



# Prospectus

## SEB Green Bond Fund

R.C.S Luxembourg: K55

**April 2024**

## Important Note

No information or statements that deviate from the Prospectus or Management Regulations may be given.

SEB Investment Management AB shall not be liable for any information provided or statements given that deviate from this Prospectus.

Information and statements in this Prospectus are based on the current laws and practices in the Grand Duchy of Luxembourg and are subject to any amendment of these laws and practices.

The distribution of the Prospectus and the offering for sale of unit classes of this Fund is restricted in some jurisdictions. It is the responsibility of each person who possesses this Prospectus and each person who wishes to subscribe to the units in accordance with this Prospectus to find out about all applicable laws and regulations of the relevant judicial systems, and to observe them. Future investors should inform themselves on the legal requirements and consequences of unit subscriptions, ownership, conversion and sale of units and any applicable exchange rate control regulations and taxes in the countries of their nationality, their domicile or their place of residence.

This Prospectus is only valid, when used in connection with the applicable KID, the Management Regulations and the audited annual report of the Fund, the report date of which must not be older than 16 months. This report should be accompanied by the un-audited semi-annual report of the Fund, if the annual report date is older than eight months.

**This Prospectus does not constitute an offer or solicitation to subscribe to units to persons in jurisdictions where it is unlawful to make such an offer or solicitation or in which the person who issues such an offer or solicitation is not qualified to do so, or to persons to whom the making of such an offer or solicitation is unlawful.**

In some countries a translation of the Prospectus may be required. Should discrepancies between the translation and the English version of this Prospectus arise, the English version shall prevail.

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## Glossary of terms

The following summary is qualified in its entirety by reference to the more detailed information included elsewhere in this Prospectus.

<b>Base Currency</b>	the currency of denomination of Fund being the euro (EUR)
<b>Branch</b>	SEB Investment Management AB, Luxembourg Branch
<b>Central Administration</b>	The Bank of New York Mellon SA/NV, Luxembourg Branch
<b>Class / Unit Class</b>	the Management Company may decide to issue separate classes of Units whose assets will be commonly invested but where a specific entry or exit charge structure, minimum investment amount, distribution policy or any other feature may be applied
<b>Collateral Policy</b>	The collateral policy for OTC derivatives & efficient portfolio management techniques for SEB Investment Management AB
<b>CSSF</b>	the Luxembourg Financial Supervisory Authority "Commission de Surveillance du Secteur Financier"
<b>Depository</b>	Skandinaviska Enskilda Banken (publ), AB Luxembourg Branch
<b>Directive 2009/65/EC</b>	Directive 2009/65/EC of the European Parliament and of the Council of 13 July 2009 on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities, as amended from time to time
<b>EU</b>	European Union
<b>ESMA</b>	European Securities and Markets Authority, previously the Committee of European Securities Regulators
<b>FATCA</b>	US Foreign Account Tax Compliance Act
<b>FATF</b>	Financial Action Task Force
<b>Finansinspektionen</b>	the Swedish Financial Supervisory Authority
<b>Fund</b>	SEB Green Bond Fund is organised under the Law as a common fund ( <i>FCP – fonds commun de placement</i> ).
<b>Institutional investor</b>	An undertaking or organisation, within the meaning of Article 174 of the Law such as credit institutions, professionals of the financial sector – including investment in their own name but on behalf of third parties who are also investors within the meaning of this definition or pursuant to a discretionary management agreement - insurance and reinsurance companies, pension funds, Luxembourg and foreign investment schemes and qualified holding companies, regional and local authorities
<b>KID</b>	key information document of a Unit Class
<b>Law</b>	the Luxembourg law of 17 December 2010 on undertakings for collective investment, as amended from time to time
<b>Management Company</b>	SEB Investment Management AB, acting directly or through the Branch, as the case may be
<b>Management Regulations</b>	the management regulations of the Fund as amended from time to time

<b>Member State</b>	a member state/states of the EU. The states that are contracting parties to the Agreement creating the European Economic Area other than the Member States of the EU, within the limits set forth by this Agreement and related acts, are considered as equivalent to Member States of the EU.
<b>NAV - Net Asset Value per Unit</b>	the value per Unit of any Class determined in accordance with the relevant provisions described in this Prospectus and the Management Regulations
<b>OECD</b>	Organisation for Economic Co-operation and Development
<b>Prospectus</b>	the currently applicable prospectus of the Fund, as amended and updated from time to time
<b>RCS</b>	Luxembourg Trade and Companies Register, Registre de Commerce et des Sociétés
<b>Reference Currency</b>	currency of denomination of the relevant Class
<b>SEB Group</b>	Skandinaviska Enskilda Banken AB (publ) and all its subsidiaries
<b>SFDR</b>	Regulation (EU) 2019/2088 of 27 November 2019 on sustainability-related disclosures in the financial services sector
<b>Taxonomy Regulation</b>	Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088
<b>UCI</b>	Undertaking for Collective Investment
<b>UCITS</b>	Undertaking for Collective Investment in Transferable Securities
<b>Unitholder</b>	the holder of Units in the Fund
<b>Units</b>	units of the Fund
<b>Valuation Day</b>	a day on which the NAV per Unit is calculated Unless there is a suspension in the processing of Fund unit transactions, or unless the Valuation Day is stated otherwise, any bank business day in Luxembourg except 24 December and 31 December <sup>1</sup> .
<b>Value at Risk or VaR</b>	The Value at Risk methodology provides an estimate of the maximum potential loss over a specific time period and at a given confidence level, i.e. probability level. Usually for UCITS, the time period is 1 month/20 business days and the confidence level is 99%. For example, a VaR estimate of 3% on a 20-days' time period with a 99% confidence level means that, with 99% certainty, the percentage the Fund can expect to lose over the next 20 days' period should be maximum 3%.
<b>Website of the Branch</b>	<a href="http://www.sebgroup.lu">www.sebgroup.lu</a>

