodic disclosure for 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”.

 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’s objective is the preservation of capital, the maintenance of purchasing power and the consistent real growth of wealth. The Sub-Fund seeks to maintain a generally well diversified asset mix. A medium to high equity exposure, combined with medium to lower fixed income exposure will produce moderate to high volatility for the Sub-Fund. The Sub-Fund aims to mitigate the exposure of the Sub-Fund to the equity and fixed income markets by investing the remaining portion of its assets in (i) units or shares of regulated open-ended hedge funds and/or (ii) units or shares of UCIs in accordance with Article 41 (1) e) of the 2010 Law, the principal objective of which is the investment in real estate and/or (iii) real estate-related companies and/or (iv) forward contracts and indices based on commodity future contracts, including indirect investments in the latter instruments.

At least 80% of the Sub-Fund’s net asset value is allocated to investments that meet the promoted environmental and social characteristics as described in the following sections. The alignment of the portfolio with the binding elements of the investment strategy – the consideration of a minimum MSCI ESG Rating of BBB and an exclusion strategy – used to attain the promoted environmental and social characteristics, is continuously controlled and monitored via the Sub-Fund’s investment guidelines.

#### **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 methodology to assess the eligibility of investments for the proportion of assets “#1 Aligned with E/S characteristics” (at least 80% of the Sub-Fund’s net asset value), the Sub-Fund applies a variety of steps for investments in **(i)** investment funds, **(ii)** sovereigns and **(iii)** companies, as further detailed in subsequent sections of this annex:

##### **1) Exclusion criteria (negative screening)**

For the different types of investable assets listed below, the Sub-Fund applies the following negative screening criteria based on data provided by MSCI, whereas the threshold for investment funds should be understood as applying at portfolio level of the target funds for the proportion of assets in breach of the below defined criteria, the thresholds for companies as a revenue threshold and the threshold for all of which cannot be violated by investee assets.



For the avoidance of doubt: These exclusion criteria do not apply to liquid assets such as cash and cash equivalents or derivatives.

Type of investment	Threshold
<b>Investment funds (other than government bond funds)</b>	
Exposure to companies involved in thermal coal based on an underlying revenue threshold of 10% or more of their revenues	≤ 0.49%
Exposure to companies in a serious violation of the UN Global Compact principles (without positive perspective)	≤ 0.49%
Exposure to companies involved in controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons, depleted uranium weapons, blinding laser weapons, incendiary weapons, and non-detectable fragments) based on an underlying revenue threshold of 0%	≤ 0.49%
Exposure to companies involved in nuclear weapons based on an underlying revenue threshold of 0%	≤ 0.49%
Exposure to companies involved in conventional weapons based on an underlying revenue threshold of 10%	≤ 0.49%
Exposure to companies involved in firearms based on an underlying revenue threshold of 10%	≤ 0.49%
Exposure to companies involved in the cultivation and production of tobacco based on an underlying revenue threshold of 0%	≤ 0.49%
<b>Sovereigns and affiliated issuers</b>	
No serious violations of democratic and human rights (based on the assessment as “not free” according to the Freedom House Index)	
No social violations of investee countries (based on the sanction list of the European Union)	
<b>Corporate Issuers</b>	
No serious violations of the UN Global Compact principles (without positive perspective)	No violation
No serious violations of “Labor Compliance” (based on the fundamental principles of the International Labor Organisation („ILO“))	No violation
No serious violations of “Human Rights Compliance” (based on the UN Guiding Principles for Business and Human Rights (“UNGPs”))	No violation
No very severe controversy case based on the assessment of controversies and the severity of environmental and / or social impacts	No violation
Involvement in activities linked to controversial weapons ( <i>anti-personnel mines, cluster munitions, chemical weapons and biological weapons, depleted uranium weapons, blinding laser weapons, incendiary weapons, and non-detectable fragments</i> )	No involvement
Involvement through industry ties in nuclear weapons	No involvement
Revenue derived from weapons systems, components, and support systems and services	≤ 5%
Revenue derived from the production and / or distribution via wholesale and retail of civilian firearms and ammunition	≤ 5%
Revenue derived from services linked to nuclear power generation (e.g. nuclear power reactor design and engineering, uranium enrichment and processing, etc.)	≤ 5%

Revenue derived from uranium mining	0%
Revenue derived from the production and / or distribution of thermal coal	≤ 5%
Revenue derived from unconventional oil and gas	≤ 5%
Revenue derived from thermal coal-based power generation	≤ 5%
Revenue derived from the production of adult entertainment	0%
Revenue derived from the distribution of adult entertainment	≤ 5%
Revenue derived from genetically modified organisms	0%
Revenue derived from the production of biocides	≤ 5%
Revenue derived from gambling operations (including online or gambling)	≤ 5%
Revenue derived from the cultivation and / or the production of tobacco	0%
Involvement in the production and / or distribution of palm oil	No involvement

## 2) ESG rating (positive screening)

In addition to the exclusion criteria applied by the Sub-Fund, it makes use of a minimum MSCI ESG Rating for the Sub-Fund's equity and bond positions and investment funds.

### ESG rating for funds:

MSCI assigns an ESG rating for a fund including Exchange Traded Funds ("ETF") based on the weighted average of the individual ESG scores of assets held in the portfolio – according to the fund's most recently published "holdings. This excludes positions of cash and cash equivalents as well as certain derivatives. The ESG rating of the fund may change either due to changes in the ESG ratings of the securities held in the fund or due to a change in the composition of the analysed fund. MSCI will assign ESG ratings to funds if a certain coverage ratio of a fund's holdings has been rated by MSCI for ESG purposes.

### ESG Rating for companies:

MSCI assigns an ESG rating for companies by assessing the ESG performance relative to its peers on the basis of various ESG criteria. These ESG criteria relate to environmental, social and governance topics, ranging from "Mitigation of climate change" to "Ban on child labour and forced labour" or "Corporate principles in accordance with the International Corporate Governance Network".

### ESG rating for sovereigns and affiliated issuers:

MSCI assigns an ESG rating for issuers such as sovereigns, regional authorities and issuers affiliated with sovereigns with a view to the ESG risk factors in the value chain of the relevant country. The focus lies amongst others on stewardship of resources, the entitlement to basic services and performance as well as the government and justice system, a low level of susceptibility to environmental impacts or other external factors.

Assets that are to be included under the minimum proportion "#1 Aligned with E/S characteristics" (at least 80% of the Sub-Fund's net asset value) have to comply with the below described positive screening criteria assessed via the MSCI ESG rating:

Type of investment	Threshold
<b>Investment funds</b>	
MSCI fund ESG quality score ("AAA" – "CCC") - <i>if the investment fund is listed by MSCI in a peer group with a name containing the term "emerging markets" or "high yield"</i>	minimum "BBB"
MSCI fund ESG quality score ("AAA" – "CCC") - <i>if the investment fund that – based on its peer group – invests exclusively or primarily in equities from a country whose public limited companies are included in the MSCI EM index</i>	minimum "BBB"
MSCI fund ESG quality score ("AAA" – "CCC")	minimum "A"

### Sovereigns and affiliated issuers

MSCI ESG government score ("AAA" – "CCC")

minimum "A"

### Corporate Issuers

MSCI ESG rating ("AAA" – "CCC")

minimum "A"

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

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

The applied ESG investment strategy of the Sub-Fund does not pursue a committed minimum reduction of the scope of the investments.

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

To the extent that the Sub-Fund invests directly into financial instruments other than investment funds, the following applies: The procedure to assess the good governance practices of investee companies is based on the analysis of the corporate standards in regards of the UN Global Compact principles, the UN Guiding Principles on Business and Human Rights, the fundamental principles of the International Labour Organization and the non-violation of the assessment on severe controversies and the underlying severity of environmental and / or social impacts.

Please refer to the previous section of this annex under the paragraph "1) Exclusion criteria (negative screening)" for additional information on the Sub-Fund's implementation of negative screening.

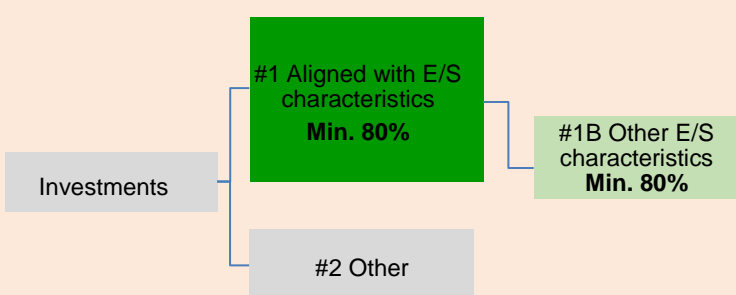
### What is the asset allocation planned for this financial product?

The Sub-Fund will at least 80% of the net asset value hold investments that are aligned with the promoted environmental and social characteristics ("#1 Aligned with E/S characteristics").

Up to 20% of the investments are not aligned with these characteristics and assigned under the proportion "#2 Other". The aforementioned allocation may account for bank balances, derivatives for the purpose of hedging or efficient portfolio management techniques, in addition to other investments that do not meet the sustainability indicators or do not have sufficient information available to allow an appropriate assessment.

No additional screening criteria as regards environmental or social minimum safeguards are set for the proportion of "#2 Other".

The percentages expressed within the below depicted Sub-Fund's asset allocation make reference to the net asset value of the Sub-Fund.



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

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

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

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

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

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

Derivatives are not used to attain the environmental and social characteristics promoted by the Sub-Fund.



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

The Sub-Fund does not commit to make environmentally sustainable investments aligned with the EU-Taxonomy, i.e. the investments do not take into account the EU criteria for environmentally sustainable economic activities.

The minimum extent is 0%.

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

☐ Yes:

☐ In fossil gas

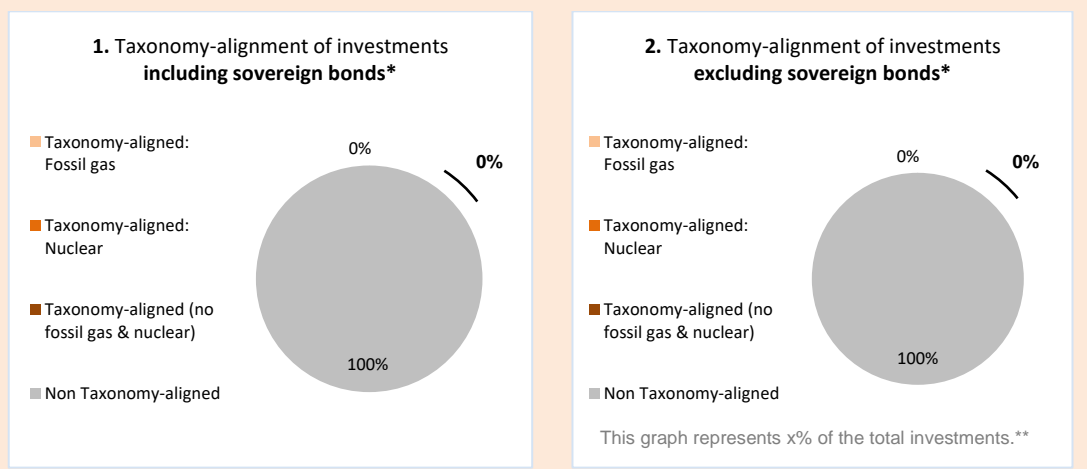
☐ In nuclear energy

☒ No

The Sub-Fund does not commit to make environmentally sustainable investments aligned with the EU-Taxonomy, in particular in fossil gas and/or nuclear energy. Nevertheless, it may also invest in companies that are active in these areas as part of the investment strategy.

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

**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.**



**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

\* 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.

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

\*\* As the Sub-Fund does not commit to make sustainable investments that are aligned with the EU-Taxonomy, the figures across graphs do not differ.

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

The Sub-Fund does not commit to make environmentally sustainable investments that are aligned with the EU-Taxonomy, in particular not in investments in transitional activities in accordance with article 10 (2) of the EU-Taxonomy and enabling activities in accordance with article 16 of the EU-Taxonomy.

The minimum extent is 0%.

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

The Sub-Fund does not seek to make sustainable investments pursuant to article 2 (17) SFDR with an environmental objective that are not aligned with the EU Taxonomy.

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

The Sub-Fund does not seek to make socially sustainable investments pursuant to article 2 (17) SFDR.

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

The Sub-Fund invests at least 80% of its net asset value in investments that are aligned with the promoted environmental and social characteristics (“#1 Aligned with E/S characteristics”). The asset allocation “#2 Other” may account for bank balances, derivatives for the purpose of hedging or efficient portfolio management techniques, in addition to other investments that do not meet the sustainability indicators or do not have sufficient information to allow an appropriate assessment.

No additional screening criteria as regards environmental or social minimum safeguards are set for the proportion of “#2 Other”, which is limited to a maximum of 20% of the Sub-Fund's net-asset value.

● **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 Sub-Fund does not designate a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the Financial Product.

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

The Sub-Fund does not designate a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the Financial Product.

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

The Sub-Fund does not designate a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the Financial Product.

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

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



The Sub-Fund does not designate a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the Financial Product.

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

The Sub-Fund does not designate a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the Financial Product.



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

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

<https://www.hal-privatbank.com>

## **SUB-FUND NAME: DB PWM II – ACTIVE ASSET ALLOCATION PORTFOLIO – CORE (USD)**

### **1. Investment Objective & Policy**

**DB PWM II – Active Asset Allocation Portfolio – Core (USD)** (the “Sub-Fund”) objective is the preservation of capital, the maintenance of purchasing power and the consistent real growth of wealth. The Sub-Fund seeks to maintain a generally well diversified asset mix.

A medium to high equity exposure, combined with medium to lower fixed income exposure will produce moderate to high volatility for the Sub-Fund.

The Sub-Fund aims to mitigate the exposure of the Sub-Fund to the equity and fixed income markets by investing the remaining portion of its assets in (i) units or shares of regulated open-ended hedge funds and/or (ii) units or shares of UCIs in accordance with Article 41 (1) e) of the 2010 Law, the principal objective of which is the investment in real estate and/or (iii) real estate-related companies and/or (iv) forward contracts and indices based on commodity future contracts, including indirect investments in the latter instruments.

This Sub-Fund promotes environmental and social characteristics and qualifies as a product in accordance with article 8(1) of Regulation (EU) 2019/2088 on sustainability related disclosures in the financial services sector. The pre-contractual disclosure template for the Sub-Fund contains further information concerning the relevant requirements.

However, no assurance can be given that the stated investment objective will be met.

The Sub-Fund will invest in equity, fixed income securities, ADRs and GDRs, closed ended REITs, convertible bonds, reverse convertible bonds, exchangeable bonds and warrant bonds either directly or through investments in UCITS and/or UCIs including ETFs which comply with the provisions set forth in Annex 1 No. 1 e) , including those managed by the Investment Manager of the Sub-Fund or companies related to the Investment Manager.

The Sub-Fund will invest at least 25% of its assets in equity participations in accordance with No. 1. (i) of Annex 1.

Additionally, the Sub-Fund may acquire certificates with financial indices, equities, interest rates and foreign currencies as underlying as well as certificates which reflect the performance of the underlying 1:1 (1:1 certificates) on commodity indices and commodity prices as well as other permitted underlying assets. The certificates are officially listed or traded on stock exchanges or other regulated markets that are recognised and open to the public and that operate regularly (“Regulated Markets”).

Investments are possible worldwide, including emerging markets.

For hedging purposes and for the purposes of efficient portfolio management, the Sub-Fund may use derivatives, certificates with embedded derivative components (discount, bonus, leverage, knock-out certificates, etc.) and other techniques and instruments in accordance with Annex 1 No. 6. If these techniques and instruments involve the use of derivatives as defined in Annex 1 No. 1. g), the relevant investment restrictions of Annex 1 must be taken into account. The provisions of Annex 1 No. 7 concerning risk management procedures for derivatives must also be observed.

Concerning the portion of the Sub-Fund’s portfolio which is invested in units or shares of UCITS and/or UCIs (including hedge funds), the following rules shall apply as regards multiplication of fees:

- There may be duplication of management fees (i.e. two layers of management fees) even in case of investment by the Sub-Fund in Deutsche Bank UCITS and/or UCIs.
- The Sub-Fund will not invest in underlying UCIs which are themselves submitted to a management fee exceeding 2.5%.
- In case of investment by the Sub-Fund in Deutsche Bank funds of third-party funds, the Sub-Fund will bear additional costs and expenses at the level of the underlying third-party funds, in particular subscription, redemption or conversion fees, management fees, Depositary fees and other related costs. For shareholders of the Sub-Fund, the accumulation of these costs may cause higher costs and expenses than the costs and expenses that would have been charged to the said Sub-Fund if the latter had invested directly.

The Sub-Fund may include up to 20% of liquid assets depending on the financial market situation. That limit may be temporarily exceeded for a period which is absolutely necessary, if circumstances require this due to exceptional market conditions and if exceeding the limit is justified by the interests of investors, for example in very serious circumstances such as the attacks of September 11, 2001 or the insolvency of Lehman Brothers in 2008.

Liquid assets are deposits at sight that are available at all times at a bank in order to make current and extraordinary payments, as well as payments relating to the disposal of permissible assets in accordance with Article 41(1) of the act of 2010.

Furthermore, for liquidity management purposes the Sub-Fund may invest in money market funds, hold deposits at sight in the form of overnight deposits and deposits at notice in the meaning of Article 1 No. 1 (f) of Annex 1 General investment policy guidelines and invest in money market instruments in the meaning of Article 1 No. 1 of Annex 1 General investment policy guidelines.

The Sub-Fund does not enter into securities financial transaction, such as a repurchase transaction, securities or commodities lending, securities or commodities borrowing, a buy-sell back transaction, sell-buy back transaction, a margin lending transaction or a total return swap.

Should the Sub-Fund in the future enter into any of the above transactions, this Prospectus will be adapted accordingly. Moreover, the conditions of CSSF Circular 14/592 on guidelines of the European Securities and Markets Authority on traded funds (ETFs) and other issues related to UCITS, the Regulation (EU) 2015/2635 of 25 November 2015 on transparency of securities financing transactions and of reuse and amending Regulation (EU) No 648/2012 and other applicable regulation will have to be respected.