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<sup>1</sup> For an up-to-date list of days when the NAV is not calculated: <https://sebgroup.lu/private/luxembourg-based-funds/luxembourg-funds-trading-calendar>. This list may be updated without notice.

# I. THE FUND

## 1. General Information

SEB Green Bond Fund (hereinafter the “Fund”) is an undertaking for collective investment in transferable securities (“UCITS”) that is set up in the form of a mutual investment fund (“fonds commun de placement”) and is subject to the provisions of Part I of the law of 17 December 2010 (“the Law”).

The Fund was set up on 10 October 1989 for an indefinite period.

The Fund is registered at the Luxembourg Register of Commerce under the number K 55.

The Management Regulations lastly modified with effect from 31 January 2024 have been published in the *Recueil Electronique des Sociétés et Associations (RESA)* on 31 January 2024.

The Fund's assets composed of transferable securities and other eligible assets, are managed by the Management Company.

The money of the Fund is invested by the Management Company, or where applicable, the appointed investment manager, acting in its own name on behalf of the joint account of the Unitholders in securities, money market instruments and other eligible assets (the “Eligible Assets”), based on the principle of risk-spreading.

Unitholders as joint owners have an interest in the assets of the Fund in proportion to the number of Units they hold. All Fund's Units have the same right. In accordance with the Law, a subscription of Units constitutes acceptance of all terms and provisions of the Prospectus and the Management Regulations.

This Prospectus is only valid, when used in connection with the applicable KID, the Management Regulations and the audited annual report of the Fund.

## 2. Involved Parties

### 2.1. Presentation of involved Parties

<b>RCS Number:</b>	R.C.S Luxembourg K55
<b>Management Company</b>	SEB Investment Management AB SE-106 40 Stockholm
	<u>Visiting address:</u> Malmskillnadsgatan 44 B, 111 57 Stockholm Sweden
<b>Branch of the Management Company</b>	SEB Investment Management AB, Luxembourg Branch 4, rue Peternelchen L-2370 Howald

**Board of Directors of the Management Company**

**Chairperson**

Johan Wigh  
Partner  
Törngren Magnell & Partners Advokatfirma  
Jakobs Torg 3  
111 52 Stockholm  
Sweden

**Members**

Mikael Huldt  
Head of Asset Management  
AFA Försäkring  
Klara Södra Kyrkogata 18  
111 52 Stockholm  
Sweden

Louise Hedberg  
CEO and senior advisor  
Penny to Pound AB  
Sturevägen 16 A  
182 73 Stocksund  
Sweden

**Central Administration (including Administration, Registrar and Transfer Agent) and Paying Agent in Luxembourg**

The Bank of New York Mellon SA/NV,  
Luxembourg Branch  
2-4, rue Eugène Ruppert  
L-2453 Luxembourg

**Global Distributor**

SEB Asset Management AB  
Malmskillnadsgatan 44 B  
SE-111 57 40 Stockholm, Sweden

**Depositary**

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

**Representatives and Paying Agents outside Luxembourg**

A full list of Representatives and Paying Agents outside Luxembourg is available free of charge at the address of the Management Company, at the address of the Branch and on the Website of the Branch.

**Approved Statutory Auditor of the Fund (hereinafter the "Auditor")**

Ernst & Young S.A.  
35E avenue John F. Kennedy  
L-1855 Luxembourg, Grand Duchy of Luxembourg

## **2.2. Description of the Parties**

### **2.2.1 The Management Company/Branch**

The Fund is managed on behalf of the Unitholders by the Management Company, SEB Investment Management AB as a consequence of the merger by absorption of SEB Asset Management S.A. by SEB Investment Management AB. The Management Company was established on 19 May 1978 in the form of a Swedish limited liability company (AB). The Management Company is authorized by Finansinspektionen for the management of UCITS and for the discretionary management of financial instruments and investment portfolios under the Swedish UCITS Act (SFS 2004:46). The Management Company is also authorised as an alternative investment fund manager to manage alternative investment funds under the Swedish AIFM Act (SFS 2013:561). It has its registered office in Sweden at SE-106 40 Stockholm.

The Management Company, governed by Chapter 15 of the Law of 2010 performs the administrative duties that are necessary within the framework of Fund management as required by Luxembourg law.