Explanation regarding certificates:

Certificates are typically listed bonds. The price development of certificates depends on the performance of the underlying and the contractual structure. The price of the certificate may outperform, underperform or match the price of the underlying, or it may be completely independent. Depending on the structure of the contract, there could be a total loss of value.

More information can be found on our website <https://www.hal-privatbank.com>.

## **2. Profile of typical investor**

A typical investor should take into consideration that the Sub-Fund portfolio has a medium to high volatility and that a medium to longer time period could be required to pay out on the investment.

Investment in the Sub-Fund might entail an above-average risk and is only appropriate for persons who can accept the possibility of major capital losses, including the risk to lose their entire investment. DB PWM II and the Management Company however will seek to minimise such risks by a strict risk management and an adequate spreading of the risks involved.

The Sub-Fund is designed for investment only by those investors for whom an investment in the Sub-Fund does not represent a complete investment program, who understand the degree of risks involved and believe that the investment is suitable based upon their investment objectives and financial needs.

The time horizon for a typical investor should be 3 to 5 years.

## **3. Risk Management**

To determine the global risk exposure the Management Company is using the relative VaR Method. As benchmark the following combination of ten indices will be used. The ten indices are composed as follows:

25% of the index is an equity index with the following profile:

- The index is composed of the 500 largest US publicly traded companies weighted by market value
- The index provides a broad diversification in terms of sectors
- The index is calculated in USD

7% of the index is an equity index with the following profile:

- the equity index provides an exposure to 50 large blue-chip European companies operating within Eurozone nations
- the index delivers a broad diversification in terms of countries and sectors
- the index is calculated in EUR, the companies included are weighted according their market capitalisation

3% of the index is an equity index with the following profile:

- the index is calculated based on all the domestic common stocks listed on the TSE First Section
- the index provides a broad diversification in terms of sectors and market capitalisation
- the index is a free-float adjusted market capitalization-weighted index



- the index is calculated in JPY

5% of the index is an equity index with the following profile:

- the equity index captures large and mid-cap representation across 24 Emerging Markets countries
- it covers approximately 85% of the free float-adjusted market capitalization in each country
- the index is calculated in USD

5% of the index is a cash index with the following profile:

- the index measures the performance of one-month US Dollar deposits

26% of the index is a fixed-income index with the following profile:

- The index offers exposure to US domestic government bonds that are available to international investors
- The government bonds have a term to maturity from 1 -10 years
- The index is calculated in USD

15% of the index is a fixed-income index with the following profile:

- the index reflects the performance of US denominated investment grade corporate bonds
- the index is broad diversified in terms of sector and maturity
- the bonds included are weighted according their market capitalisation

4% of the index is a fixed-income index with the following profile:

- the index consists of US deominated, high yield, fixed-rate corporate bonds
- the index provides a broad diversification in terms of sectors and market capitalisation
- the bonds are weighted according their market capitalisation

3% of the index is a fixed-income index with the following profile:

- the index measures the performance of international government bonds issued by emerging market countries that are considered sovereign
- the bonds have a minimum time to maturity of 1 year and an outstanding face value of at least \$500 million
- the index is calculated in USD, the bonds are weighted according their market capitalisation

7% of the index is a fixed-income index with the following profile:

- the index measures the credit sector of the global investment grade, fixed-rate bond market, including corporate, government and agency securities
- the index includes bonds from developed and emerging markets issuers
- the index is calculated in USD

#### **Leverage:**

The leverage effect of derivatives and other financial products with derivative components is expected to amount to up to 200% of the volume of the Sub-Fund, depending on how the Investment Manager manages the Sub-Fund. Depending on market conditions, however, the leverage value is subject to fluctuations, so that the expected value may be exceeded in the short term. The Company will monitor the leverage figure on a daily basis.

Notes on the calculation of leverage:

The calculation is based on the sum of the nominal values as set out in Boxes 24 and 25 of ESMA Guideline 10-788.

#### **Risk management procedure**

Key risk indicators can be used to assess sustainability risks. The key risk indicators can be of quantitative or qualitative nature and are based on environmental, social and governance aspects and measure the risk of the aspects under consideration.

#### **4. Special risk considerations**

Investors should refer to the section "Profile of the typical investor" as detailed above and to the section "GENERAL RISK NOTE" of the Prospectus.

In addition to the considerations related to above, investors should be aware that:

- there is no limitation on international market, sector or industry exposure. The Sub-Fund is therefore not benchmark driven and the performance may differ significantly from market benchmarks.

- the ability to concentrate positions in specific markets, sectors or industries may lead to higher than expected levels of Sub-Fund volatility than experienced in the market as a whole.
- the Sub-Fund may invest some of its assets into alternative investments such as UCITS-hedge funds. These investments carry a higher level of risk than traditional asset classes such as equities and bonds and may subsequently lead to higher levels of volatility in the Sub-Fund than in a fund investing only into traditional asset classes.

## 5. Initial Subscription Period and Initial Issue Date

There was no Initial Subscription Period.

Initial issue dates:

Class A	08.04.2009
Class PF	21.08.2013

## 6. Share Classes and applicable fees

Currently the following Share Classes are available:

	<b>ISIN:</b>	<b>WKN:</b>
Class A	LU0327312798	A0M8GU
Class PF	LU0794123686	A1JZS4

Subscription to all Share Classes of the Sub-Fund is restricted to Deutsche Bank entities, or such other Institutional Investors who may be admitted from time to time at the discretion of the Directors, subscribing in their own name and either on their own behalf or on the behalf of investors who have entered into and maintain a discretionary management or advisory relationship with a Deutsche Bank entity and are not entitled to any direct claim against the Company.

<u>Share Class</u>	<u>Share Class currency</u>	<u>Depositary Fee<sup>13</sup> (in % of the net Sub-Fund assets):</u>	<u>Management Fee<sup>14</sup> (in % of the net Sub-Fund assets):</u>	<u>Fund Management Fee<sup>15</sup> (in % of the net Sub-Fund assets):</u>	<u>Performance Fee</u>
<b>Class A</b>	USD	up to 0.08 % <sup>16</sup>	up to 0.07 % <sup>16</sup>	up to 0.10 % <sup>16</sup>	none
<b>Class PF</b>	USD	up to 0.08 % <sup>16</sup>	up to 0.07 % <sup>16</sup>	up to 1.00 % <sup>16</sup>	Please see below

### Performance Fee for Class PF:

The Investment Manager receives a performance-related remuneration (a performance fee) for share class PF.

The amount of the performance fee is up to 25% of the amount by which the unit price per share class exceeds the high-water mark at the end of a settlement period and furthermore exceeds the hurdle rate of 4.0%. The initial high-water mark corresponds to the unit price as of 30 November 2018 of the share class.

The reference period for the high-water mark began on 01 December 2018 and subsequently corresponds to the entire term of the share class. The settlement period generally corresponds to the financial year of the fund. The first settlement period began on 01 December 2018 and ended on the closing date of the following end of the financial year or the end of the financial year after that, but no earlier than 12 months after the initial price calculation of the share class.

Entitlement to a performance fee is determined on a daily basis (consideration day) and is taken into account in the particular unit price that is determined. Performance fee is calculated after deducting any costs and taking into account

<sup>13</sup> The depositary fee is calculated daily on the net assets of the respective share class Sub-Fund of the previous valuation day and paid monthly in arrears. The depositary fee is subject to value added tax as applicable.

<sup>14</sup> The management fee is calculated daily on the net assets of the respective share class of the Sub-Fund of the previous valuation day and paid monthly in arrears. The management fee is subject to value added tax as applicable.

<sup>15</sup> The fund management fee is calculated daily on the net assets of the respective share class of the Sub-Fund of the previous valuation day and paid monthly in arrears. The fund management fee is subject to value added tax as applicable.

<sup>16</sup> The provision is established in USD.

subscriptions and redemptions. Entitlement to a performance fee determined during the settlement period does not necessarily lead to payment at the end of the settlement period.

The **high-water mark** is either the higher price of 30. November 2018 or the unit price at the end of the settlement period for which the last performance fee was paid, whichever is the higher. If the share price on the observation date is higher than the current high-water mark plus hurdle rate, the performance fee will be calculated and accrued. If the unit price on the consideration day is lower than the current high-water mark plus hurdle rate, no performance fee will be calculated. If the unit price falls below the high-water mark plus hurdle rate, positive accruals are reversed in favour of the respective share class. The performance fee is limited to 1.5% p.a. of the assets of the share class (Cap).

A positively accrued entitlement to a performance fee will only be paid at the end of a settlement period if the unit price exceeds the high-water mark plus hurdle rate. In this case, the high-water mark will be adjusted to the unit price at the end of the previous settlement period. If, during the settlement period, the Sub-Fund or a share class is liquidated or merged or if there is a complete redemption or conversion of share certificates by the investor and if a performance fee is due for shares affected by this, this is generally paid out pro rata on the day of liquidation or merger or on the day the share certificates are completely redeemed or converted.

If the accruals are negative at the end of the settlement period, these will be taken into account in the subsequent consideration. There is no entitlement to the reimbursement of performance fees already paid. The performance fee will be paid out in the currency of the respective share class at the end of the financial year.

This fee is subject to VAT as applicable.

*Calculation examples of the performance fee:*

Settlement period	Unit price at the beginning of the settlement period	Unit price at the end of the settlement period	Performance fee in %	Hurdle rate	High-water mark for the settlement period	High-water mark plus hurdle rate	Outperformance (absolute)	Payment of a performance fee	Performance fee	Cap on fund volume	Performance fee to be paid
1	100	110	25%	4%	100	104	6	Yes	1.50	1.50%	1.50
2	110	105	25%	4%	110	114.4	-9.4	No	0.00	1.50%	0.00
3	105	95	25%	4%	110	114.4	-19.4	No	0.00	1.50%	0.00
4	95	100	25%	4%	110	114.4	-14.4	No	0.00	1.50%	0.00
5	100	140	25%	4%	110	114.4	25.6	Yes	6.40	1.50%	2.10

## 7. Initial Issue Price

The Initial Issue Price for the Shares of Classes A and PF was 100.00 USD.

## 8. Subscriptions and Redemptions

Subscriptions for shares shall be accepted on each Valuation Day.

Subscription must be received by the Registrar Agent of the Company no later than 12.00 noon (Luxembourg time) one Banking Day before the applicable Valuation Day.

Subscription monies are payable in USD and must reach the Company no later than two Banking Days after the applicable Valuation Day.

Subscriptions must be sent to the Company for the amount subscribed, or for a number of shares, in the reference currency of the Sub-Fund concerned only.

Shares may be redeemed on each Valuation Day.

Redemption requests must be received by the Registrar Agent of the Company by 12.00 noon (Luxembourg time) one Banking Day before the applicable Valuation Day.

Redemption proceeds shall be paid in USD within four Banking Days after the applicable Valuation Day.

## 9. Subscription and Redemption Fees

Subscription Fee: up to 6.00 %

Redemption Fee: No redemption fees will be charged by the Sub-Fund

#### **10. Rebates**

The Investment Manager and/or the Management Company shall be entitled to retrocession paid on behalf of the Sub-Fund. Such retrocessions will be credited to the Sub-Fund.

#### **11. Saving plans and withdrawal plans**

The Management Company will not offer saving plans or withdrawal plans. Investors can obtain additional information from the institution that maintains their custody account.

#### **12. Investment Manager**

The Investment Manager of the Sub-Fund is Deutsche Bank (Suisse) S.A., Place des Bergues 3, CH-1211 Geneva, Switzerland.

#### **13. Reference Currency**

The reference currency of the Sub-Fund is USD.

The Sub-Fund may hedge the assets of the Sub-Fund denominated in a currency other than the USD. Nevertheless, it is not the intention of the Directors to hedge all of the Sub-Fund's assets.

#### **14. Banking day**

With respect to this Sub-Fund, a Banking Day means any day that is also a banking and trading day in Luxembourg and Frankfurt/Main.

#### **15. Valuation Day**

The Net Asset Value per share will be determined each Banking Day.

#### **16. Distribution policy**

Class A and Class PF are income accumulating classes.

#### **17. Exchange listing**

Exchange listing of the shares of the Sub-Fund is not applicable.

#### **18. Subscription Tax (Taxe d'abonnement)**

Class A shares are subject to a subscription tax at an annual rate of 0.01% of the net assets of the Sub-Fund which is calculated and payable quarterly at the end of the relevant quarter. However, this tax is not due for the part of the Company's net assets invested in other Luxembourg UCIs.

Class PF shares are subject to a subscription tax at an annual rate of 0.05% of the net assets of the Sub-Fund which is calculated and payable quarterly at the end of the relevant quarter. However, this tax is not due for the part of the Company's net assets invested in other Luxembourg UCIs.

## PRE-CONTRACTUAL DISCLOSURE RELATING TO SFDR

### PRE-CONTRACTUAL DISCLOSURE for 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

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

Product name:

DB PWM II – Active Asset Allocation Portfolio – Core (USD)

Legal entity identifier:

5493008XX118OURBR267

### 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**

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



The sub-fund **DB PWM II – Active Asset Allocation Portfolio – Core (USD)** (the “Sub-Fund” or “Financial Product”) promotes environmental and social characteristics by investing at least 80% of the its net asset value in investments (i.e. investment funds, equities or bonds) that meet a minimum MSCI ESG Rating<sup>8</sup> of BBB. Additionally, the Sub-Fund applies exclusion criteria based on data provided by the external data provider MSCI in order to exclude investments that are detrimental to the environmental or social characteristics promoted by the Sub-Fund. For clarification purposes, these exclusion criteria do not apply to liquid assets such as cash and cash equivalents and derivatives.

The Sub-Fund does not invest in sustainable investments within the meaning of article 2 (17) of Regulation (EU) 2019/2088 (hereinafter “SFDR”) and does not consider the EU criteria for environmentally sustainable economic activities, as defined under Regulation (EU) 2020/852 (“EU-Taxonomy”) in its investment decisions.

<sup>8</sup> MSCI assesses for issuers of financial instruments and investment funds various environmental and social characteristics and assigns an ESG rating ranging from AAA (highest score) to CCC (lowest score).

The Sub-Fund does not designate a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the Financial Product.

#### Sustainability indicators

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

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

The attainment of the promoted environmental and social characteristics is assessed via the use of ESG data provided and updated by MSCI ESG Research (UK) Limited and MSCI ESG Research LLC (all “MSCI”) based on relevant minimum criteria for (i) investment funds, (ii) countries, federal, regional and local authorities, and other (inter)national organisations and state-linked or other similar issuers (hereafter referred to as sovereigns) and (iii) other corporate issuers (hereafter referred to as companies).

The methodology applies a variety of assessment categories that are used as sustainability indicators to assess the attainment of the promoted environmental and social characteristics, which are as follows:

##### 1. Exclusion Criteria (negative screening)

- %-share of **investment funds** as a proportion of the Sub-Fund’s net asset value in violation of the UN Global Compact (“UNGC”) principles
- %-share of the Sub-Fund’s net asset value invested in **investment funds** allocating assets into controversial business sectors as per the below defined exclusion strategy, exceeding the predefined revenue thresholds
- %-share of the Sub-Fund’s net asset value that are issued by **companies** that are in violation of the UNGC principles
- %-share of the Sub-Fund’s net asset value invested in direct investments issued by **companies** involved in controversial business sectors as per the below defined exclusion strategy, exceeding the predefined revenue thresholds
- %-share of the Sub-Fund’s net asset value invested into debt instruments issued by **sovereigns** where the respective countries are labelled as “not free” by Freedom House

##### 2. ESG-Rating (positive screening)

- %-share of the Sub-Fund’s net asset value that is invested in assets in breach of the minimum MSCI ESG Rating of at least BBB or for which there is no MSCI ESG Rating available

Details regarding the methodology to assess the attainment of each of the environmental or social characteristics promoted by this Financial Product are further described in the subsequent section titled “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 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 Financial Product intends to promote environmental and social characteristics but does not seek to make investments within the meaning of article 2 (17) of the Sustainable Finance Disclosure Regulation (“SFDR”).

#### *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?*

The Sub-Fund does not seek to make sustainable investments within the meaning of article 2 (17) SFDR.

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

The Sub-Fund does not seek to make sustainable investments within the meaning of article 2 (17) SFDR.

*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 Sub-Fund does not seek to make sustainable investments within the meaning of article 2 (17) SFDR.

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?

**X**

Yes, the Sub-Fund takes into account the following principal adverse impacts (hereafter “PAI”) from Table 1 in Annex I of the Commission Delegated Regulation (EU) 2022/1288 supplementing the Sustainable Finance Disclosure Regulation (“SFDR RTS”) for investments:

The below depicted table describes the selection of indicators, as well as the procedures put in place to mitigate principal adverse impacts on sustainability factors:

#	PAI	Coverage via
Indicators applicable to investments in investee companies		
<b>CLIMATE AND OTHER ENVIRONMENT-RELATED INDICATORS</b>		
2	Carbon footprint	• Exclusion criteria (negative screening)
3	GHG intensity of investee companies	• Exclusion criteria (negative screening)
4	Exposure to companies active in the fossil fuel sector	Exclusion criteria (negative screening)
<b>INDICATORS FOR SOCIAL AND EMPLOYEE, RESPECT FOR HUMAN RIGHTS, ANTI-CORRUPTION AND ANTI-BRIBERY MATTERS</b>		
10	Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	Exclusion criteria (negative screening)
14	Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical	• Exclusion criteria (negative screening)

#### 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.

	weapons and biological weapons)	
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PAI are considered for the Sub-Fund by selecting investments that are in line with the exclusion criteria referred to in subsequent sections of this annex. The Sub-Fund excludes **(i)** issuers active in the fossil fuel sector that exceed the predefined turnover threshold further detailed below (sustainability factors related to the thermal coal exposure and the adverse impact indicators no. 2, 3 and 4), **(ii)** issuers that are severely violating the UNGC principles without positive perspective (sustainability factors related to the adverse impact indicator no. 10) and **(iii)** issuers that have exposure to controversial weapons (sustainability factors related to the adverse impact indicator no. 14).

Details on the respective exclusion criteria are further described in the section headed “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?”.

Further information on principal adverse impacts will be provided in an annex to the Sub-Fund’s annual report in accordance with Article 11 SFDR, under the section titled “Periodic disclosure for 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”.