The subscribed and paid-in capital amounts to SEK 1,500,000

The objective of the Management Company is the creation, administration, management and distribution of undertakings for collective investment in transferable securities (UCITS) and alternative investment funds (AIF) and ancillary services, as well as discretionary management of financial instruments and investment portfolios.

With regard to the Fund, the Management Company is responsible for the following functions: investment management, administration and marketing. The Management Company may, under its own responsibility, control and coordination, delegate some of its functions to third parties to ensure efficient management.

The Management Company conducts its business mainly in Sweden and has established a branch in Luxembourg. Risk management and central administration activities are performed through the Branch. The Management Company may act either directly or through the Branch. The Management Company may be represented either by the board of directors of the Management Company or by the manager of the Branch.

The Management Company acts as management company for other funds. The names of such other funds can be found on the Website of the Branch.

### **2.2.2 The Central Administration and Paying Agent**

The Management Company has delegated part of the Central Administration as further detailed hereafter, including the Administrative, Registrar and Transfer Agent functions – under its continued responsibility and control and at its own expense - to The Bank of New York Mellon SA/NV, Luxembourg Branch, 2-4 rue Eugène Ruppert, L-2453 Luxembourg.

The Bank of New York Mellon SA/NV was incorporated in Belgium as a “*société anonyme/naamloze vennootschap*” on 30 September 2008 , and its Luxembourg branch is registered with the Luxembourg Trade and Companies' Register under Corporate Identity Number B 105 087(the “Administrative Agent” or “Registrar and Transfer Agent”).

In its capacity as administration agent, the Administrative Agent will carry out certain administrative duties related to the administration of the Fund, including the calculation of the Net Asset Value of the Units and the provision of accounting services for the Fund.

In its capacity as registrar and transfer agent, the Registrar and Transfer Agent will process all subscriptions, redemptions, transfers and conversions of Units and will register these transactions in the unitholders' register of the Fund.



The Bank of New York Mellon SA/NV, Luxembourg Branch may, subject to approval from the Management Company and the subsequent update of the Prospectus, as required, sub-delegate parts of its functions to entities all in accordance with Luxembourg law and regulations.

The Bank of New York Mellon SA/NV has been also delegated the function of paying agent of the Fund. The Bank of New York Mellon SA/NV, Luxembourg Branch shall be responsible for the collection of subscription amounts in relation to the issue of Units as well as for making payments in relation to the redemption of Units and payment of dividends.

### **2.2.3 Global Distributor**

SEB Asset Management AB has been appointed by the Management Company as the Global Distributor of the Fund.

### **The Global Distributor is entitled to delegate all or part of its duties to one or several sub-distributors.2.2.4 Depository**

Skandinaviska Enskilda Banken AB (publ), Luxembourg Branch, registered with the Luxembourg trade and companies register under number B39819 and having its place of business at 4, rue Peternelchen, L-2370 Howald, a branch of Skandinaviska Enskilda Banken AB (publ), a credit institution incorporated in Sweden and registered with the Swedish Companies Registration Office under number 502032-9081 with its registered office in Stockholm, Sweden has been appointed as depository (the "Depository") for the safe-keeping of the assets of the Fund which comprises the custody of financial instruments, the record keeping and verification of ownership of other assets of the Fund as well as the effective and proper monitoring of the Fund's cash flows in accordance with the provisions of the Law, as amended from time to time, and the Depository Agreement entered into with the Management Company (the "Depository Agreement").

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

In carrying out its functions the Depository acts honestly, fairly, professionally and independently and solely in the interest of the investors. The Depository is on an ongoing basis analyzing, based on applicable laws and regulations as well as its conflict of interest policy potential conflicts of interests that may arise while carrying out its functions. It has to be taken into account that the Management Company and the Depository are members of the same SEB Group. Thus, both have put in place policies and procedures ensuring that they (i) identify all conflicts of interests arising from that link and (ii) take all reasonable steps to avoid those conflicts of interest. Where a conflict of interest arising out of the group link between the Management Company and the Depository cannot be avoided, the Management Company or the Depository will manage, monitor and disclose that conflict of interest in order to prevent adverse effects on the interests of the Fund and of the investors.

When performing its activities, the Depository obtains information relating to funds which could theoretically be misused (and thus raise potential conflict of interests issues) in relation to e.g. the interests of other clients of the SEB Group, whether engaging in trading in the same securities or seeking other services, particularly in the area of offering services competing with the interests of other counterparties used by the funds/fund managers, and the interests of the Depository's employees in personal account dealings. Potential conflicts of interests in the SEB Group can be further exemplified as not market equivalent pricing of the depositories' services and the undue influence in the management and board of directors of the funds/fund managers by the Depository, and vice versa.

Consequently, to mitigate the potential conflicts of interest, it has been ensured that the activities of a depository function are physically, hierarchically and systematically separated from other functions of the Depository in order to establish information firewalls. Moreover, the depository function has a mandate and a veto to approve or decline

fund clients independent of other functions and has its own committees for escalation of matters connected to its role as a depositary, where other functions with potentially conflicting interests are not represented.

For further details on management, monitoring and disclosure of potential conflicts of interest please refer to Instruction for Handling of Conflicts of Interest in Skandinaviska Enskilda Banken AB (publ) which can be found on the following webpage:

<https://sebgroup.com/about-us/our-business/our-divisions/seb-investment-management/about-investment-management/reports-and-legal-information>

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

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

<http://sebgroup.lu/siteassets/corporations-and-institutions/global-custody-network.pdf>

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

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

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

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

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

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

### **3. Investment Objective and Policy of the Fund**

SEB Green Bond Fund is a bond fund with a main objective to invest in bonds with a focus on sustainability and environmental opportunities related to climate change, adaptation and mitigation. The Fund aims to generate long-term income while maintaining the desired sustainability profile. This actively managed fund invests primarily in green bonds from global issuers. Green bonds are bonds in which the proceeds will be exclusively allocated towards new and existing green projects – defined as projects and activities that promote climate or other environmental sustainability purposes. At least 80 percent of the bonds in the portfolio will be classified as green bonds. All bonds in the Fund's portfolio will have an investment grade rating or the equivalent. Despite the foregoing, a maximum of 10% of the bonds in the Fund's portfolio may qualify as "unrated securities", meaning that they are missing an official rating from a credit rating agency.

The Fund has sustainable investments as its objective within the meaning of Article 9 of SFDR.

For treasury purposes the Fund may invest in bank certificates of deposit, banker's acceptances, treasury bills, commercial paper, and other money market instruments, on an ancillary basis and if it is in the best interest of the Unitholders.

The Fund may hold ancillary liquid assets. Ancillary liquid assets, or cash on sight, is limited to a maximum amount of 20 % of the Fund's net assets. The full limit of 20% is rarely used and may only be exceeded in situations where exceptional unfavorable market circumstances apply such as September 11 attacks or the bankruptcy of Lehman Brothers in 2008.

The Fund may also invest in interest-bearing securities (including zero coupon bonds), and in regularly traded money market instruments, including liquid assets, as provided for in the Management Regulations.

The Management Company may use derivatives to ensure efficient portfolio management (including carrying out transactions for hedging purposes) and in order to achieve the investment objective.

The Fund does not invest in asset-backed securities and mortgage-backed securities.

Recommendation: this Fund may not be appropriate for investors who plan to withdraw their money within three year(s).

The Fund's return is compared to Bloomberg Barclays MSCI Green Bond Index 1-5 years, a multi-currency green bond index (the "Index"). The Index differs from broader bond indexes due to its concentration of sustainable bonds. While the majority of the investments are part of the Index, they may differ in weight and some may be excluded if they are incompatible with the Fund's strict sustainability approach.

#### **3.1. Sustainability Approach and Integration of Sustainability Risks**

When selecting investments, the Fund integrates environmental, social, and corporate governance ("ESG") factors into the investment process by implementing criteria from the Management Company's Sustainability Policy (the "Sustainability Policy"), to this effect exclusionary screens are applied on potential investments before investment decisions are made.

The Sustainability Policy is based on international commitments, to which the Management Company is devoted to, including:

- UN Global Compact;
- OECD Guidelines for Multinational Enterprises;
- UN Supported Principles for Responsible Investments (PRI).

The Sustainability Policy is subject to change, the latest version can be found on the Website of the Branch.

In addition, an in-house created Sustainability Model (the "Sustainability Model") has been developed by the Management Company. The Sustainability Model assesses individual companies and issuers conditions for managing sustainability risks and opportunities with the objective of identifying companies which promotes sustainable features. Fifty percent of the Sustainability Model focuses on potential sustainability risks, which are ESG events or conditions that if they would occur, they could have a negative impact on the target investment. By using several independent risk data sets with indicators tailored to each individual sector, our assessment is that the Sustainability Model ensures that significant sustainability risks are reflected and used in investment decisions. The model includes but is not limited to the following assessments of sustainability risks:

- Overall ESG Ratings from several data providers
- Gender Diversity
- Operations, Products and Services with Misalignment towards the UN Sustainability Development Goals (SDGs)
- Carbon Emissions and Carbon Emission Intensity

The Sustainability Model is used to the extent that sustainable data is available for the purpose of providing a relevant, forward-looking, and individual sustainability score and to provide guidance in relation to current and future sustainability factors that may affect long-term risks and returns.

As part of the main objective the fund seeks to contribute to the global reduction of carbon emissions. This is performed by investing in projects with a clear focus on renewable energy, sustainable transports and the development of new sustainable technology in line with achieving the long term objective of the Paris agreement.

Moreover, the Management Company engages in proactive and reactive dialogue with companies in which the Company invests to ensure that sustainability risks and opportunities are in focus. Proactive dialogue entails influencing companies in order to improve general sustainability initiatives, and also working proactively with the company on specific issues. Reactive dialogue is pursued when situations arise where we assess that a company fails to fulfil international standards and guidelines.

**Further information about the Fund's sustainability approach can be found in Annex I at the end of the Prospectus.**

### **3.2. Eligible Assets**

The provisions of this section apply only insofar to the Fund as they are compatible with its specific investment policy.