 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’s objective is the preservation of capital, the maintenance of purchasing power and the consistent real growth of wealth. The Sub-Fund seeks to maintain a generally well diversified asset mix. A medium to high equity exposure, combined with medium to lower fixed income exposure will produce moderate to high volatility for the Sub-Fund. The Sub-Fund aims to mitigate the exposure of the Sub-Fund to the equity and fixed income markets by investing the remaining portion of its assets in (i) units or shares of regulated open-ended hedge funds and/or (ii) units or shares of UCIs in accordance with Article 41 (1) e) of the 2010 Law, the principal objective of which is the investment in real estate and/or (iii) real estate-related companies and/or (iv) forward contracts and indices based on commodity future contracts, including indirect investments in the latter instruments.

At least 80% of the Sub-Fund’s net asset value is allocated to investments that meet the promoted environmental and social characteristics as described in the following sections. The alignment of the portfolio with the binding elements of the investment strategy – the consideration of a minimum MSCI ESG Rating of BBB and an exclusion strategy – used to attain the promoted environmental and social characteristics, is continuously controlled and monitored via the Sub-Fund’s investment guidelines.

#### **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 methodology to assess the eligibility of investments for the proportion of assets “#1 Aligned with E/S characteristics” (at least 80% of the Sub-Fund’s net asset value), the Sub-Fund applies a variety of steps for investments in **(i)** investment funds, **(ii)** sovereigns and **(iii)** companies, as further detailed in subsequent sections of this annex:

##### **1) Exclusion criteria (negative screening)**

For the different types of investable assets listed below, the Sub-Fund applies the following negative screening criteria based on data provided by MSCI, whereas the threshold for investment funds should be understood as applying at portfolio level of the target funds for the proportion of assets in breach of the below defined criteria, the thresholds for companies as a revenue threshold and the threshold for all of which cannot be violated by investee assets.



For the avoidance of doubt: These exclusion criteria do not apply to liquid assets such as cash and cash equivalents or derivatives.

Type of investment	Threshold
<b>Investment funds (other than government bond funds)</b>	
Exposure to companies involved in thermal coal based on an underlying revenue threshold of 10% or more of their revenues	≤ 0.49%
Exposure to companies in a serious violation of the UN Global Compact principles (without positive perspective)	≤ 0.49%
Exposure to companies involved in controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons, depleted uranium weapons, blinding laser weapons, incendiary weapons, and non-detectable fragments) based on an underlying revenue threshold of 0%	≤ 0.49%
Exposure to companies involved in nuclear weapons based on an underlying revenue threshold of 0%	≤ 0.49%
Exposure to companies involved in conventional weapons based on an underlying revenue threshold of 10%	≤ 0.49%
Exposure to companies involved in firearms based on an underlying revenue threshold of 10%	≤ 0.49%
Exposure to companies involved in the cultivation and production of tobacco based on an underlying revenue threshold of 0%	≤ 0.49%
<b>Sovereigns and affiliated issuers</b>	
No serious violations of democratic and human rights (based on the assessment as “not free” according to the Freedom House Index)	
No social violations of investee countries (based on the sanction list of the European Union)	
<b>Corporate Issuers</b>	
No serious violations of the UN Global Compact principles (without positive perspective)	No violation
No serious violations of “Labor Compliance” (based on the fundamental principles of the International Labor Organisation („ILO“))	No violation
No serious violations of “Human Rights Compliance” (based on the UN Guiding Principles for Business and Human Rights (“UNGPs”))	No violation
No very severe controversy case based on the assessment of controversies and the severity of environmental and / or social impacts	No violation
Involvement in activities linked to controversial weapons ( <i>anti-personnel mines, cluster munitions, chemical weapons and biological weapons, depleted uranium weapons, blinding laser weapons, incendiary weapons, and non-detectable fragments</i> )	No involvement
Involvement through industry ties in nuclear weapons	No involvement
Revenue derived from weapons systems, components, and support systems and services	≤ 5%
Revenue derived from the production and / or distribution via wholesale and retail of civilian firearms and ammunition	≤ 5%
Revenue derived from services linked to nuclear power generation (e.g. nuclear power reactor design and engineering, uranium enrichment and processing, etc.)	≤ 5%

Revenue derived from uranium mining	0%
Revenue derived from the production and / or distribution of thermal coal	≤ 5%
Revenue derived from unconventional oil and gas	≤ 5%
Revenue derived from thermal coal-based power generation	≤ 5%
Revenue derived from the production of adult entertainment	0%
Revenue derived from the distribution of adult entertainment	≤ 5%
Revenue derived from genetically modified organisms	0%
Revenue derived from the production of biocides	≤ 5%
Revenue derived from gambling operations (including online or gambling)	≤ 5%
Revenue derived from the cultivation and / or the production of tobacco	0%
Involvement in the production and / or distribution of palm oil	No involvement

## 2) ESG rating (positive screening)

In addition to the exclusion criteria applied by the Sub-Fund, it makes use of a minimum MSCI ESG Rating for the Sub-Fund's equity and bond positions and investment funds.

### ESG rating for funds:

MSCI assigns an ESG rating for a fund including Exchange Traded Funds ("ETF") based on the weighted average of the individual ESG scores of assets held in the portfolio – according to the fund's most recently published "holdings. This excludes positions of cash and cash equivalents as well as certain derivatives. The ESG rating of the fund may change either due to changes in the ESG ratings of the securities held in the fund or due to a change in the composition of the analysed fund. MSCI will assign ESG ratings to funds if a certain coverage ratio of a fund's holdings has been rated by MSCI for ESG purposes.

### ESG Rating for companies:

MSCI assigns an ESG rating for companies by assessing the ESG performance relative to its peers on the basis of various ESG criteria. These ESG criteria relate to environmental, social and governance topics, ranging from "Mitigation of climate change" to "Ban on child labour and forced labour" or "Corporate principles in accordance with the International Corporate Governance Network".

### ESG rating for sovereigns and affiliated issuers:

MSCI assigns an ESG rating for issuers such as sovereigns, regional authorities and issuers affiliated with sovereigns with a view to the ESG risk factors in the value chain of the relevant country. The focus lies amongst others on stewardship of resources, the entitlement to basic services and performance as well as the government and justice system, a low level of susceptibility to environmental impacts or other external factors.

Assets that are to be included under the minimum proportion "#1 Aligned with E/S characteristics" (at least 80% of the Sub-Fund's net asset value) have to comply with the below described positive screening criteria assessed via the MSCI ESG rating:

Type of investment	Threshold
<b>Investment funds</b>	
MSCI fund ESG quality score ("AAA" – "CCC") - <i>if the investment fund is listed by MSCI in a peer group with a name containing the term "emerging markets" or "high yield"</i>	minimum "BBB"
MSCI fund ESG quality score ("AAA" – "CCC") - <i>if the investment fund that – based on its peer group – invests exclusively or primarily in equities from a country whose public limited companies are included in the MSCI EM index</i>	minimum "BBB"
MSCI fund ESG quality score ("AAA" – "CCC")	minimum "A"

### Sovereigns and affiliated issuers

MSCI ESG government score ("AAA" – "CCC")	minimum "A"
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### Corporate Issuers

MSCI ESG rating ("AAA" – "CCC")	minimum "A"
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**Good governance** practices include sound management structures, employee relations, remuneration of staff and tax compliance.

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

The applied ESG investment strategy of the Sub-Fund does not pursue a committed minimum reduction of the scope of the investments.

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

To the extent that the Sub-Fund invests directly into financial instruments other than investment funds, the following applies: The procedure to assess the good governance practices of investee companies is based on the analysis of the corporate standards in regards of the UN Global Compact principles, the UN Guiding Principles on Business and Human Rights, the fundamental principles of the International Labour Organization and the non-violation of the assessment on severe controversies and the underlying severity of environmental and / or social impacts.

Please refer to the previous section of this annex under the paragraph "1) Exclusion criteria (negative screening)" for additional information on the Sub-Fund's implementation of negative screening.



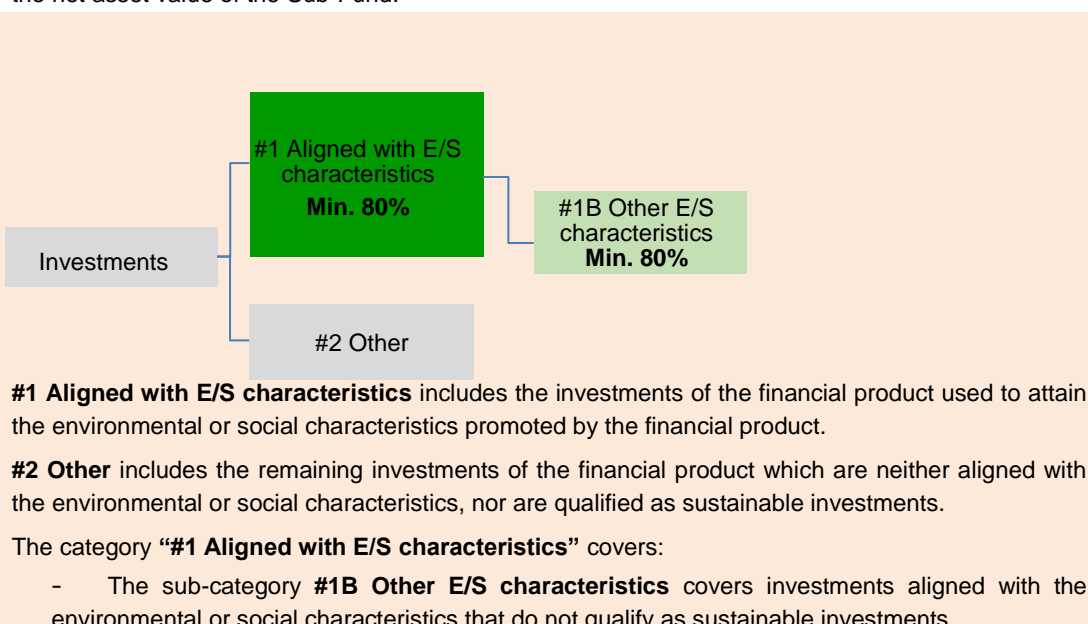
### What is the asset allocation planned for this financial product?

The Sub-Fund will at least 80% of the net asset value hold investments that are aligned with the promoted environmental and social characteristics ("#1 Aligned with E/S characteristics").

Up to 20% of the investments are not aligned with these characteristics and assigned under the proportion "#2 Other". The aforementioned allocation may account for bank balances, derivatives for the purpose of hedging or efficient portfolio management techniques, in addition to other investments that do not meet the sustainability indicators or do not have sufficient information available to allow an appropriate assessment.

No additional screening criteria as regards environmental or social minimum safeguards are set for the proportion of "#2 Other".

The percentages expressed within the below depicted Sub-Fund's asset allocation make reference to the net asset value of the Sub-Fund.



**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

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

Derivatives are not used to attain the environmental and social characteristics promoted by the Sub-Fund.



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

The Sub-Fund does not commit to make environmentally sustainable investments aligned with the EU-Taxonomy, i.e. the investments do not take into account the EU criteria for environmentally sustainable economic activities.

The minimum extent is 0%.

● **Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy<sup>9</sup>?**

☐ Yes:

☐ In fossil gas

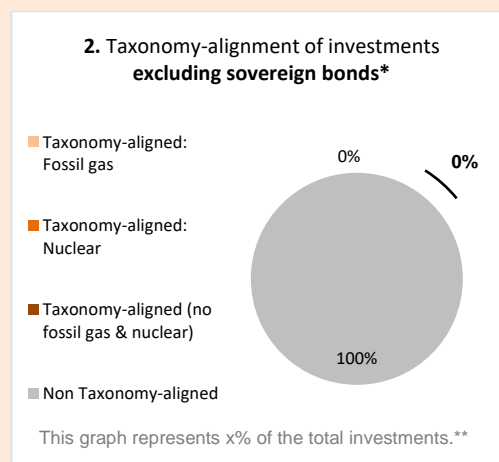
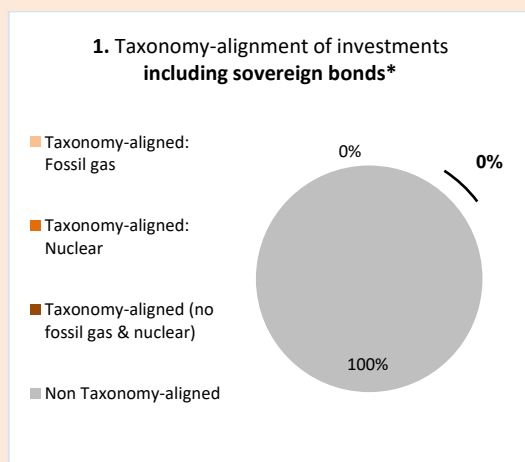
☐ In nuclear energy

☒ No

The Sub-Fund does not commit to make environmentally sustainable investments aligned with the EU-Taxonomy, in particular in fossil gas and/or nuclear energy. Nevertheless, it may also invest in companies that are active in these areas as part of the investment strategy.

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

**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.**



**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

<sup>9</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.

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

\*\* As the Sub-Fund does not commit to make sustainable investments that are aligned with the EU-Taxonomy, the figures across graphs do not differ.

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

The Sub-Fund does not commit to make environmentally sustainable investments that are aligned with the EU-Taxonomy, in particular not in investments in transitional activities in accordance with article 10 (2) of the EU-Taxonomy and enabling activities in accordance with article 16 of the EU-Taxonomy.

The minimum extent is 0%.

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

The Sub-Fund does not seek to make sustainable investments pursuant to article 2 (17) SFDR with an environmental objective that are not aligned with the EU Taxonomy.

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

The Sub-Fund does not seek to make socially sustainable investments pursuant to article 2 (17) SFDR.

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

The Sub-Fund invests at least 80% of its net asset value in investments that are aligned with the promoted environmental and social characteristics (“#1 Aligned with E/S characteristics”). The asset allocation “#2 Other” may account for bank balances, derivatives for the purpose of hedging or efficient portfolio management techniques, in addition to other investments that do not meet the sustainability indicators or do not have sufficient information to allow an appropriate assessment.

No additional screening criteria as regards environmental or social minimum safeguards are set for the proportion of “#2 Other”, which is limited to a maximum of 20% of the Sub-Fund's net-asset value.

● **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 Sub-Fund does not designate a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the Financial Product.

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

The Sub-Fund does not designate a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the Financial Product.

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

The Sub-Fund does not designate a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the Financial Product.

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

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



The Sub-Fund does not designate a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the Financial Product.

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

The Sub-Fund does not designate a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the Financial Product.



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

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

<https://www.hal-privatbank.com>

## **SUB-FUND NAME: DB PWM II – ACTIVE ASSET ALLOCATION PORTFOLIO – GROWTH (USD)**

### **1. Investment Objective & Policy**

**DB PWM II – Active Asset Allocation Portfolio – Growth (USD)** (the “Sub-Fund”) objective is the real growth of wealth. The Sub-Fund seeks to maintain a generally well diversified asset mix. A high (up to 100%) equity exposure, combined with a low (down to 0%) fixed income exposure will produce greater volatility for the Sub-Fund.

The Sub-Fund aims to mitigate the exposure of the Sub-Fund to the equity and fixed income markets by investing the remaining portion of its assets in (i) units or shares of regulated open-ended hedge funds and/or (ii) units or shares of UCIs in accordance with Article 41 (1) e) of the 2010 Law, the principal objective of which is the investment in real estate and/or (iii) real estate-related companies and/or (iv) forward contracts and indices based on commodity future contracts, including indirect investments in the latter instruments.

This Sub-Fund promotes environmental and social characteristics and qualifies as a product in accordance with article 8(1) of Regulation (EU) 2019/2088 on sustainability related disclosures in the financial services sector. The pre-contractual disclosure template for the Sub-Fund contains further information concerning the relevant requirements.

However, no assurance can be given that the stated investment objective will be met.

The Sub-Fund will invest in equity, fixed income securities, ADRs and GDRs, closed ended REITs, convertible bonds, reverse convertible bonds, exchangeable bonds and warrant bonds either directly or through investments in UCITS and/or UCIs including ETFs which comply with the provisions set forth in Annex 1 No. 1 e) , including those managed by the Investment Manager of the Sub-Fund or companies related to the Investment Manager.

The Sub-Fund will invest at least 25% of its assets in equity participations in accordance with No. 1. (i) of Annex 1.

Additionally, the Sub-Fund may acquire certificates with financial indices, equities, interest rates and foreign currencies as underlying as well as certificates which reflect the performance of the underlying 1:1 (1:1 certificates) on commodity indices and commodity prices as well as other permitted underlying assets. The certificates are officially listed or traded on stock exchanges or other regulated markets that are recognised and open to the public and that operate regularly (“Regulated Markets”).

Investments are possible worldwide, including emerging markets.

For hedging purposes and for the purposes of efficient portfolio management, the Sub-Fund may use derivatives, certificates with embedded derivative components (discount, bonus, leverage, knock-out certificates, etc.) and other techniques and instruments in accordance with Annex 1 No. 6. If these techniques and instruments involve the use of derivatives as defined in Annex 1 No. 1. g), the relevant investment restrictions of Annex 1 must be taken into account. The provisions of Annex 1 No. 7 concerning risk management procedures for derivatives must also be observed.

Concerning the portion of the Sub-Fund’s portfolio which is invested in units or shares of UCITS and/or UCIs (including hedge funds), the following rules shall apply as regards multiplication of fees:

- There may be duplication of management fees (i.e. two layers of management fees) even in case of investment by the Sub-Fund in Deutsche Bank UCITS and/or UCIs.
- The Sub-Fund will not invest in underlying UCIs which are themselves submitted to a management fee exceeding 2.5%.
- In case of investment by the Sub-Fund in Deutsche Bank funds of third-party funds, the Sub-Fund will bear additional costs and expenses at the level of the underlying third-party funds, in particular subscription, redemption or conversion fees, management fees, Depositary fees and other related costs. For shareholders of the Sub-Fund, the accumulation of these costs may cause higher costs and expenses than the costs and expenses that would have been charged to the said Sub-Fund if the latter had invested directly.

The Sub-Fund may include up to 20% of liquid assets depending on the financial market situation. That limit may be temporarily exceeded for a period which is absolutely necessary, if circumstances require this due to exceptional market conditions and if exceeding the limit is justified by the interests of investors, for example in very serious circumstances such as the attacks of September 11, 2001 or the insolvency of Lehman Brothers in 2008.