The Fund may only invest in

Transferable securities and money market instruments

- a) transferable securities and money market instruments admitted to or dealt in on a regulated market within the meaning of the Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments;

- b) transferable securities and money market instruments dealt in on another market in a Member State which is regulated, operates regularly and is recognised and open to the public;
- c) transferable securities and money market instruments admitted to official listing on a stock exchange in a non-Member State of the EU or dealt in on another market in a non-Member State of the EU which is regulated, operates regularly and is recognised and open to the public;
- d) recently issued transferable securities and money market instruments, provided that:
  - the terms of issue include an undertaking that application will be made for admission to official listing on a stock exchange or on another regulated market which operates regularly and is recognised and open to the public;
  - the admission is secured within one year of issue;

Transferable securities and money market instruments mentioned under c) and d) are listed on a stock exchange or dealt in on a regulated market in North America, Central America, South America, Australia (incl. Oceania), Africa, Asia and/or Europe.

#### **Units of undertakings for collective investment**

- e) units of UCITS and/or other UCIs, including exchange traded funds (“ETFs”), within the meaning of article 1, paragraph (2), points a) and b) of the Directive 2009/65/EC, as may be amended from time to time , whether or not established in a Member State, provided that:
  - such other UCIs are authorised under laws which provide that they are subject to supervision considered by the CSSF to be equivalent to that laid down in Community law, and that cooperation between authorities is sufficiently ensured;
  - the level of protection for unitholders in the other UCIs is equivalent to that provided for unitholders in a UCITS, and, in particular, that the rules on asset segregation, borrowing, lending and uncovered sales of transferable securities and money market instruments are equivalent to the requirements of the Directive 2009/65/EC;
  - the business of the other UCIs is reported in half-yearly and annual reports to enable an assessment of the assets and liabilities, income and operations over the reporting period;
  - no more than 10% of the net assets of the UCITS or the other UCIs, whose acquisition is contemplated, can, according to their management regulations or instruments of incorporation, be invested in aggregate in units of other UCITS or other UCIs;

#### **Deposits with a credit institution**

- f) deposits with a credit institution which are repayable on demand or have the right to be withdrawn, and maturing in no more than 12 months, provided that the credit institution has its registered office in a Member State or, if the registered office of the credit institution is situated in a third country, provided that it is subject to prudential rules considered by the CSSF as equivalent to those laid down in Community law;

#### **Financial derivative instruments**

- g) financial derivative instruments, including equivalent cash-settled instruments, dealt in on a regulated market mentioned above in sub-paragraphs a), b) and c), and/or financial derivative instruments dealt in over-the-counter (“OTC derivatives”), provided that:
  - the underlying consists of instruments described in sub-paragraphs a) to h), financial indices, interest rates, foreign exchange rates or currencies, in which the Fund may invest, in accordance with the investment objectives;
  - the counterparties to OTC derivative transactions are institutions subject to prudential supervision and belonging to the categories approved by the CSSF; and
  - the OTC derivatives are subject to reliable and verifiable valuation on a daily basis and can be sold, liquidated or closed by an offsetting transaction at any time at their fair value at the Fund's initiative.

Where the financial derivative instrument is cash-settled automatically or at the Fund's discretion, the Fund will be allowed not to hold the specific underlying instrument as cover. Acceptable cover is described under Section 3.5.below.

The Fund might engage in index related contracts to gain quick and cost-efficient exposure to underlying markets under the condition that the underlying indices for these investments are publicly available, transparent and governed by pre-determined rules and objectives, all in accordance with the ESMA guidelines on ETFs and other UCITS issues (ESMA/2014/937).

Within the limits under g) here above, the Fund may make use of all financial derivative instruments authorised by the Law and/or by circulars issued by the CSSF.

The Funds has not and currently does not intended to enter into any total return swap ("TRS") or other financial derivative instrument with similar characteristics. The Prospectus will be updated in accordance with the Regulation (EU) 2015/2365 of the European Parliament and of the Council of 25 November 2015 on transparency of securities financing transactions and of reuse ("SFTR") prior to any use of any such instruments by the Fund.

#### **Money market instruments other than those dealt in on a regulated market**

- h) money market instruments other than those dealt in on a regulated market and which fall under article 1 of the Law, if the issue or the issuer of such instruments is itself regulated for the purpose of protecting investors and savings, and provided that these investments are:
- issued or guaranteed by a central, regional or local authority, a central bank of a Member State, the European Central Bank, the EU or the European Investment Bank, a non-Member State or, in the case of a Federal State, by one of the members making up the federation, or by a public international body to which one or more Member States belong, or
  - issued by an undertaking any securities of which are dealt in on regulated markets referred to in subparagraphs a), b) or c) or
  - issued or guaranteed by an establishment subject to prudential supervision, in accordance with criteria defined by Community law or by an establishment which is subject to and complies with prudential rules considered by the CSSF to be at least as stringent as those laid down by Community law, or
  - issued by other bodies belonging to the categories approved by the CSSF provided that investments in such instruments are subject to investor protection equivalent to that laid down in the first, the second or the third indent and provided that the issuer is a company whose capital and reserves amount to at least ten million euro (EUR 10,000,000) and which presents and publishes its annual accounts in accordance with the fourth Directive 78/660/EEC, is an entity which, within a group of companies which includes one or several listed companies, is dedicated to the financing of the group or is an entity which is dedicated to the financing of securitisation vehicles which benefit from a banking liquidity line.