Liquid assets are deposits at sight that are available at all times at a bank in order to make current and extraordinary payments, as well as payments relating to the disposal of permissible assets in accordance with Article 41(1) of the act of 2010.

Furthermore, for liquidity management purposes the Sub-Fund may invest in money market funds, hold deposits at sight in the form of overnight deposits and deposits at notice in the meaning of Article 1 No. 1 (f) of Annex 1 General investment policy guidelines and invest in money market instruments in the meaning of Article 1 No. 1 of Annex 1 General investment policy guidelines.

The Sub-Fund does not enter into securities financial transaction, such as a repurchase transaction, securities or commodities lending, securities or commodities borrowing, a buy-sell back transaction, sell-buy back transaction, a margin lending transaction or a total return swap.

Should the Sub-Fund in the future enter into any of the above transactions, this Prospectus will be adapted accordingly. Moreover, the conditions of CSSF Circular 14/592 on guidelines of the European Securities and Markets Authority on traded funds (ETFs) and other issues related to UCITS, the Regulation (EU) 2015/2635 of 25 November 2015 on transparency of securities financing transactions and of reuse and amending Regulation (EU) No 648/2012 and other applicable regulation will have to be respected.

Explanation regarding certificates:

Certificates are typically listed bonds. The price development of certificates depends on the performance of the underlying and the contractual structure. The price of the certificate may outperform, underperform or match the price of the underlying, or it may be completely independent. Depending on the structure of the contract, there could be a total loss of value.

More information can be found on our website <https://www.hal-privatbank.com>.

## **2. Profile of typical investor**

A typical investor should take into consideration that the Sub-Fund portfolio has a higher volatility and that a longer time period might be required to pay out on the investment.

Investment in the Sub-Fund entails an above-average risk and is only appropriate for persons who can accept the possibility of major capital losses, including the risk to lose their entire investment. DB PWM II and the Management Company however will seek to minimise such risks by a strict risk management and an adequate spreading of the risks involved.

The Sub-Fund is designed for investment only by those investors for whom an investment in the Sub-Fund does not represent a complete investment program, who understand the degree of risks involved and believe that the investment is suitable based upon their investment objectives and financial needs.

The time horizon for a typical investor should be 5 to 10 years.

## **3. Risk Management**

To determine the global risk exposure the Management Company is using the relative VaR Method. As benchmark the following combination of ten indices will be used. The ten indices are composed as follows:

37,5% of the index is an equity index with the following profile:

- The index is composed of the 500 largest US publicly traded companies weighted by market value
- The index provides a broad diversification in terms of sectors
- The index is calculated in USD

10,5% of the index is an equity index with the following profile:

- the equity index provides an exposure to 50 large blue-chip European companies operating within Eurozone nations
- the index delivers a broad diversification in terms of countries and sectors
- the index is calculated in EUR, the companies included are weighted according their market capitalisation

4,5% of the index is an equity index with the following profile:

- the index is calculated based on all the domestic common stocks listed on the TSE First Section
- the index provides a broad diversification in terms of sectors and market capitalisation



- the index is a free-float adjusted market capitalization-weighted index
- the index is calculated in JPY

7,5% of the index is an equity index with the following profile:

- the equity index captures large and mid cap representation across 24 Emerging Markets countries
- it covers approximately 85% of the free float-adjusted market capitalization in each country
- the index is calculated in USD

5% of the index is a cash index with the following profile:

- the index measures the performance of one-month US Dollar deposits

15% of the index is a fixed-income index with the following profile:

- The index offers exposure to US domestic government bonds that are available to international investors
- The government bonds have a term to maturity from 1 -10 years
- The index is calculated in USD

6% of the index is a fixed-income index with the following profile:

- the index reflects the performance of US denominated investment grade corporate bonds
- the index is broad diversified in terms of sector and maturity
- the bonds included are weighted according their market capitalisation

4% of the index is a fixed-income index with the following profile:

- the index consists of US denominated, high yield, fixed-rate corporate bonds
- the index provides a broad diversification in terms of sectors and market capitalisation
- the bonds are weighted according their market capitalisation

3% of the index is a fixed-income index with the following profile:

- the index measures the performance of international government bonds issued by emerging market countries that are considered sovereign
- the bonds have a minimum time to maturity of 1 year and an outstanding face value of at least \$500 million
- the index is calculated in USD, the bonds are weighted according their market capitalisation

7% of the index is a fixed-income index with the following profile:

- the index measures the credit sector of the global investment grade, fixed-rate bond market, including corporate, government and agency securities
- the index includes bonds from developed and emerging markets issuers
- the index is calculated in USD

#### **Leverage:**

The leverage effect of derivatives and other financial products with derivative components is expected to amount to up to 200% of the volume of the Sub-Fund, depending on how the Investment Manager manages the Sub-Fund. Depending on market conditions, however, the leverage value is subject to fluctuations, so that the expected value may be exceeded in the short term. The Company will monitor the leverage figure on a daily basis.

Notes on the calculation of leverage:

The calculation is based on the sum of the nominal values as set out in Boxes 24 and 25 of ESMA Guideline 10-788.

#### **Risk management procedure:**

Key risk indicators can be used to assess sustainability risks. The key risk indicators can be of quantitative or qualitative nature and are based on environmental, social and governance aspects and measure the risk of the aspects under consideration.

#### **4. Special risk considerations**

Investors should refer to the section "Profile of the typical investor" as detailed above and to the section "GENERAL RISK NOTE" of the Prospectus.

In addition to the considerations related to above, investors should be aware that:

- there is no limitation on international market, sector or industry exposure. The Sub-Fund is therefore not benchmark driven and the performance may differ significantly from market benchmarks.
- the ability to concentrate positions in specific markets, sectors or industries may lead to higher than expected levels of Sub-Fund volatility than experienced in the market as a whole.
- the Sub-Fund may invest some of its assets into alternative investments such as UCITS-hedge funds. These investments carry a higher level of risk than traditional asset classes such as equities and bonds and may subsequently lead to higher levels of volatility in the Sub-Fund than in a fund investing only into traditional asset classes.

## 5. Initial Subscription Period and Initial Issue Date

There was no Initial Subscription Period.

Initial issue dates:

Class A	08.04.2009
Class PF	21.08.2013

## 6. Share Classes and applicable fees

Currently the following Share Classes are available:

	<b>ISIN:</b>	<b>WKN:</b>
Class A	LU0327313176	A0M8GW
Class PF	LU0794123769	A1JZS5

Subscription to all Share Classes of the Sub-Fund is restricted to Deutsche Bank entities, or such other Institutional Investors who may be admitted from time to time at the discretion of the Directors, subscribing in their own name and either on their own behalf or on the behalf of investors who have entered into and maintain a discretionary management or advisory relationship with a Deutsche Bank entity and are not entitled to any direct claim against the Company.

<b>Share Class</b>	<b>Share Class currency</b>	<b>Depositary Fee<sup>17</sup> (in % of the net Sub-Fund assets):</b>	<b>Management Fee<sup>18</sup> (in % of the net Sub-Fund assets):</b>	<b>Fund Management Fee<sup>19</sup> (in % of the net Sub-Fund assets):</b>	<b>Performance Fee</b>
<b>Class A</b>	USD	up to 0.08 % <sup>20</sup>	up to 0.07 % <sup>20</sup>	up to 0.10 % <sup>20</sup>	none
<b>Class PF</b>	USD	up to 0.08 % <sup>20</sup>	up to 0.07 % <sup>20</sup>	up to 1.00 % <sup>20</sup>	Please see below

### **Performance Fee for Class PF:**

The Investment Manager receives a performance-related remuneration (a performance fee) for share class PF.

The amount of the performance fee is up to 25% of the amount by which the unit price per share class exceeds the high-water mark at the end of a settlement period and furthermore exceeds the hurdle rate of 5.0%. The initial high-water mark corresponds to the unit price as of 30 November 2018 of the share class.

The reference period for the high-water mark began on 01 December 2018 and subsequently corresponds to the entire term of the share class. The settlement period generally corresponds to the financial year of the fund. The first settlement

<sup>17</sup> The depositary fee is calculated daily on the net assets of the respective share class Sub-Fund of the previous valuation day and paid monthly in arrears. The depositary fee is subject to value added tax as applicable.

<sup>18</sup> The management fee is calculated daily on the net assets of the respective share class of the Sub-Fund of the previous valuation day and paid monthly in arrears. The management fee is subject to value added tax as applicable.

<sup>19</sup> The fund management fee is calculated daily on the net assets of the respective share class Sub-Fund of the previous valuation day and paid monthly in arrears. The fund management fee is subject to value added tax as applicable.

<sup>20</sup> The provision is established in USD.

period began on 01 December 2018 and ended on the closing date of the following end of the financial year or the end of the financial year after that, but no earlier than 12 months after the initial price calculation of the share class.

Entitlement to a performance fee is determined on a daily basis (consideration day) and is taken into account in the particular unit price that is determined. Performance fee is calculated after deducting any costs and taking into account subscriptions and redemptions. Entitlement to a performance fee determined during the settlement period does not necessarily lead to payment at the end of the settlement period.

The **high-water mark** is either the higher price of 30. November 2018 or the unit price at the end of the settlement period for which the last performance fee was paid, whichever is the higher. If the share price on the observation date is higher than the current high-water mark plus hurdle rate, the performance fee will be calculated and accrued. If the unit price on the consideration day is lower than the current high-water mark plus hurdle rate, no performance fee will be calculated. If the unit price falls below the high-water mark plus hurdle rate, positive accruals are reversed in favour of the respective share class. The performance fee is limited to 1.5% p.a. of the assets of the share class (Cap).

A positively accrued entitlement to a performance fee will only be paid at the end of a settlement period if the unit price exceeds the high-water mark plus hurdle rate. In this case, the high-water mark will be adjusted to the unit price at the end of the previous settlement period. If, during the settlement period, the Sub-Fund or a share class is liquidated or merged or if there is a complete redemption or conversion of share certificates by the investor and if a performance fee is due for shares affected by this, this is generally paid out pro rata on the day of liquidation or merger or on the day the share certificates are completely redeemed or converted.

If the accruals are negative at the end of the settlement period, these will be taken into account in the subsequent consideration. There is no entitlement to the reimbursement of performance fees already paid. The performance fee will be paid out in the currency of the respective share class at the end of the financial year.

This fee is subject to VAT as applicable.

*Calculation examples of the performance fee:*

Settlement period	Unit price at the beginning of the settlement period	Unit price at the end of the settlement period	Performance fee in %	Hurdle rate	High-water mark for the settlement period	High-water mark plus hurdle rate	Outperformance (absolut)	Payment of a performance fee	Performance fee	Cap on fund volume	Performance fee to be paid
1	100	110	25%	5%	100	105	5	Yes	1.25	1.50%	1.25
2	110	105	25%	5%	110	115.5	-10.5	No	0.00	1.50%	0.00
3	105	95	25%	5%	110	115.5	-20.5	No	0.00	1.50%	0.00
4	95	100	25%	5%	110	115.5	-15.5	No	0.00	1.50%	0.00
5	100	140	25%	5%	110	115.5	24.5	Yes	6.13	1.50%	2.10

## 7. Initial Issue Price

The Initial Issue Price for the Shares of Classes A and PF was 100.00 USD.

## 8. Subscriptions and Redemptions

Subscriptions for shares shall be accepted on each Valuation Day.

Subscription must be received by the Registrar Agent of the Company no later than 12.00 noon (Luxembourg time) one Banking Day before the applicable Valuation Day.

Subscription monies are payable in USD and must reach the Company no later than two Banking Days after the applicable Valuation Day.

Subscriptions must be sent to the Company for the amount subscribed, or for a number of shares, in the reference currency of the Sub-Fund concerned only.

Shares may be redeemed on each Valuation Day.

Redemption requests must be received by the Registrar Agent of the Company by 12.00 noon (Luxembourg time) one Banking Day before the applicable Valuation Day.

Redemption proceeds shall be paid in USD within four Banking Days after the applicable Valuation Day.

## **9. Subscription and Redemption Fees**

Subscription Fee: up to 6.00 %  
Redemption Fee: No redemption fees will be charged by the Sub-Fund

## **10. Rebates**

The Investment Manager and/or the Management Company shall be entitled to retrocession paid on behalf of the Sub-Fund. Such retrocessions will be credited to the Sub-Fund.

## **11. Saving plans and withdrawal plans**

The Management Company will not offer saving plans or withdrawal plans. Investors can obtain additional information from the institution that maintains their custody account.

## **12. Investment Manager**

The Investment Manager of the Sub-Fund is Deutsche Bank (Suisse) S.A., Place des Bergues 3, CH-1211 Geneva, Switzerland.

## **13. Reference Currency**

The reference currency of the Sub-Fund is USD.

The Sub-Fund may hedge the assets of the Sub-Fund denominated in a currency other than the USD. Nevertheless, it is not the intention of the Directors to hedge all of the Sub-Fund's assets.

## **14. Banking day**

With respect to this Sub-Fund, a Banking Day means any day that is also a banking and trading day in Luxembourg and Frankfurt/Main.

## **15. Valuation Day**

The Net Asset Value per share will be determined each Banking Day.

## **16. Distribution policy**

Class A and Class PF are income accumulating classes.

## **17. Exchange listing**

Exchange listing of the shares of the Sub-Fund is not applicable.

## **18. Subscription Tax (Taxe d'abonnement)**

Class A shares are subject to a subscription tax at an annual rate of 0.01% of the net assets of the Sub-Fund which is calculated and payable quarterly at the end of the relevant quarter. However, this tax is not due for the part of the Company's net assets invested in other Luxembourg UCIs.

Class PF shares are subject to a subscription tax at an annual rate of 0.05% of the net assets of the Sub-Fund which is calculated and payable quarterly at the end of the relevant quarter. However, this tax is not due for the part of the Company's net assets invested in other Luxembourg UCIs.

## PRE-CONTRACTUAL DISCLOSURE RELATING TO SFDR

### PRE-CONTRACTUAL DISCLOSURE for 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

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

**Product name:**

DB PWM II – Active Asset Allocation Portfolio – Growth (USD)

**Legal entity identifier:**

5493008R6M4TJ17EMO81

### Environmental and/or social characteristics

#### Does this financial product have a sustainable investment objective?

☒ ☒ ☐ **Yes**

☐ 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**: \_\_\_\_%

☒ ☐ ☒ **No**

☐ 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**

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



The sub-fund **DB PWM II – Active Asset Allocation Portfolio – Growth (USD)** (the “Sub-Fund” or “Financial Product”) promotes environmental and social characteristics by investing at least 80% of the its net asset value in investments (i.e. investment funds, equities or bonds) that meet a minimum MSCI ESG Rating<sup>10</sup> of BBB. Additionally, the Sub-Fund applies exclusion criteria based on data provided by the external data provider MSCI in order to exclude investments that are detrimental to the environmental or social characteristics promoted by the Sub-Fund. For clarification purposes, these exclusion criteria do not apply to liquid assets such as cash and cash equivalents and derivatives.

The Sub-Fund does not invest in sustainable investments within the meaning of article 2 (17) of Regulation (EU) 2019/2088 (hereinafter “SFDR”) and does not consider the EU criteria for environmentally sustainable economic activities, as defined under Regulation (EU) 2020/852 (“EU-Taxonomy”) in its investment decisions.

<sup>10</sup> MSCI assesses for issuers of financial instruments and investment funds various environmental and social characteristics and assigns an ESG rating ranging from AAA (highest score) to CCC (lowest score).

The Sub-Fund does not designate a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the Financial Product.

#### Sustainability indicators

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

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

The attainment of the promoted environmental and social characteristics is assessed via the use of ESG data provided and updated by MSCI ESG Research (UK) Limited and MSCI ESG Research LLC (all “MSCI”) based on relevant minimum criteria for (i) investment funds, (ii) countries, federal, regional and local authorities, and other (inter)national organisations and state-linked or other similar issuers (hereafter referred to as sovereigns) and (iii) other corporate issuers (hereafter referred to as companies).

The methodology applies a variety of assessment categories that are used as sustainability indicators to assess the attainment of the promoted environmental and social characteristics, which are as follows:

##### 1. Exclusion Criteria (negative screening)

- %-share of **investment funds** as a proportion of the Sub-Fund’s net asset value in violation of the UN Global Compact (“UNGC”) principles
- %-share of the Sub-Fund’s net asset value invested in **investment funds** allocating assets into controversial business sectors as per the below defined exclusion strategy, exceeding the predefined revenue thresholds
- %-share of the Sub-Fund’s net asset value that are issued by **companies** that are in violation of the UNGC principles
- %-share of the Sub-Fund’s net asset value invested in direct investments issued by **companies** involved in controversial business sectors as per the below defined exclusion strategy, exceeding the predefined revenue thresholds
- %-share of the Sub-Fund’s net asset value invested into debt instruments issued by **sovereigns** where the respective countries are labelled as “not free” by Freedom House

##### 2. ESG-Rating (positive screening)

- %-share of the Sub-Fund’s net asset value that is invested in assets in breach of the minimum MSCI ESG Rating of at least BBB or for which there is no MSCI ESG Rating available

Details regarding the methodology to assess the attainment of each of the environmental or social characteristics promoted by this Financial Product are further described in the subsequent section titled “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 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 Financial Product intends to promote environmental and social characteristics but does not seek to make investments within the meaning of article 2 (17) of the Sustainable Finance Disclosure Regulation (“SFDR”).

#### *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?*

The Sub-Fund does not seek to make sustainable investments within the meaning of article 2 (17) SFDR.

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

The Sub-Fund does not seek to make sustainable investments within the meaning of article 2 (17) SFDR.

*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 Sub-Fund does not seek to make sustainable investments within the meaning of article 2 (17) SFDR.

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?