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

However, the Fund shall not invest more than 10% of its net assets in transferable securities or money market instruments other than those referred to under this section above.

#### **Securities financing transactions**

- i) The Fund does not engage in any securities financing transactions as defined by the SFTR. The Prospectus will be updated in accordance with the SFTR as well as other relevant laws and regulations prior to the Fund entering into such transaction.

### **3.3. Investment restrictions applicable to Eligible Assets**

Transferable securities and money market instruments as defined in the Law

- 1) The Fund may invest no more than 10% of its net assets in transferable securities or money market instruments issued by the same body.
- 2) Moreover, the total value of the transferable securities and money market instruments held by the Fund in the issuing bodies in each of which it invests more than 5% of its net assets, shall not exceed 40% of the value of its net assets. This limitation does not apply to deposits and OTC derivative transactions made with financial institutions subject to prudential supervision.

Notwithstanding the individual limits laid down in point 1), point 8) and point 9) the Fund shall not combine, where this would lead to investing more than 20% of its net assets in a single body, any of the following:

- investments in transferable securities or money market instruments issued by that body,
  - deposits made with that body, or
  - exposures arising from OTC derivative transactions undertaken with that body
- 3) The limit of 10% laid down in point 1) may be raised to a maximum of 35% if the transferable securities or money market instruments are issued or guaranteed by a Member State, by its public local authorities, by a non-Member State or by public international bodies of which one or more Member States belong.
  - 4) The limit of 10% laid down in point 1) may be of a maximum of 25% for covered bonds as defined in Article 3, point 1, of Directive (EU) 2019/2162 of the European Parliament and of the Council 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 (hereinafter "Directive (EU) 2019/2162"), and for certain bonds where they are issued before 8 July 2022 by a credit institution which has its registered office in a Member State and is subject by law, to special public supervision designed to protect bondholders. In particular, sums deriving from the issue of those bonds issued before 8 July 2022 must be invested in accordance with the law in assets which, during the whole period of validity of the bonds, are capable of covering claims attaching to the bonds and which, in case of bankruptcy of the issuer, would be used on a priority basis for the reimbursement of the principal and payment of the accrued interest.

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

The transferable securities and money market instruments referred to in points 3) and 4) are not included in the calculation of the limit of 40% stated above in point 2).

The limits set out in points 1), 2) 3) and 4) shall not be combined; thus investments in transferable securities or money market instruments issued by the same body or in deposits or derivative instruments made with this body carried out in accordance with points 1), 2), 3) and 4) shall not exceed in total 35% of the net assets of the Fund.

- 5) Notwithstanding the above limits, the Fund may invest, in accordance with the principle of risk-spreading, up to 100% of its net assets in different transferable securities and money market instruments issued or guaranteed by a Member State, one or more of its local authorities, by a member state of the OECD, G20, Singapore or Hong Kong or public international body to which one or more Member States of the EU belong, provided that (i) such securities and money market instruments are part of at least six different issues and (ii) the securities and money market instruments from any single issue do not account for more than 30% of the total net assets of the Fund.
- 6) Without prejudice to the limits laid down here below the limits of 10% laid down in point 1) above is raised to maximum 20% for investment in units and/or debt securities issued by the same body when the aim of the investment policy of the Fund is to replicate the composition of a certain stock or debt securities index which is recognised by the CSSF, on the following basis:
  - the composition of the index is sufficiently diversified;
  - the index represents an adequate benchmark for the market to which it refers;
  - the index is published in an appropriate manner.

This limit of 20% is raised to 35% where that proves to be justified by exceptional market conditions, in particular in regulated markets where certain transferable securities or money market instruments are highly dominant. The investment up to this limit is only permitted for a single issuer.

Securities mentioned in point 6) need not to be included in the calculation of the 40% limit mentioned in point 2).

#### **Units of undertakings for collective investment**

- 7) The Fund will not invest more than 10% of its net assets in units /shares of other UCITS or UCIs, including ETFs.

For the purpose of applying this investment limit, each Fund of a UCITS or UCI with multiple Funds shall be considered as a separate issuer, provided that the principle of segregation of the obligations of the different Funds is ensured in relation to third parties.

When the Fund has acquired units of UCITS and/or other UCIs, the assets of the respective UCITS or other UCIs do not have to be combined for the purposes of the limits laid down in this section 3.2.

When the Fund invests in the units of other UCITS and/or other UCIs that are managed, directly or by delegation, by the same management company or by any other company with which the management company is linked by common management or control, or by a substantial direct or indirect holding, that management company or other company may not charge entry or exit charges on account of the Fund's investment in the units of such other UCITS and/or other UCIs

The Fund may invest in all kinds of ETFs, provided that the investment policy of these ETFs corresponds widely to the investment policy of the Fund. Such ETFs may be managed actively or passively and are at any time in conformity with the applicable guidelines and provisions in terms of the Directive 2009/65/EC. When investing in open-ended ETFs, the Management Company or investment manager, as the case may be, will at any time comply with the limits for investments in other UCITS and UCI set out in the present section.