**X**

Yes, the Sub-Fund takes into account the following principal adverse impacts (hereafter “PAI”) from Table 1 in Annex I of the Commission Delegated Regulation (EU) 2022/1288 supplementing the Sustainable Finance Disclosure Regulation (“SFDR RTS”) for investments:

The below depicted table describes the selection of indicators, as well as the procedures put in place to mitigate principal adverse impacts on sustainability factors:

#	PAI	Coverage via
Indicators applicable to investments in investee companies		
<b>CLIMATE AND OTHER ENVIRONMENT-RELATED INDICATORS</b>		
2	Carbon footprint	• Exclusion criteria (negative screening)
3	GHG intensity of investee companies	• Exclusion criteria (negative screening)
4	Exposure to companies active in the fossil fuel sector	Exclusion criteria (negative screening)
<b>INDICATORS FOR SOCIAL AND EMPLOYEE, RESPECT FOR HUMAN RIGHTS, ANTI-CORRUPTION AND ANTI-BRIBERY MATTERS</b>		
10	Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	Exclusion criteria (negative screening)
14	Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical	• Exclusion criteria (negative screening)

#### 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.

	weapons and biological weapons)	
--	---------------------------------	--

PAI are considered for the Sub-Fund by selecting investments that are in line with the exclusion criteria referred to in subsequent sections of this annex. The Sub-Fund excludes **(i)** issuers active in the fossil fuel sector that exceed the predefined turnover threshold further detailed below (sustainability factors related to the thermal coal exposure and the adverse impact indicators no. 2, 3 and 4), **(ii)** issuers that are severely violating the UNGC principles without positive perspective (sustainability factors related to the adverse impact indicator no. 10) and **(iii)** issuers that have exposure to controversial weapons (sustainability factors related to the adverse impact indicator no. 14).

Details on the respective exclusion criteria are further described in the section headed “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?”.

Further information on principal adverse impacts will be provided in an annex to the Sub-Fund’s annual report in accordance with Article 11 SFDR, under the section titled “Periodic disclosure for 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”.

 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’s objective is the real growth of wealth. The Sub-Fund seeks to maintain a generally well diversified asset mix. A high (up to 100%) equity exposure, combined with a low (down to 0%) fixed income exposure will produce greater volatility for the Sub-Fund. The Sub-Fund aims to mitigate the exposure of the Sub-Fund to the equity and fixed income markets by investing the remaining portion of its assets in (i) units or shares of regulated open-ended hedge funds and/or (ii) units or shares of UCIs in accordance with Article 41 (1) e) of the 2010 Law, the principal objective of which is the investment in real estate and/or (iii) real estate-related companies and/or (iv) forward contracts and indices based on commodity future contracts, including indirect investments in the latter instruments.

At least 80% of the Sub-Fund’s net asset value is allocated to investments that meet the promoted environmental and social characteristics as described in the following sections. The alignment of the portfolio with the binding elements of the investment strategy – the consideration of a minimum MSCI ESG Rating of BBB and an exclusion strategy – used to attain the promoted environmental and social characteristics, is continuously controlled and monitored via the Sub-Fund’s investment guidelines.

#### **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 methodology to assess the eligibility of investments for the proportion of assets “#1 Aligned with E/S characteristics” (at least 80% of the Sub-Fund’s net asset value), the Sub-Fund applies a variety of steps for investments in **(i)** investment funds, **(ii)** sovereigns and **(iii)** companies, as further detailed in subsequent sections of this annex:

##### **1) Exclusion criteria (negative screening)**

For the different types of investable assets listed below, the Sub-Fund applies the following negative screening criteria based on data provided by MSCI, whereas the threshold for investment funds should be understood as applying at portfolio level of the target funds for the proportion of assets in breach of the below defined criteria, the thresholds for companies as a revenue threshold and the threshold for all of which cannot be violated by investee assets.



For the avoidance of doubt: These exclusion criteria do not apply to liquid assets such as cash and cash equivalents or derivatives.

Type of investment	Threshold
<b>Investment funds (other than government bond funds)</b>	
Exposure to companies involved in thermal coal based on an underlying revenue threshold of 10% or more of their revenues	≤ 0.49%
Exposure to companies in a serious violation of the UN Global Compact principles (without positive perspective)	≤ 0.49%
Exposure to companies involved in controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons, depleted uranium weapons, blinding laser weapons, incendiary weapons, and non-detectable fragments) based on an underlying revenue threshold of 0%	≤ 0.49%
Exposure to companies involved in nuclear weapons based on an underlying revenue threshold of 0%	≤ 0.49%
Exposure to companies involved in conventional weapons based on an underlying revenue threshold of 10%	≤ 0.49%
Exposure to companies involved in firearms based on an underlying revenue threshold of 10%	≤ 0.49%
Exposure to companies involved in the cultivation and production of tobacco based on an underlying revenue threshold of 0%	≤ 0.49%
<b>Sovereigns and affiliated issuers</b>	
No serious violations of democratic and human rights (based on the assessment as “not free” according to the Freedom House Index)	
No social violations of investee countries (based on the sanction list of the European Union)	
<b>Corporate Issuers</b>	
No serious violations of the UN Global Compact principles (without positive perspective)	No violation
No serious violations of “Labor Compliance” (based on the fundamental principles of the International Labor Organisation („ILO“))	No violation
No serious violations of “Human Rights Compliance” (based on the UN Guiding Principles for Business and Human Rights (“UNGPs”))	No violation
No very severe controversy case based on the assessment of controversies and the severity of environmental and / or social impacts	No violation
Involvement in activities linked to controversial weapons ( <i>anti-personnel mines, cluster munitions, chemical weapons and biological weapons, depleted uranium weapons, blinding laser weapons, incendiary weapons, and non-detectable fragments</i> )	No involvement
Involvement through industry ties in nuclear weapons	No involvement
Revenue derived from weapons systems, components, and support systems and services	≤ 5%
Revenue derived from the production and / or distribution via wholesale and retail of civilian firearms and ammunition	≤ 5%
Revenue derived from services linked to nuclear power generation (e.g. nuclear power reactor design and engineering, uranium enrichment and processing, etc.)	≤ 5%

Revenue derived from uranium mining	0%
Revenue derived from the production and / or distribution of thermal coal	≤ 5%
Revenue derived from unconventional oil and gas	≤ 5%
Revenue derived from thermal coal-based power generation	≤ 5%
Revenue derived from the production of adult entertainment	0%
Revenue derived from the distribution of adult entertainment	≤ 5%
Revenue derived from genetically modified organisms	0%
Revenue derived from the production of biocides	≤ 5%
Revenue derived from gambling operations (including online or gambling)	≤ 5%
Revenue derived from the cultivation and / or the production of tobacco	0%
Involvement in the production and / or distribution of palm oil	No involvement

## 2) ESG rating (positive screening)

In addition to the exclusion criteria applied by the Sub-Fund, it makes use of a minimum MSCI ESG Rating for the Sub-Fund's equity and bond positions and investment funds.

### ESG rating for funds:

MSCI assigns an ESG rating for a fund including Exchange Traded Funds ("ETF") based on the weighted average of the individual ESG scores of assets held in the portfolio – according to the fund's most recently published "holdings. This excludes positions of cash and cash equivalents as well as certain derivatives. The ESG rating of the fund may change either due to changes in the ESG ratings of the securities held in the fund or due to a change in the composition of the analysed fund. MSCI will assign ESG ratings to funds if a certain coverage ratio of a fund's holdings has been rated by MSCI for ESG purposes.

### ESG Rating for companies:

MSCI assigns an ESG rating for companies by assessing the ESG performance relative to its peers on the basis of various ESG criteria. These ESG criteria relate to environmental, social and governance topics, ranging from "Mitigation of climate change" to "Ban on child labour and forced labour" or "Corporate principles in accordance with the International Corporate Governance Network".

### ESG rating for sovereigns and affiliated issuers:

MSCI assigns an ESG rating for issuers such as sovereigns, regional authorities and issuers affiliated with sovereigns with a view to the ESG risk factors in the value chain of the relevant country. The focus lies amongst others on stewardship of resources, the entitlement to basic services and performance as well as the government and justice system, a low level of susceptibility to environmental impacts or other external factors.

Assets that are to be included under the minimum proportion "#1 Aligned with E/S characteristics" (at least 80% of the Sub-Fund's net asset value) have to comply with the below described positive screening criteria assessed via the MSCI ESG rating:

Type of investment	Threshold
<b>Investment funds</b>	
MSCI fund ESG quality score ("AAA" – "CCC") - <i>if the investment fund is listed by MSCI in a peer group with a name containing the term "emerging markets" or "high yield"</i>	minimum "BBB"
MSCI fund ESG quality score ("AAA" – "CCC") - <i>if the investment fund that – based on its peer group – invests exclusively or primarily in equities from a country whose public limited companies are included in the MSCI EM index</i>	minimum "BBB"
MSCI fund ESG quality score ("AAA" – "CCC")	minimum "A"

### Sovereigns and affiliated issuers

MSCI ESG government score ("AAA" – "CCC")	minimum "A"
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### Corporate Issuers

MSCI ESG rating ("AAA" – "CCC")	minimum "A"
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**Good governance** practices include sound management structures, employee relations, remuneration of staff and tax compliance.

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

The applied ESG investment strategy of the Sub-Fund does not pursue a committed minimum reduction of the scope of the investments.

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

To the extent that the Sub-Fund invests directly into financial instruments other than investment funds, the following applies: The procedure to assess the good governance practices of investee companies is based on the analysis of the corporate standards in regards of the UN Global Compact principles, the UN Guiding Principles on Business and Human Rights, the fundamental principles of the International Labour Organization and the non-violation of the assessment on severe controversies and the underlying severity of environmental and / or social impacts.

Please refer to the previous section of this annex under the paragraph "1) Exclusion criteria (negative screening)" for additional information on the Sub-Fund's implementation of negative screening.



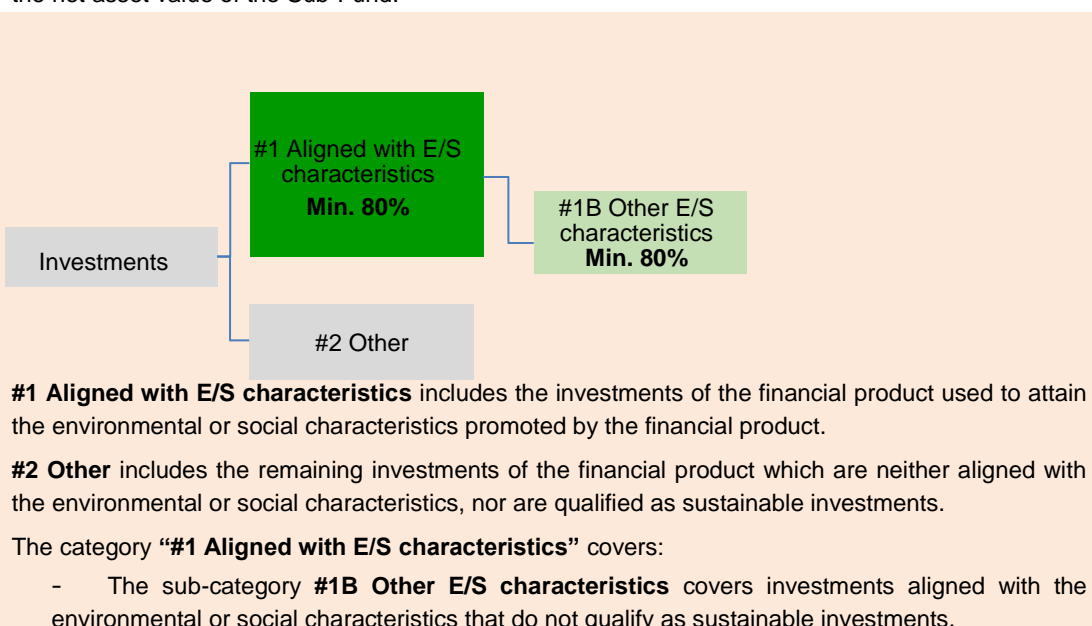
### What is the asset allocation planned for this financial product?

The Sub-Fund will at least 80% of the net asset value hold investments that are aligned with the promoted environmental and social characteristics ("#1 Aligned with E/S characteristics").

Up to 20% of the investments are not aligned with these characteristics and assigned under the proportion "#2 Other". The aforementioned allocation may account for bank balances, derivatives for the purpose of hedging or efficient portfolio management techniques, in addition to other investments that do not meet the sustainability indicators or do not have sufficient information available to allow an appropriate assessment.

No additional screening criteria as regards environmental or social minimum safeguards are set for the proportion of "#2 Other".

The percentages expressed within the below depicted Sub-Fund's asset allocation make reference to the net asset value of the Sub-Fund.



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

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

Derivatives are not used to attain the environmental and social characteristics promoted by the Sub-Fund.



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

The Sub-Fund does not commit to make environmentally sustainable investments aligned with the EU-Taxonomy, i.e. the investments do not take into account the EU criteria for environmentally sustainable economic activities.

The minimum extent is 0%.

● **Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy<sup>11</sup>?**



Yes:



In fossil gas



In nuclear energy

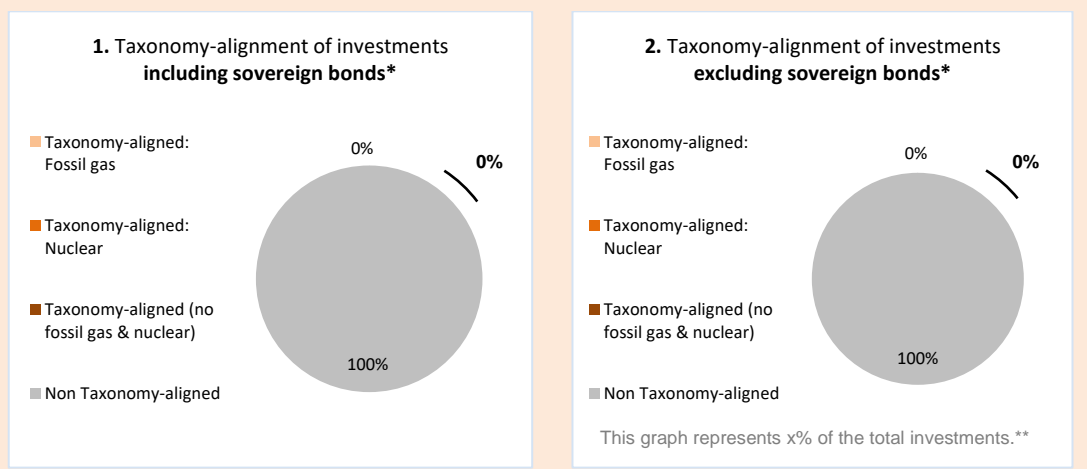


No

The Sub-Fund does not commit to make environmentally sustainable investments aligned with the EU-Taxonomy, in particular in fossil gas and/or nuclear energy. Nevertheless, it may also invest in companies that are active in these areas as part of the investment strategy.

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

**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.**



**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

<sup>11</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.

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

\*\* As the Sub-Fund does not commit to make sustainable investments that are aligned with the EU-Taxonomy, the figures across graphs do not differ.

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

The Sub-Fund does not commit to make environmentally sustainable investments that are aligned with the EU-Taxonomy, in particular not in investments in transitional activities in accordance with article 10 (2) of the EU-Taxonomy and enabling activities in accordance with article 16 of the EU-Taxonomy.

The minimum extent is 0%.

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

The Sub-Fund does not seek to make sustainable investments pursuant to article 2 (17) SFDR with an environmental objective that are not aligned with the EU Taxonomy.

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

The Sub-Fund does not seek to make socially sustainable investments pursuant to article 2 (17) SFDR.

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

The Sub-Fund invests at least 80% of its net asset value in investments that are aligned with the promoted environmental and social characteristics (“#1 Aligned with E/S characteristics”). The asset allocation “#2 Other” may account for bank balances, derivatives for the purpose of hedging or efficient portfolio management techniques, in addition to other investments that do not meet the sustainability indicators or do not have sufficient information to allow an appropriate assessment.

No additional screening criteria as regards environmental or social minimum safeguards are set for the proportion of “#2 Other”, which is limited to a maximum of 20% of the Sub-Fund's net-asset value.

● **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 Sub-Fund does not designate a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the Financial Product.

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

The Sub-Fund does not designate a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the Financial Product.

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

The Sub-Fund does not designate a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the Financial Product.

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

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



The Sub-Fund does not designate a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the Financial Product.

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

The Sub-Fund does not designate a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the Financial Product.



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

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

<https://www.hal-privatbank.com>

## ARTICLES OF ASSOCIATION OF NAME OF COMPANY

### SECTION ONE – NAME AND LEGAL FORM – REGISTERED OFFICE – DURATION – OBJECT OF THE COMPANY

#### 1. NAME AND LEGAL FORM

There exists among the shareholders and those who become shareholders at a later date a public limited company ("*société anonyme*") in the form of an investment company with variable capital ("*société d'investissement à capital variable*" or "SICAV") in accordance with Part I of the Law of 17 December 2010 on undertakings for collective investment, as amended or replaced from time to time (the "UCI Law") under the name of DB PWM II (the "Company").

#### 2. REGISTERED OFFICE OF THE COMPANY

- 2.1 The registered office of the Company is in the municipality of Schuttrange, Luxembourg. It may at any time be moved to another location in the Grand Duchy of Luxembourg by a resolution of the board of directors of the Company (the "Board of Directors", each member a "Director")) or the general meeting of shareholders of the Company (the "General Meeting") within this municipality or to any other place in the Grand Duchy of Luxembourg. The Board of Directors is then authorised to amend these articles of association (these "Articles") to take account of the transfer of the registered office of the Company.
- 2.2 The Board of Directors may decide to establish branches, subsidiaries or other offices either in the Grand Duchy of Luxembourg or abroad (but in no event in the United States of America, its territories or the areas under its jurisdiction).
- 2.3 If the Board of Directors determines that exceptional economic or social events have taken place or are imminent, which could affect the Company's normal course of business at its registered office or communications with persons abroad, the registered office may be temporarily relocated abroad until the extraordinary events have been fully resolved; such provisional measures have no effect on the nationality of the Company; the Company remains a Luxembourg company.

#### 3. DURATION

The Company is established for an unlimited duration.

#### 4. OBJECT OF THE COMPANY

- 4.1 The sole purpose of the Company is to invest the funds raised in securities and other eligible financial assets within the meaning of Part 1 of the UCI Law, in accordance with the principle of risk diversification and to provide the shareholders with the profits resulting from the management of their assets.
- 4.2 The Company may take any measures and execute any operations that it considers expedient with regard to the fulfilment and implementation of the object of the Company, to the fullest extent permitted by Part I of the UCI Law.

### SECTION TWO - SHARES

#### 5. CAPITAL, SUB-FUNDS, SHARE CLASSES

- 5.1 The capital of the Company is represented by fully paid-up shares with no par value and will at all times correspond to the total net asset value of the Company as calculated in accordance with Article 11 of these Articles. The minimum capital, as provided by law, is fixed at one million two hundred and fifty thousand euro (EUR 1,250,000) or the equivalent in the corresponding reference currency of the Company. The minimum capital must be achieved within six (6) months after the date on which the Company was admitted as an undertaking for collective investment under the UCI Law.
- 5.2 Subject to other statutory provisions or the provisions of these Articles, the net asset value of the Company corresponds to the net asset value of all share classes in all Sub-Funds. The net asset values to be allocated to

the Sub-Funds are converted into the corresponding reference currency of the Company, unless they are already denominated in this currency.

- 5.3 The capital upon formation of the Company was thirty-one thousand euros (EUR 30,000), divided into three hundred ten (3000) shares of no face value.
- 5.4 The Board of Directors may form one or more Sub-Funds within the meaning of Article 181 of the UCI Law. The assets of each Sub-Fund may be invested in transferable securities, money market instruments, cash or other eligible assets. The Sub-Funds may differ in their investment objectives, investment policy, reference currency or other characteristics which the Board of Directors may determine from time to time in relation to each Sub-Fund.
- 5.5 Despite its Sub-Fund structure, the Company has only a single legal personality. However, shareholder and creditor rights concerning a Sub-Fund or rights regarding the inception, custody or the liquidation of a Sub-Fund only refer to the assets of this Sub-Fund.
- 5.6 By way of derogation from Article 2093 of the Luxembourg Civil Code, the assets of a Sub-Fund are only liable up to the sum of the shareholder's invested assets in this Sub-Fund and also liable for the costs associated with the inception, management or liquidation of the Sub-Fund. Every Sub-Fund is treated as an independent entity with regards to the relationships of Shareholders to one another.
- 5.7 The Board of Directors may create each Sub-Fund for an unlimited or limited period of time; in the latter case, the Board of Directors may, at the expiry of the initial period of time, extend the term of that Sub-Fund one or more times. Shareholders will be informed in accordance with legal requirements each time the term of a Sub-Fund is extended. Upon expiry of the term of a Sub-Fund, the Company or an authorised third party will redeem all shares of the relevant share classes in accordance with the provisions of these Articles and the Prospectus.]
- 5.8 The Board of Directors may set up the Sub-Funds in the form of master or feeder Sub-Funds/ Company as defined in article 77 (1) of the UCI Law.
- 5.9 Within a Sub-Fund, the Board of Directors may issue one or more share classes whose assets are invested jointly but which may differ with respect to fee structure, minimum investment amount, distribution policy, prerequisites for shareholders, reference currency and other characteristics which the Board of Directors determines from time to time in relation to a share class.

## **6. SHARES**

- 6.1 The Board of Directors may decide to issue shares in the form of bearer shares, registered shares and/or dematerialised shares.
- 6.2 In addition, the Board of Directors may decide to issue share certificates for bearer shares (e.g. in the form of global certificates) (hereinafter "share certificates") and to determine their form and denomination. The issue of individual certificates is excluded for bearer shares (so-called "counter transactions"). The claim to delivery of actual shares may be excluded by a resolution of the Board of Directors or in the prospectus of the Company (the "Prospectus").
- 6.3 Share certificates may be signed by two (2) Directors. The signatures may be handwritten, printed or in facsimile. One of these signatures may be made by a person duly authorised to do so by the Board of Directors; in this case, it must be handwritten. The Company may issue temporary share certificates in such form as the Board of Directors may determine.
- 6.4 The Company recognises only a single owner per share. If one or more shares are jointly owned by several persons or if ownership of one or more shares is disputed, the Company may, at the discretion and under the responsibility of the Board of Directors, consider one of the persons claiming entitlement to such share(s) as the legal representative of such share(s) with respect to the Company.
- 6.5 The Company may decide to issue fractional shares. Such fractional shares are not entitled to vote but are entitled to participate in the net assets and distributions attributable to the relevant share class on a pro rata basis. Bearer shares are only issued in whole shares.



- 6.6 If a shareholder can prove to the satisfaction of the Company that his share certificate has been lost, damaged or destroyed, then, at the shareholder's request, a duplicate share certificate may be issued under such conditions and guarantees, including but not restricted to a bond issued by an insurance company, as the Company may determine. With the issuance of the new share certificate, which will be marked as a duplicate, the original share certificate being replaced by the new one becomes void.
- 6.7 Damaged share certificates may be cancelled by the Company and replaced by new certificates.
- 6.8 The Company may, at its discretion, charge to the shareholder the costs of a duplicate or of a new share certificate and all reasonable expenses incurred by the Company in connection with the issue and registration thereof or in connection with the cancellation of the original share certificate.
- 6.9 All issued registered shares will be entered in the register of shareholders maintained at the registered office of the Company or by one or more persons designated by the Company for this purpose. This register contains the name of each registered shareholder, their place of residence or domicile of choice, the number of shares they hold and, if applicable, the date of transfer of each share. Entry in the shareholder register is signed by one or more persons designated by the Board of Directors.
- 6.10 The Board of Directors may decide to issue a certificate or written confirmation of such registration.
- 6.11 A registered share is transferred by means of a written declaration of transfer, which is entered in the register of shareholders and is dated and signed by the purchaser and the seller or persons duly authorised to do so. The Company may also accept other certificates, if they provide sufficient evidence of the transfer. If share certificates were issued, the corresponding share certificate must be delivered to the Company or the buyer.
- 6.12 Each holder of registered shares must provide the Company with his/her address for registration in the register of shareholders. A shipping address can also be specified. All communications and notices of the Company to the shareholders may be sent to the relevant address in a legally binding manner. The shareholder can apply in writing to the Company at any time to have his/her address changed in the register.
- 6.13 In the event that a shareholder does not provide an address, the Company may have a notice to this effect entered into the register of shareholders. In this case, the address of the shareholder will remain at the registered office of the Company until the shareholder notifies the Company of another address.
- 6.14 Registered shares are only issued after the subscription has been accepted and payment has been received.
- 6.15 The transfer of bearer shares in partial or fully dematerialised form (global certificates or uncertificated securities) shall be effected by book entry in a securities account of the financial intermediary of the shareholder which the financial intermediary has opened with a clearing house or registrar, in accordance with the applicable laws and the rules and procedures for such a transfer as specified by the clearing house or registrar.
- 6.16 Dematerialised shares are entered exclusively in a securities account held at a settlement agent (*organisme de liquidation*), a central account manager (*teneur de compte central*), an account manager (*teneur de compte*) or a foreign account manager (*teneur de compte étranger*).
- 6.17 The Board of Directors may decide to issue certificates or written confirmations of such registration.
- 6.18 Unless otherwise excluded in the Prospectus for a Sub-Fund, a shareholder may at any time request the conversion of his/her dematerialised shares into registered shares, provided that he/she agrees to bear the costs incurred for such conversion. In addition, the Board of Directors may, if there is a legitimate interest in doing so, compulsorily carry out such a conversion.
- 6.19 The Board of Directors may decide to split the shares of one or more share classes.

## **7. ISSUE OF SHARES**

- 7.1 The Board of Directors is authorised without limitation to issue an unlimited number of fully paid up shares at any time without reserving to the existing shareholders a preferential right to subscribe for the shares to be issued.

- 7.2 The Board of Directors may impose restrictions on the frequency at which shares shall be issued in any share class; the Board of Directors may, in particular, decide that shares of any class shall only be issued during one or more subscription periods or at such other intervals as provided for in the Prospectus of the Company.
- 7.3 Shares are issued on the valuation day in accordance with the provisions of the Prospectus. The issue price is based on the net asset value of the relevant Sub-Fund. The issue price may be increased by a brokerage fee or other fees that may be specified in the currently valid Prospectus. The price determined in this way must be paid within a period determined by the Board of Directors and published in the Prospectus. As a rule, this period will not exceed [five (5)] banking days from the relevant valuation day as further set out in the Prospectus. Unless otherwise specified in the Prospectus, "banking day" means any day (except Saturday and Sunday and 24 and 31 December) on which banks in Luxembourg are open during normal business hours.
- 7.4 The subscription price may be rounded up or down to the nearest unit of the currency in which it is paid as the Board of Directors shall determine.
- 7.5 The Board of Directors may confer the authority upon all of its members, any managing director, officer or other duly authorised representative to accept subscription applications, to receive payments for new shares and to deliver these shares.
- 7.6 The Company may issue shares against delivery of suitable assets (the "contribution in kind"), provided that such delivery of securities complies with the investment policy of the [Company/relevant Sub-Fund] and takes place within its investment restrictions, in accordance with the legal conditions, which currently provide in particular for a valuation report by the auditor of the Company (the "Auditor"). All costs in connection with the issue of shares as part of a contribution in kind are to be borne by the subscriber in question.

## **8. REDEMPTION OF SHARES**

- 8.1 Any shareholder may request the redemption of all or part of his/her shares by the relevant Sub-Fund. The process, and in particular any restrictions, will be laid down in the Prospectus.
- 8.2 Redemptions are only made on one valuation day. The redemption price per share corresponds to the net asset value of the corresponding share, less costs and, if applicable, commissions. The redemption price may be rounded up or down to the nearest unit of the corresponding currency at the discretion of the Board of Directors. Redemptions are made at the redemption price of the corresponding valuation day.
- 8.3 The redemption price per share will be paid out within a period specified in the Prospectus, which should under normal circumstances not exceed five (5) banking days from the relevant valuation day as specified in the Prospectus. The condition for payment is the return of any share certificates issued and the receipt of other documents for the transfer of shares by the Company. In addition, there may be other legal hurdles to disbursement or hurdles arising through these Articles or the Prospectus.
- 8.4 If the number or the total net asset value of all shares held by a shareholder in a share class would fall below a minimum number or a corresponding minimum value determined by the Board of Directors after the request for redemption, the Board of Directors may determine that this request will be treated as a request for redemption of the entire shareholdings of the shareholder in that share class.
- 8.5 If, in addition, on a valuation day or at a valuation time during a valuation day, redemption applications as defined in this Article exceed a certain level set by the Board of Directors in relation to the shares of a given share class, the Board of Directors may resolve to delay part or all of the redemption and conversion applications for a certain time period and in the manner deemed necessary by the Board of Directors, in the best interest of the Company. As soon as sufficient liquid funds are available to process the applications, these redemption and conversion applications will be settled.
- 8.6 If the Board of Directors passes a corresponding resolution, the Company will be authorised to make non-cash payments of the redemption price to each shareholder who agrees by allocating to the shareholder assets, from the portfolio of assets to which the relevant Sub-Fund are allocated, at the respective value (in accordance with the provisions of Article 11 of the Articles) on the respective valuation day on which the redemption price is calculated, in accordance with the value of the shares to be redeemed. The nature and type of assets to be transferred in such case will be determined on a fair and reasonable basis and without prejudicing the interests

of the other shareholders in the share class(es). The valuation used will be confirmed by a special report of the Auditor. The costs of such a transfer are borne by the assignor.

## **9. CONVERSION OF SHARES**

- 9.1 Any shareholder may request the conversion of shares held in one class of shares into shares of another class of shares, subject to restrictions imposed by the Board of Directors, in particular with regard to the frequency, modalities and conditions (e.g. the payment of costs and charges), for such conversion requests. The terms, restrictions, costs and charges relating to such conversion requests are set out in the Prospectus.
- 9.2 The price for the conversion of shares will be determined by reference to the respective net asset value of the relevant share classes on the basis of the calculations made on the respective valuation day.
- 9.3 If a conversion of shares resulted in the number or the total net asset value of the shares held by a shareholder in a share class falling below a number or a value determined by the Board of Directors, the Company may require that shareholder to offer all shares belonging to the corresponding share class for conversion.
- 9.4 Converted shares are cancelled in their original share class.

## **10. RESTRICTIONS ON OWNERSHIP OF SHARES**

- 10.1 The Board of Directors may restrict the ownership of shares by any natural or legal person if it considers that such ownership could violate Luxembourg or other law, or if as a result of such ownership, the Company would be subject to specific tax or other financial disadvantages (such natural or legal persons herein being referred to as "Restricted Persons").
- 10.2 In this respect, the Company may:
- (a) decline to issue shares and to register the transfer of shares, where such registry or transfer would result in legal or beneficial ownership of such shares by a Restricted Person; and
  - (b) at any time require any person whose name is entered in the register of shareholders or who seeks to register the transfer of shares in the register of shareholders to furnish the Company with any information, supported by affidavit, which it may consider necessary for the purpose of determining whether or not beneficial ownership of such shareholder's shares rests with a Restricted Person, or whether such registration will result in beneficial ownership of such shares by a Restricted Person; and
  - (c) decline to accept the vote of any Restricted Person at the General Meeting; and
  - (d) if the Company learns that a Restricted Person alone or together with other persons is the beneficial owner of such shares, the Company may compulsorily redeem the shares held by the Restricted Person in accordance with the procedure described below.
    - (i) The Company will provide a notification ("notification of purchase") to the shareholder or the owner of the shares to be redeemed, in accordance with the entry in the register of shareholders; this notification designates the shares to be redeemed, the procedure under which the redemption price is calculated and the name of the acquirer.

Such notification will be sent by registered letter to the last known address of the relevant shareholder or to the address listed in the register of the Company. Notices to shareholders holding bearer shares or dematerialised shares will be published in one or more Luxembourg newspapers and other newspapers and/or electronic media, as determined by the Board of Directors.

This notification obligates the shareholder in question to surrender the share certificate or share certificates that represent the shares to the Company in accordance with the information in the notification of purchase. Immediately upon close of business on the date designated in the notification of purchase, the shareholder's ownership of the shares designated in the notification of purchase shall end. For registered shares, the name of the shareholder will be deleted from

the register of shareholders; for bearer shares, the certificate or certificates that represent the shares will be cancelled.

- (ii) The price at which each such share is acquired (the “purchase price”) shall be the net asset value per share of the relevant share class less costs and, where applicable, commissions on the date specified in the notification of purchase, determined in accordance with the provisions of Article 8, less the handling fee provided for in the notification of purchase.
- (iii) The purchase price shall be made available to the previous owner of these shares in the currency determined by the Board of Directors for the payment of the redemption price of shares of the corresponding share class and deposited by the Company at a bank in Luxembourg or elsewhere (corresponding to the information in the notification of purchase) after the final determination of the purchase price after the redemption of the share certificate(s) as designated in the notification of purchase and their corresponding coupons that have not yet matured. After the notification of purchase has been provided and in accordance with the procedure outlined above, the previous owner has no further claim in relation to these shares or individual shares, and the previous owner no longer has any claim against the Company or the Company’s assets related to these shares, with the exception of the right to repayment of the purchase price without interest from that bank after actual delivery of the share certificate(s), as mentioned above. All income from redemptions to which the shareholder is entitled in accordance with the provisions of this paragraph may no longer be claimed and is forfeited as regards the respective share class unless such income is claimed within a period of five (5) years after the date indicated in the notification of purchase. The Board of Directors is authorised to take all necessary steps at the appropriate time to return these amounts and to authorise the implementation of corresponding measures for the Company.
- (iv) The exercise of the powers by the Company in accordance with this Article may in no way be called into question or declared invalid because the ownership of shares was not sufficiently proven or that the actual ownership of shares did not correspond to the assumptions made by the Company on the date of the notification of purchase, provided that the Company exercised the above-named powers in good faith.

## **11. CALCULATION OF NET ASSET VALUE PER SHARE**

- 11.1 The Company, each Sub-Fund, each share class and each share has a net asset value. The reference currency of the Company is the EUR (the “Company Currency”). The respective reference currency of the Sub-Funds (the “Sub-Fund Currency”) and of the share classes (the “share class currency”) may differ. The respective net asset value is determined in accordance with the rules of Luxembourg law, these Articles and the Prospectus.
- 11.2 All calculated net asset values may be rounded up or down at the discretion of the Board of Directors.
- 11.3 The net asset value of the Company is calculated as the sum of the net asset values of all Sub-Funds calculated in accordance with Article 11.4.
- 11.4 The net asset value of a Sub-Fund is calculated as the sum of the net asset values of all share classes of this Sub-Fund calculated in accordance with Article 11.5. If there is only one share class in a Sub-Fund, the net asset value of this Sub-Fund is calculated as the sum of the values of the assets attributable to this Sub-Fund, less the corresponding attributable liabilities. The net asset value of such a Sub-Fund is calculated on each valuation day fixed for such Sub-Fund in accordance with the rules set out in these Articles and, where applicable, the rules of the Prospectus supplementing these Articles.
- 11.5 The net asset value of a share class is calculated as the sum of the assets of the respective Sub-Fund attributable to the respective class, less the corresponding attributable liabilities. The net asset value of a share class is calculated for each valuation day determined for this share class in accordance with the rules of these Articles and, if applicable, the rules of the Prospectus supplementing these Articles.
- 11.6 The net asset value per share is calculated by dividing the:

- (a) the net asset value of the corresponding Sub-Fund determined in accordance with Article 11.4 by the number of shares in this Sub-Fund; or
- (b) the net asset value of the corresponding share class determined in accordance with Article 11.5 by the number of shares in this share class. The net asset value of the share is generally calculated in the Sub-Fund Currency and then converted into the share class currency of the corresponding share class.