#### **Deposits with credit institutions**

- 8) The Fund may not invest more than 20% of its net assets in deposits made with the same body.

#### **Financial derivative instruments**

- 9) The risk exposure to a counterparty of the Fund in an OTC derivative transactions may not exceed, in aggregate, 10% of its net assets when the counterparty is a credit institution as mentioned here before, or 5% of its net assets in the other cases.

The Fund shall ensure that its global exposure relating to derivative instruments does not exceed the total net asset value of its portfolio.

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

The global exposure to the underlying assets shall not exceed in aggregate the investment limits laid down under article 43 of the Law.

The underlying assets of index based financial derivative instruments are not combined to the investment limits laid down under the points mentioned here before under the condition that the index complies with the criteria which are explained more in detail in the article 4) of the Management Regulations. When a transferable security or money market instrument embeds a derivative, the latter must be taken into account when complying with the requirements of the restrictions in this section.

#### **Maximum exposure to a single body**

- 10) The Fund may not combine, where this would lead to investment of more than 20% of its net assets in a single body, any of the following:



- i). investments in transferable securities or money market instruments issued by a single body and subject to the 10% limit by body mentioned in point 1), and/or
- ii). deposits made with a single body and subject to the 20% limit mentioned in point 8), and/or
- iii). a risk exposure to a counterparty of the Fund in an OTC derivative and efficient portfolio
- iv). management transactions undertaken with a single body and subject to the 10% or 5% limits by body mentioned in point 9) in excess of 20% of its net assets.

The Fund may not combine, where this would lead to investment of more than 35% of its net assets in a single body, any of the following:

- i). investments in transferable securities or money market instruments issued by the same body and subject to the 35% limit by body mentioned under point 3) above, and/or
- ii). investments in certain debt securities issued by the same body and subject to the 25% limit by body mentioned in point 4), and/or
- iii). deposits made with the same body and subject to the 20% limit mentioned in point 8), and/or
- iv). risk exposure to a counterparty of the Fund in an OTC derivative transactions with the same body and subject to the 10% or 5% limits by body mentioned in point 9) in excess of 35% of its net assets.

**Eligible Assets issued by the same group**

- 11) Companies which are included in the same group for the purposes of consolidated accounts, as defined in accordance with the Directive 83/349/EEC or in accordance with recognised international accounting rules are regarded as a single body for the purpose of calculating the limits described under the article 43 of the Law.
- 12) The Fund may cumulatively invest up to 20% of its net assets in transferable securities and money market instruments within the same group.

**Acquisition limits by issuer of Eligible Assets**

- 13) The Management Company acting in connection with all the common funds it manages and which fall within the scope of Part I of the Law or of Directive 2009/65/EC, may not acquire any units carrying voting rights, which would enable it to exercise significant influence over the management of an issuing body.

The Fund may not acquire:

- i). more than 10% of the non-voting units of the same issuer;
- ii). more than 10% of the debt securities of the same issuer;
- iii). more than 10% of the money market instruments of any single issuer;
- iv). more than 25% of the units of a same UCITS or other UCI.

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

The ceilings as set forth above are waived in respect of:

- i). transferable securities and money market instruments issued or guaranteed by a Member State or its local authorities;
- ii). transferable securities and money market instruments issued or guaranteed by a non-Member State of the EU;
- iii). transferable securities and money market instruments issued by public international bodies of which one or more Member States of the EU are members;

- iv). shares held by the Fund in the capital of a company incorporated in a non-Member State of the EU which invests its assets mainly in the securities of issuing bodies having their registered office in that State, where under the legislation of that State, such a holding represents the only way in which the Fund can invest in the securities of issuing bodies of that State. This derogation, however, shall apply only if in its investment policy the company from the non-Member State of the EU complies with the limits laid down in articles 43 and 46 of the Law and article 48, paragraphs 1) and 2) of the Law. Where the limits set in articles 43 and 46 of the Law are exceeded, article 49 of the Law shall apply mutatis mutandis.

If the limits referred to under this section 3.3. are exceeded for reasons beyond the control of the Management Company or as a result of the exercise of subscription rights, it must adopt as a priority objective for its sales transactions the remedying of that situation, taking due account of the interests of its Unitholders.

The Management Company may from time to time, upon approval by the Depositary, impose further investment restrictions in order to meet the requirements in such countries, where the Units are distributed or will be distributed.

### **3.4. Unauthorized investments**

The Fund may not:

- i). acquire either precious metals or certificates representing them;
- ii). carry out uncovered sales of transferable securities, money market instruments or other financial instruments referred to in article 41 § 1 sub-paragraphs e), g) and h) of the Law; provided that this restriction shall not prevent the Fund from making deposits or carrying out other accounts in connection with financial derivative instruments, permitted within the limits referred to above;
- iii). grant loans or act as a guarantor on behalf of third parties, provided that for the purpose of this restriction (i) the acquisition of transferable securities, money market instruments or other financial instruments which are not fully paid and (ii) the permitted lending of portfolio securities shall be deemed not to constitute the making of a loan;
- v). borrow amounts in excess of 10% of its total net assets. Any borrowing is to be effected only as a temporary measure. However, it may acquire foreign currency by means of a back-to-back loan.