11.7 The assets shall be valued as follows :

- (a) The assets of the Company include:
  - (i) target fund units;
  - (ii) all cash positions and cash at banks including accrued interest;
  - (iii) all matured bills receivable and vested receivables as well as outstanding balances (including payment for securities sold but not yet delivered);
  - (iv) all shares and other securities equivalent to shares; all interest-bearing securities, certificates of deposit, bonds, subscription rights, convertible bonds, options and other securities, financial instruments and similar assets owned by or traded for the Company;
  - (v) cash and other dividends and distributions that can be claimed by the Company provided that the Company has been appropriately notified thereof;
  - (vi) accrued interest on interest-bearing assets that the Company owns provided that they are not included in the principal amount of the corresponding asset or are not reflected by the principal amount;
  - (vii) unamortised incorporation costs of the Company, including the costs of issuing and delivering shares to the Company; and
  - (viii) other assets of any type and origin, including prepaid expenses.
- (b) The value of these assets is determined as follows:
  - (i) target fund units are valued at the latest determined and obtainable net asset value per share or redemption price;
  - (ii) the value of any cash on hand or bank balances, certificates of deposit and outstanding receivables, prepaid expenses, cash dividends and interest declared or accrued and not yet received corresponds to the full amount thereof, unless, however, they are considered unlikely to be paid or received in full, in which case the value is determined in application of an appropriate discount to reflect the true value;
  - (iii) the value of assets listed or traded on an exchange or another regulated market is determined on the basis of the latest available price, unless otherwise specified below;
  - (iv) if an asset is not listed or traded on a stock exchange or on another regulated market or if, with regard to assets that are listed or traded on a stock exchange or other market as mentioned above, the prices in accordance with the provisions contained in point (iii) do not reasonably reflect the actual market value of the assets in question, the value of such assets is determined on the basis of the selling price which one would reasonably expect according to a prudent estimation;
  - (v) the settlement value of futures, forwards or options which are not traded on stock exchanges or other organised markets shall correspond to the respective net settlement value as determined in accordance with the guidelines established for the [Sub-Fund/Company] on a basis which shall be applied consistently with regard to all different types of contract. The

settlement value of futures, forwards or options traded on stock exchanges or other organised markets is calculated on the basis of the most-recently available settlement prices for such contracts on the stock exchanges or organised markets on which such futures, forwards or options are traded by a Sub-Fund; if a future, forward or option cannot be settled on a day for which the net asset value is determined, the valuation basis for such a contract is determined by the Company in an appropriate and reasonable manner;

- (vi) swaps are valued at their market value.
- (vii) money market instruments can be valued at the market value fixed in good faith by the Company and according to generally accepted valuation rules that can be verified by auditors.
- (viii) all other securities or other assets will be valued at their reasonable market value as determined in good faith and according to a procedure to be specified by the Company; and
- (ix) pro rata interest on securities is included if it is not already in the price (dirty pricing).

The value of all assets and liabilities not expressed in the reference currency of the corresponding Sub-Fund or the corresponding share class of the respective Sub-Fund will be converted into such currency at the latest available exchange rate. If such rates are not available, the rate of exchange will be determined in good faith under procedures established by the Company.

The Board of Directors may, at its discretion, permit other valuation methods if it considers that to be in the interests of the more appropriate valuation of an asset.

If in the consideration of the Board of Directors, the net asset value determined on a particular valuation day does not reflect the actual value of the respective shares, or if there have been significant movements on the relevant stock exchanges and/or markets since the determination of the net asset value, the Board of Directors may decide, in good faith, to update the net asset value on the same day. Under such circumstances, all subscription, conversion and redemption applications which are received for such valuation day are processed on the basis of the updated net asset value.

(c) The liabilities of the Company include:

- (i) all loans, bills payable and mature claims;
- (ii) all accrued interest on the Company's loans (including costs related to the provision of loans);
- (iii) all costs incurred or payable (including, without limitation, administrative costs, management costs, incorporation costs, depositary fees and costs for representatives of the Company);
- (iv) all known current and future liabilities, (including contractual liabilities due on cash payments or property transfers, including the amount of distributions not paid but declared);
- (v) appropriate provisions for future tax payments based on capital and income on the valuation day or -the date as determined by the Company and any other provisions authorised and approved by the Board of Directors and any other amounts that the Board of Directors considers appropriate in connection with pending liabilities of the Company; and
- (vi) all other liabilities, regardless of type or origin which are presented taking into account generally accepted accounting principles. In determining the amount of such liabilities, the Company will take into account all costs to be paid by the Company.

(d) Assets are allocated as follows:

- (i) if multiple share classes are issued within a Sub-Fund, the assets to be allocated to these share classes are invested together in accordance with the specific investment policy of each Sub-Fund;

- (ii) assets, liabilities, income and expenses attributable to a Sub-Fund are allocated to the share class(es) issued within each Sub-Fund;
- (iii) where an asset is derived from another asset, the derivative asset shall be allocated in the books to the same share class(es) as the assets from which it was derived, and on each revaluation of an asset, the increase or decrease in value shall be applied to the relevant share class(es);
- (iv) if an asset or a liability cannot be allocated to a particular share class, then that asset or that liability is allocated to all share classes on a pro rata basis in relation to their respective volumes or in another manner determined in good faith by the Board of Directors, whereby (i) when assets are held in an account for account of multiple Sub-Funds or are administered as a separate pool of assets by a representative of the Board of Directors authorised to do so, the corresponding right of each share class shall correspond on a pro rata basis to its investment in the account or pool in question, and (ii) this right shall change in accordance with the investments and redemptions made for account of the shares, as described in detail in the Prospectus for the shares, and finally (iii) the liabilities are distributed between the share classes on a pro rata basis in relation to their respective rights to the account or pool; and
- (v) after payment of distributions to the shareholders of a share class, the net asset value of this share class is reduced by the amount of the distributions.

All valuation regulations and resolutions shall be made and interpreted in accordance with generally accepted accounting principles.

With the exception of any cases of malicious acts, gross negligence or obvious error, any decision taken in connection with the calculation of the net asset value by the Board of Directors or by a bank, company or other office authorised by the Board of Directors to calculate net asset value shall be final and binding for the Company as well as present, past and future shareholders.

- (e) In connection with the rules of this Article, the following provisions apply:
  - (i) Outstanding shares to be redeemed under Article 8 of these Articles shall be treated as existing shares and taken into account until immediately after the date on which the valuation is made, as specified by the Board of Directors on the corresponding valuation day. From that date until the Company pays the redemption price, the Company records a liability in that amount.
  - (ii) Shares to be issued shall be treated as being issued from the date specified by the Board of Directors for the respective valuation day on which the valuation is made. From that date until the Company receives the subscription price, the Company records a receivable in that amount.
  - (iii) An income equalisation procedure may be carried out for the Company.

## **12. FREQUENCY AND TEMPORARY SUSPENSION OF THE CALCULATION OF NET ASSET VALUE AND OF THE ISSUE, REDEMPTION AND CONVERSION OF SHARES**

- 12.1 For each share, the net asset value and the issue, redemption and conversion prices per share will be calculated on a regular basis by the Company or by an office authorised by the Company, but not less than twice per month at intervals to be determined by the Board of Directors. The day on which this calculation is made shall be designated the "valuation day" as defined in these Articles. If the net asset value is determined more than once on a single valuation day, each of these times is considered to be a "valuation time" during that valuation day.
- 12.2 The Company may suspend the determination of the net asset value of a specific share class as well as the issue, conversion and redemption of shares:
  - (a) during any period in which a principal market or other market on which a substantial portion of the Company's assets that can be allocated to that share class are listed or dealt in is closed (with the exception of regular holidays), or during which trading in such assets is restricted or suspended, provided

that such restriction or suspension affects the valuation of the assets that can be allocated to that share class;

- (b) in emergencies, when in the consideration of the Board of Directors, the assets or the valuation of the assets that can be allocated to that share class cannot be disposed of;
- (c) during a breakdown in the means of communication or computer capacities that are normally used in connection with the determination of the price or the value of assets of such share class or in connection with the determination of the price or the value on an exchange or another market of assets allocated to a share class;
- (d) if for other reasons the price for assets cannot be determined rapidly or precisely;
- (e) the Company can no longer transact its business due to restrictions on foreign exchange and capital movements;
- (f) from the date of the publication of an invitation to an extraordinary general shareholders' meeting for the purposes of dissolution of the Company or share classes, or to carry out the merger of the Company, or to inform shareholders of the decision by the Board of Directors to dissolve, cancel or merge the Company;
- (g) if it is not possible to calculate an index which is subject to a financial derivative and which is material for the Company;
- (h) in the event of a merger of a Sub-Fund; or
- (i) in all other cases determined by the Board of Directors of the Company.

12.3 Any such suspension in the above cases will be, if required, published by the Company and notified to the shareholders who have submitted applications for the subscription, redemption or conversion of shares for which the calculation of net asset value was suspended.

12.4 Any such suspension in connection with a share class will have no effect on the calculation of the net asset value per share, the issue, redemption or conversion of shares of another share class.

12.5 Applications for subscription, redemption or conversion of shares may, on an exceptional basis, be revoked in the event of suspension of the calculation of the net asset value.

### **SECTION THREE - ADMINISTRATION AND SUPERVISION**

#### **13. BOARD OF DIRECTORS**

13.1 The Company is managed by a Board of Directors composed of not less than three (3) members, who need not be shareholders of the Company. The Directors are elected for a term not exceeding six (6) years. A Director may be re-elected. The Board of Directors is elected by the shareholders at the general meeting of shareholders at which the number of Directors, their remuneration (subject to the provisions described in Article 20) and the term of their office are also determined.

13.2 Members of the Board of Directors are selected by a majority vote of the shares present or represented at such meeting.

13.3 Any Director may be removed with or without cause or be replaced at any time by resolution adopted by the general meeting of shareholders.

13.4 In the event of a vacancy in the office of Director, the remaining Directors may temporarily fill such vacancy by resolution; the shareholders take a final decision regarding such nomination at their next General Meeting.



#### **14. MEETING OF THE BOARD OF DIRECTORS**

- 14.1 The Board of Directors shall appoint a chairman from among its members. It may choose a secretary, who need not be a Director, to write and keep the minutes of the meetings of the Board of Directors and of the general meetings of shareholders.
- 14.2 The Board of Directors will meet upon convocation by the chairman or any two Directors, at the place indicated in the notice of meeting.
- 14.3 The chairman presides at the board meetings and the general meetings of shareholders. In his absence, the shareholders or the Directors shall decide by a majority vote that another Director, or in case of a general meeting of shareholders, another person shall chair such meetings.
- 14.4 The Board of Directors may appoint any officers, including a managing director and any assistant managing directors as well as any other officers that the Company deems necessary for the operation and management of the Company. Such appointments may be cancelled at any time by the Board of Directors. The officers need not be Directors or shareholders of the Company. Unless otherwise stipulated by these Articles, the officers have the rights and duties conferred upon them by the Board of Directors.
- 14.5 Written notice of any meeting of the Board of Directors is given to all Directors twenty-four (24) hours prior to the date set for such meeting, except in emergencies, in which case the nature of the emergency will be set forth in the notice of meeting. This notice may be waived by consent in writing, by fax, e-mail or other similar means of communication. An individual invitation is not necessary for meetings, which are held at the dates and locations previously determined in a resolution of the Board of Directors.
- 14.6 Any Director may, for any meeting, appoint in writing, by fax, e-mail or any other similar means of communication another Director as his proxy. A Director may represent more than one of the other Directors.
- 14.7 Any member of the Board of Directors may participate in a meeting of the Board of Directors through a conference call or through similar means of communication that permit all participants in the meeting to hear one another; participation in this manner shall be considered to be same as personal participation in the meeting.
- 14.8 The Board of Directors may only act at duly convened meetings. The Directors may not bind the Company by their individual signatures, unless specifically authorised to do so by resolution of the Board of Directors.
- 14.9 The Board of Directors can deliberate or act only if at least the majority of the Directors, or any other quorum that the Board of Directors may determine, is present or represented.
- 14.10 Resolutions of the Board of Directors will be recorded in minutes signed by the chairman of the board meeting. Copies of extracts of such minutes to be produced in judicial proceedings or elsewhere will be validly signed by the chairman of the meeting or any two Directors.
- 14.11 Resolutions are taken by a majority vote of the Directors present or represented at such meeting. In the event of a tied vote, the chairman of the meeting shall cast the deciding vote.
- 14.12 The members of the Board of Directors may also unanimously pass written resolutions using the circular procedure. These resolutions have the same effect as resolutions passed at the board meetings. The signatures of the Directors may be obtained by letter, fax, e-mail or similar means of communication on a single document or on multiple copies of the same document. The entirety of the documents forms the minutes, which provide evidence of the resolution. Unless otherwise specified in the resolutions, the date of the last signature shall be deemed to be the date of the respective resolutions.

#### **15. POWERS OF THE BOARD OF DIRECTORS**

- 15.1 The Board of Directors is vested with the broadest power to perform all acts of disposition and administration in keeping with the Company's purpose and in compliance with the investment policy as determined in Article 18.1 of these Articles.

- 15.2 All powers not expressly reserved by law or by these Articles to the General Meeting may be exercised by the Board of Directors.

## **16. TRANSFER OF POWERS**

- 16.1 The Board of Directors of the Company may delegate its powers to conduct the daily management of (including the power to act as authorised signatory for the Company) and its powers to carry out acts in furtherance of the corporate policy and purpose to one or more natural or legal persons, who need not be members of the board, who shall have the powers determined by the Board of Directors and who may, if the Board of Directors so authorises, sub-delegate their powers.
- 16.2 The Company may enter into management company, investment management and/or investment advisory agreements with any Luxembourg or foreign company authorised to do so. Management companies must be authorised in accordance with Chapter III of Directive 2009/65/EC on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities, as amended (the “UCITS Directive”) and carry on the activities of collective portfolio management as defined in Annex II to the UCITS Directive. Investment managers and investment advisors act as administrators or advisors with regard to the implementation of the investment policy in accordance with Article 18.1 of these Articles. All of these service providers are subject to the overall supervision of the Board of Directors.
- 16.3 The power to manage the Company may be delegated to a Managing Director (*directeur général*) or an Executive Committee (*comité de direction*). If a Managing Director or Executive Committee is appointed, the Board of Directors shall monitor and control the Managing Director or Executive Committee.
- 16.4 The Board of Directors may decide to set up special committees. The Board of Directors shall determine the composition of the special committees and the powers conferred upon them. The Board of Directors is responsible for the performance of the duties of the special committees.

## **17. SIGNATORY AUTHORITY**

- 17.1 The Company shall be obligated to third parties in all matters by the joint signature of at least two (2) members of the Board of Directors.
- 17.2 With regard to day-to-day business, the Company shall be bound by the sole or joint signature(s) of the person(s) appointed for this purpose in accordance with Article 16.1.
- 17.3 In addition, the Company is bound by the joint signatures of the persons or by the sole signature of the person to whom the Company has granted special power of attorney, but only within the scope of this power of attorney.

## **18. INVESTMENT POLICY AND RESTRICTIONS**

- 18.1 The Board of Directors is authorised, on the basis of the principle of risk spreading, to determine the investment policy, the investment strategies to be observed for each Sub-Fund of the Company, as well as the administration and management guidelines, taking into account the investment restrictions provided for in the applicable laws and regulations or determined by the Board of Directors.
- 18.2 Under such conditions, the Board of Directors may determine that the Company’s investments in all securities, money market instruments or other permissible assets are subject to the investment restrictions determined by the Board of Directors within the framework of the applicable laws and regulations. With regard to investments in securities and money market instruments pursuant to Article 41(1)(c) and (d), first indent, of the UCI Law, the stock exchanges and regulated markets described therein must be located in a non-Member State in Europe, Asia, Australia and Oceania, North, Central and South America or Africa.
- 18.3 A Sub-Fund may invest in shares of one or more other target Sub-Funds of the Company in accordance with the provisions of Article 181(8) of the UCI Law. The voting rights attached to these shares are suspended as long as they are held by the investing Sub-Fund. Such an investment has no effect on the accounting for the shares concerned. However, when calculating the net assets of the Company to review the minimum net assets required by the UCI Law, the value of these shares is not taken into account.

- 18.4 If the Board of Directors establishes one or more feeder Sub-Funds within the meaning of Article 77(1) of the UCI Law, this feeder Sub-Funds will invest between a minimum of 85% and a maximum of 100% of its assets in units of an investable master UCITS (or one of its Sub-Funds) within the framework of the legal provisions and the Company's Prospectus.

## **19. CONFLICTS OF INTEREST**

- 19.1 No contract or other transaction between the Company and any other company or firm shall be affected or invalidated because any one or more of the Directors or officers has a personal interest in, or is a Director, associate, officer or employee of, such other company or firm. Each member of the Board of Directors and each officer who serves as Director, officer or employee of a company or firm which the Company contracts or otherwise engages in business shall not, by reason of such connection with the other company or firm, be prevented from considering and voting or acting upon any matters with respect to such contract or other business relationship.
- 19.2 If a Director or officer has in any transaction an interest conflicting with the interests of the Company, that Director or officer shall make known to the Board of Directors the conflicting personal interest and shall not consider or vote on any such transaction, and such transaction and such Director's or officer's interest therein shall be reported to the next succeeding general meeting of shareholders.
- 19.3 There is no "Conflicting Interest" in accordance with the above provisions for resolutions of the Board of Directors or of individual Board members with respect to legal transactions (even if these are concluded with persons or companies with which Board members are connected) concluded in the ordinary course of business of the Company at arm's length conditions.
- 19.4 A member of the Board of Directors acting as a member of a governing body or as a manager or other employee of a company or an enterprise with which the company is to conclude contracts or otherwise maintain business relations shall not be treated as representing interests that conflict with the interests of the Company for the purposes of the above provisions alone on account of his/her connection to this other company or this other entity. However, he/she must disclose this fact to the other members of the Board of Directors and, to the extent required by law, to the General Meeting.

## **20. REMUNERATION OF THE BOARD OF DIRECTORS**

- 20.1 Remuneration may be determined for the members of the Board of Directors. It also includes expense and other costs incurred by the Directors in carrying out their activities, including any costs for legal actions, unless these costs arose through intentional or grossly negligent conduct on the part of the Director.
- 20.2 The amount of the annual fixed remuneration of the members of the Board of Directors is determined by the General Meeting or the Board of Directors. If the Board of Directors makes the decision, the following shall apply:
- (a) Without the approval of the General Meeting, the amount of the annual fixed remuneration before taxes may not exceed EUR 100,000 (or an equivalent amount in another major currency) for all members of the Board of Directors;
  - (b) Members of the Board of Directors must abstain with regard to their own remuneration in the corresponding resolution.
  - (c) The exact amount of the annual fixed remuneration is disclosed in the annual report of the Company.

## **21. INDEMNIFICATION OF THE BOARD OF DIRECTORS**

The Company shall indemnify any Director or officer and his/her heirs, executors and administrators, against expenses reasonably incurred in connection with any legal action, suit or proceeding to which this person may be made a party by reason of being or having been a Director or officer of the Company or of any other company of which the Company is a shareholder or a creditor and from which he/she is not entitled to be indemnified, except in relation to actions, suits or proceedings in which the person is found legally liable for gross negligence or misconduct. In the event of a settlement, indemnification shall be provided only in connection with such matters covered by the settlement as to which the Company is advised by counsel that the person to be indemnified was not in breach of duty. The foregoing right of indemnification does not exclude other rights.

## **22. AUDITOR**

- 22.1 The accounting data related in the annual report of the Company shall be examined by an Auditor (*réviseur d'entreprises agréé*) appointed by the general meeting of shareholders and remunerated by the Company.
- 22.2 The Auditor will fulfil all duties prescribed by the Law of 2002.

## **SECTION FOUR – GENERAL MEETING OF SHAREHOLDERS – DISSOLUTION AND MERGER OF SHARE CLASSES AND THE COMPANY – FINANCIAL YEAR – DISTRIBUTIONS**

### **23. GENERAL MEETING OF SHAREHOLDERS**

- 23.1 The General Meeting represents the entire body of shareholders. Its resolutions are binding upon all the shareholders, regardless of the share class they hold. It has the broadest powers to order, carry out or ratify acts relating to the operations of the Company.
- 23.2 The General Meeting meets when convoked by the Board of Directors.
- 23.3 It may also be convoked upon the request of shareholders representing at least one-tenth (1/10) of the assets of the Company.
- 23.4 The annual general meeting of shareholders is held on the third Friday in January or any date within six (6) months after the end of the respective financial year, as determined by the Board of Directors, at the registered office of the Company or at a location in the Grand Duchy of Luxembourg indicated in the notice of such General Meeting.
- 23.5 Other General Meetings may be held at locations and at times indicated in the notices of meeting.
- 23.6 The invitation to the General Meetings may provide that the rules governing majority and quorum shall be determined in accordance with the shares issued and outstanding at midnight on the fifth (5th) day prior to the respective General Meeting. The rights of shareholders to attend such a meeting and to exercise their voting rights shall be determined in accordance with the shares held by such shareholder at that time. For dematerialised shares, the right and exercise of voting rights shall always be determined by the date fixed by Luxembourg law of 10 August 1915 on commercial companies, as amended (the "Law of 1915").
- 23.7 If bearer shares and/or dematerialised shares have been issued, the invitations to general meetings of shareholders, including the agenda, shall be published in accordance with the legal provisions in the *Recueil électronique des Sociétés et Associations* ("RESA"), in one or more Luxembourg newspapers and in other newspapers and/or electronic media, as determined by the Board of Directors. Owners of registered shares will additionally receive an invitation, which will be sent to each owner of registered shares by ordinary letter within the legally prescribed deadlines before the General Meeting, unless the owners in question have individually agreed to receive this invitation by other means of communication. The notification to the shareholders of registered shares must be presented at the meeting. If only registered shares have been issued and if no publications are issued, the invitation to shareholders may only be sent by registered letter to the addresses of shareholders entered in the register, unless the holders in question have individually agreed to receive this invitation by other means of communication.
- 23.8 The agenda will be prepared by the Board of Directors, except when the meeting is convoked on the written request of the shareholders, in which case the Board of Directors may prepare a supplementary agenda.
- 23.9 If all shareholders are present or represented and consider themselves as being duly convened and informed of the agenda, the general meeting of shareholders may take place without written notice of the meeting.
- 23.10 The business transacted at any general meeting of shareholders shall be limited to the matters on the agenda (which shall include all transactions required by law) and transactions related to these matters.
- 23.11 Each share entitles the holder to one vote, regardless of the share class. A shareholder may be represented at any meeting of shareholders through a written proxy to another person, who need not be a shareholder and who may be a Director of the Company.

23.12 Shareholders may vote in writing (by means of a paper ballot). The form of the ballot shall be determined by the Board of Directors. Unless otherwise provided for by the Board of Directors, this paper shall contain, inter alia, (i) the surname, first name, address and signature of the shareholder concerned, (ii) information on the shares on which the shareholder is exercising his voting right, (iii) the agenda included in the invitation and (iv) the voting rules (approval, rejection, abstention) for each item on the agenda. The ballots must be deposited at the registered office of the Company at least five (5) days prior to the respective meeting. The Board of Directors may, however, stipulate a reduced submission period in the convocation of the General Meeting at its own discretion.

23.13 The Board of Directors may determine all other conditions to be fulfilled by Shareholders in order for them to participate in a General Meeting.

23.14 In the event that a shareholder acts or fails to act in breach of the Articles or his/her signature agreement or any other contractual obligation towards the Company, the Board of Directors may, at its sole discretion, suspend the voting rights of such shareholder.

23.15 Unless otherwise provided by law or in these Articles, resolutions of the General Meeting are passed by a simple majority vote of the shareholders present or represented.

#### **24. GENERAL MEETINGS OF SHAREHOLDERS IN A SUB-FUND**

24.1 The shareholders of a Sub-Fund or share class may hold General Meetings at any time in respect of all matters relating to such Sub-Fund or share class.

24.2 The relevant provisions in Article 23 apply accordingly to such General Meetings.

#### **25. DISSOLUTION OR MERGER OF SUB-FUNDS OR SHARE CLASSES**

25.1 Unless for any reason:

(a) the total net asset value of a Sub-Fund or asset class within a Sub-Fund falls below a value or does not reach a value stipulated by the Board of Directors as being the minimum value for the economically efficient management of that Sub-Fund or share class;

(b) or in the event of a material change in the political, economic or monetary environment or in the framework of a rationalisation; or

(c) in other circumstances determined by the Board of Directors;

the Board of Directors may compulsorily redeem all shares of the Sub-Fund/the share class(es) at the net asset value per share (taking into account the actual realisation prices and realisation costs of the investments) on the valuation day or date on which the corresponding resolution takes effect. The Company shall inform holders of the corresponding share class(es) prior to the compulsory redemption taking effect. Subject to any decision to the contrary in the interests of the shareholders or in order to uphold the equal treatment of all shareholders the Sub-Fund/share class(es) concerned may apply to have their shares redeemed or converted free of charge prior to the compulsory redemption (but taking account of the actual realisation prices and costs of the investments).

25.2 Without prejudice to the above powers of the Board of Directors, a General Meeting of one, several or all share classes issued in a Sub-Fund may, on the proposal of the Board of Directors, redeem all shares of the relevant share class(es) (taking into account the actual realisation prices and costs of the investments) at the net asset value per share on the valuation day or at the net asset value per share at the valuation time on a valuation day, on which the relevant resolution is effective and pay out to the shareholders the net asset value per share. A quorum is not required at the General Meetings of the Sub-Funds/share class(es) concerned and decisions shall be adopted with a simple majority of the shares present or represented.

25.3 The liquidation proceeds from the Sub-Funds or share classes will be deposited with the *Caisse de Consignation*, subject to a charge, after completion of the liquidation, for the legally stipulated period if not all shareholders can be contacted. Under the provisions of Luxembourg law, any sums that are not claimed within the prescribed legal period may be forfeited.

- 25.4 All redeemed shares shall be cancelled.
- 25.5 The Company (or a Sub-Fund of the Company) may participate in cross-border or domestic mergers according to the following rules in the capacity of either a “merging” or a “receiving” UCITS (as defined in Article 1 (20) a) to c) of the UCI Law).
- 25.6 The Board of Directors is responsible for determining the date on which a merger will enter into force. In derogation of this, in the case of a merger leading to the dissolution of the Company, the resolution on the merger shall be passed by the general meeting of shareholders, which shall decide on the merger by a simple majority of the votes present or represented and without attendance requirements. The resolution must be notarised.
- 25.7 If the Company is the acquiring UCITS, the Company may derogate from the provisions of Articles 43, 44, 45 and 46 of the UCI Law for a period of six (6) months after the effective date of the merger, subject to the principle of risk diversification. The Company shall take the requisite measures to ensure that details of the merger are published as required and that the CSSF and all other authorities concerned are duly informed.
- 25.8 The Board of Directors may at any time, under the conditions set out in section 25.1, decide to merge one share class of a Sub-Fund into another share class of the same Sub-Fund, of another Sub-Fund or of another UCITS.

## **26. FINANCIAL YEAR**

The financial year of the Company begins on 1 October of each year and ends on 30 September of the following year.

## **27. DISTRIBUTIONS**

- 27.1 Upon proposal by the Board of Directors and within the legal limits, the General Meeting will decide on the use of the corresponding income. It may, at the appropriate time, declare distributions or authorise the Board of Directors to do so.
- 27.2 The Board of Directors determines for each Sub-Fund /each share class whether or not distributions are made to shareholders from the respective Sub-Fund/the assets of the respective share class. This is mentioned in the respective Annex to the Prospectus.
- 27.3 Notwithstanding the above provision, the Board of Directors may resolve a distribution from time to time. A resolution on interim distributions does not require a resolution by the General Meeting.
- 27.4 Both ordinary net income and net realised price gains may be distributed.
- 27.5 In addition, unrealised price gains and other assets may be distributed, provided that the distribution does not cause the net asset value of the Company to fall below the statutory minimum limit.
- 27.6 An income equalisation procedure may be carried out for the Sub-Fund.
- 27.7 Distributions are paid out on the basis of the shares issued on the date of distribution. Any income not claimed within five (5) years of publication of an announcement of distribution are forfeited in favour of the respective share class.
- 27.8 In the event that two or more share classes are formed, the specific use of the income of the respective share class will be determined in the Prospectus of the Company.

## **SECTION FIVE – FINAL PROVISIONS**

### **28. COSTS**

- 28.1 The following costs may be charged to the respective Sub-Fund:
- (a) The Management Company receives a fee from the respective Sub-Fund. The amount of the remuneration (including, if applicable, the specification of a maximum amount and any minimum or basic

remuneration) as well as the modalities for calculation and payment with regard to the individual Sub-Funds are mentioned in the Prospectus. This fee is subject to value added tax as applicable.

- (b) In addition, a management company or an appointed investment manager or a third party may receive a performance fee in addition to the fixed remuneration. The amount applicable to the respective Sub-Fund as well as the modalities of calculation and payment of the performance fee are mentioned in the Prospectus. This fee is subject to value added tax as applicable.
- (c) The Investment Advisor or the Investment Manager may receive a fee from the respective Sub-Fund. The amount of the remuneration (including, if applicable, the specification of a maximum amount and any minimum or basic remuneration) as well as the modalities for calculation and payment with regard to the individual Sub-Funds are mentioned in the Prospectus. This fee is subject to value added tax as applicable.
- (d) The Depositary receives a fee from the respective Sub-Fund. The amount of the remuneration (including, if applicable, the specification of a maximum amount and any minimum or basic remuneration) as well as the modalities for calculation and payment with regard to the individual Sub-Funds are mentioned in the Prospectus. This fee is subject to value added tax as applicable.
- (e) Any Distributor may receive a fee from the respective Sub-Fund. The amount of the remuneration (including, if applicable, the specification of a maximum amount and any minimum or basic remuneration) as well as the modalities for calculation and payment with regard to the individual Sub-Funds are mentioned in the Prospectus. This fee is subject to value added tax as applicable.
- (f) The Registrar and Transfer Agent or an appointed sub-registrar and sub-transfer agent the respective Sub-Fund. The amount of the remuneration (including, if applicable, the specification of a maximum amount and any minimum or basic remuneration) with regard to the individual Sub-Funds are mentioned in the Prospectus. This fee is subject to value added tax as applicable.
- (g) Individual assets may not be taken into consideration in the calculation of the aforementioned remuneration if this is appropriate and in the interest of the shareholders.
- (h) In addition to the aforementioned fees, the following costs may be charged to the respective Sub-Fund:
  - (i) all costs in connection with the acquisition, sale and ongoing management of assets;
  - (ii) a standard market fee for the provision of direct and indirect operational expenses of the Depositary or Management Company resulting in particular from the use of OTC transactions, including the costs of collateral management incurred in connection with OTC transactions, securities lending transactions, repurchase agreements and other costs incurred in connection with OTC derivatives trading;
  - (iii) taxes and similar charges levied on the assets, income or expenses of the Company;
  - (iv) costs incurred by the Management Company or the Depositary for legal advice when acting in the interests of the shareholders of the Company;
  - (v) fees and costs for the Company's Auditor;
  - (vi) costs for issuing share certificates;
  - (vii) costs of preparing, depositing and publishing the Articles and other documents, e.g. prospectuses relating to the Company, including the costs of registrations or written explanations to all registration authorities, stock exchanges (including local securities dealers' associations) and other institutions, which must be undertaken in connection with the Company or the offering of its shares;
  - (viii) costs for the preparation and, if necessary, translation of the key investor information document or other legally required documents;

- (ix) printing and distribution costs in respect of the annual and semi-annual reports for shareholders in all required languages as well as the printing and distribution costs for all further reports and documents which are required according to the applicable laws and regulations of the aforementioned authorities;
- (x) costs of publications intended for shareholders, including the costs of informing the shareholders of the respective assets of the Company by means of a durable data medium;
- (xi) advertising costs and marketing costs incurred at least indirectly in connection with the offer and sale of shares of the Company;
- (xii) costs for risk controlling and risk management;
- (xiii) all costs and remunerations in connection with the settlement of share certificate transactions and sales services;
- (xiv) costs of assessing the rating of the Sub-Fund by nationally and internationally-recognised rating agencies;
- (xv) costs in connection with any exchange listing;
- (xvi) fees, expenses and other costs of the paying agents, any Distributors and other offices that are necessary to establish abroad;
- (xvii) expenses of any investment committee, investor committee or ethics committee;
- (xviii) remuneration and expenses of a Board of Directors or Supervisory Board;
- (xix) costs of establishing the Company or individual Sub-Funds and the initial issue of shares;
- (xx) additional management costs, including costs for interest groups;
- (xxi) costs for performance attribution;
- (xxii) insurance costs;
- (xxiii) interest accrued on loans taken out in accordance with Article 18.1 of the Articles;
- (xxiv) costs related to the implementation of regulatory requirements/reforms;
- (xxv) any licence costs for the use of indices requiring authorisation;
- (xxvi) costs and expenses for the Registrar and Transfer Agent or any sub-registrar and sub-transfer agent;
- (xxvii) D&O insurance costs and
- (xxviii) costs for postage, telephone and fax.

None of the aforementioned costs, fees, fees and expenses include any value added tax, withholding tax or other taxes that may be incurred.

- (i) All costs are first charged to the ordinary income and the capital gains and then finally to the assets of the Company.
- (j) The costs of the individual Sub-Funds are calculated separately, insofar as they exclusively concern the respective Sub-Fund.



- (k) The Management Company, Depositary, Investment Manager and Investment Advisor may, within the framework of the statutory provisions, support the sales and marketing activities of any intermediaries from their proceeds and pay recurring sales commissions and trail commissions. The amount of these commissions are generally based on the value of the Company.
- (l) The costs of the establishment of the Company will be charged to the Sub-Funds launched at the time of establishment and may be written off in equal instalments within the first financial year. Costs in connection with the launch of additional Sub-Funds are written off against the corresponding Sub-Fund assets within the first financial year following the launch of the respective Sub-Fund.

## **29. DEPOSITARY**

- 29.1 As an undertaking for collective investment in securities, a Depositary must be appointed for the Company.
- 29.2 All tasks and obligations of the Depositary are governed by the UCI Law and the relevant circulars and guidelines issued by national and international supervisory authorities, the depositary agreement and the Prospectus.
- 29.3 The Depositary may terminate its depositary function at any time. If this occurs, the Board of Directors shall make every effort to appoint another credit institution as depositary with the approval of the competent supervisory authority within two months of the effective date of termination. Until a new depositary is appointed, the previous depositary shall fully comply with its statutory obligations and functions under these Articles.
- 29.4 The Company is also entitled to terminate the depositary appointment at any time in accordance with the relevant depositary agreement. Any such termination will necessarily result in the dissolution of the Company unless the Company, after the end of the written notice period, has appointed another bank as depositary with the approval of the competent supervisory authority, to assume the statutory functions of the previous depositary.

## **30. DISSOLUTION OF THE COMPANY**

- 30.1 The Company may at any time be dissolved by a resolution of the General Meeting, subject to the quorum and majority requirements set out in Article 32 of these Articles. In the event of a merger resulting in the termination of the company, Article 25.6 shall apply.
- 30.2 If the net asset value of the Company falls below two-thirds of the minimum capital indicated in Article 5 of the Articles, the question of the dissolution of the Company will be referred to the General Meeting by the Board of Directors. The General Meeting, for which no quorum is required, will decide by simple majority of the votes of the shares represented at the General Meeting.
- 30.3 The question of the dissolution of the Company shall also be presented to the General Meeting whenever the net asset value of the Company falls below one-quarter of the minimum capital set by Article 5 of these Articles; in such event, the General Meeting will be held without any quorum requirements and the dissolution may be decided by shareholders holding one-quarter of the votes of the shares represented at the meeting.
- 30.4 The meeting must be convened so that it is held within a period of forty days from the date of determination that the net asset value of the Company has fallen below two-thirds or one-quarter of the legal minimum capital.

## **31. LIQUIDATION OF THE COMPANY**

- 31.1 Liquidation of the Company shall be carried out by one or more liquidators, who may be natural or legal persons, appointed by the General Meeting, which shall also determine their powers and their remuneration.
- 31.2 The liquidation proceeds of the Company will be deposited with the *Caisse de Consignation* in Luxembourg, subject to a charge, after completion of the liquidation, for the legally stipulated period if not all investors can be contacted. Under the provisions of Luxembourg law, any sums that are not claimed within the prescribed legal period may be forfeited.

## **32. AMENDMENTS TO THE ARTICLES**

These Articles may be amended at any time in accordance with the legal provisions of the Law of 1915.

### **33. DEFINITIONS**

- 33.1 Masculine designations in these Articles also include the corresponding feminine designations; references to persons or shareholders also include legal persons, partnerships or other organised associations of persons, whether they possess legal personality or not.
- 33.2 The English version of these Articles is legally binding.

### **34. APPLICABLE LAW**

The provisions of the Law of 1915 and the UCI Law shall apply to all matters not regulated in these Articles. In the event that the numbering of the Articles within the aforementioned laws changes due to subsequent amendments to the laws, the reference to a specific article of law in these Articles shall be deemed to be replaced by the new article number.