### **3.5 Counterparty selection**

The counterparties to OTC financial derivatives will be selected among first class financial institutions specialized in the relevant type of transactions, subject to prudential supervision and belonging to the categories of counterparties approved by the CSSF, having their registered office in one of the OECD countries and with a minimum credit rating of investment grade. The legal form is not a key criteria.

### **3.6 Collateral Management**

While entering into OTC financial derivatives, the Fund shall, at all times, comply with the Management Company's collateral policy. Acceptable collateral ("Eligible Collateral Assets") shall meet the requirements provided by applicable laws, regulations, CSSF Circulars and in particular, but not limited to the ESMA/2014/937 and the Commission Delegated Regulation (EU) 2016/2251 of 4 October 2016 supplementing Regulation (EU) No 648/2012 of the European Parliament and of the Council on OTC derivatives, central counterparties and trade repositories with regard to regulatory technical standards for risk-mitigation techniques for OTC derivative contracts not cleared by a central counterparty ("EMIR 2016/2251").

The collateral policy includes, but is not limited to:

(1) The eligible type of collateral

Eligible Collateral Assets consists of the following liquid assets:

- Cash in an OECD country currency in accordance with Article 4(1)(a) of the EMIR 2016/2251;
- Debt securities, regardless of their maturities, issued or guaranteed by an EU Member States or its local authorities or central banks in accordance with Article 4(1)(c) of EMIR 2016/2251;
- Debt securities, regardless of their maturities, issued by multilateral development banks as listed in Article 117(2) of Regulation (EU) 575/2013 in accordance with Article 4(1)(h) of EMIR 2016/2251;
- Debt securities, regardless of their maturities, issued by international organisations listed in Article 118 of Regulation (EU) 575/2013 in line with Article 4(1)(i) of EMIR 2016/2251; and/or
- Debt securities, regardless of their maturities, issued by third countries (i.e. non- EU countries)' governments or central banks in accordance with Article 4(1)(j) of EMIR 2016/2251.

(2) Collateral diversification

Collateral diversification will be as follows:

- The basket of collateral shall not lead to an exposure to a single issuer greater than 20% of the total net assets of the Fund (not of the value of the collateral). For the purpose of this limit, collateral issued by a local authority of a member state of the OECD shall be treated as exposure to that member state.
- The basket of collateral can however be fully composed of transferable securities and money market instruments issued or guaranteed by an EU Member State, one or more of its local authorities, a third country to EU, or a public international body (referred hereafter as "Government or government-related issuer") provided that the Fund receives at least 6 different issues, none of them representing more than 30% of the total net assets of the Fund. For the avoidance of doubt, the Fund may also be fully collateralised by a single Government or government-related issuer.

(3) Collateral correlation policy

Collateral received shall be issued by an entity that is independent from the collateral provider and is expected not to display a high correlation with the performance of the counterpart.

(1) The level of collateral required

The counterparty exposure is limited to 10% of the total net assets with regard to OTC derivative instruments. As a result, the collateral received, after haircuts, shall be equal to at least 90% of the value of the counterparty exposure.

(2) The haircut policy

The below constitutes the minimum applicable haircut:

Table 1 – Haircut applicable to Cash

<b>Asset class</b>	<b>Haircut</b>
I. Cash in a OECD country currency and defined as an eligible currency in the relevant governing master agreement or credit support annex	0%
II. Cash in other currencies than define above in (I.) or adjustment for currency mismatch other than those referred to in (I.)	8%

Table 2 – Haircut applicable to debt securities

Haircut will vary within the range set out below depending on the credit quality of the issuer.

Asset Type	Maturity		
	< 1 yr	1–5 year(s)	5 – 30 years
All debt securities defined as Eligible Collateral Assets above in section (1) “The eligible type of collateral”	0.5%-1%	2%-3%	4%-6%

(1) Collateral valuation

Collateral received shall be marked to market on a daily basis, using available market prices and taking into account appropriate discounts which will be determined by the Management Company for each asset class based on its haircut policy disclosed above in section “The haircut policy”.

(2) Safekeeping of collateral

As long as collateral received is owned by the Fund (i.e. that there has been a transfer of title), it will be held by the Depository or its appointed sub-custodian. In all other cases, the collateral shall be held by a third party custodian that is subject to prudential supervision and which is fully independent from the collateral provider.

(3) Restriction on reuse of collateral/collateral reinvestment policy

*For collateral received in OTC transactions*

Collateral received under an OTC transaction shall not be sold, re-invested or pledged.

## 4. Risk Information

### 4.1. General Remarks on Risk

An investment in Units of the Fund entails risks. The risks may include or be associated with general market risks, interest rate, credit, foreign exchange and volatility risks as well as political risks. All of these risks may also appear in conjunction with other risks. Some of these risk factors are briefly discussed below. Potential investors should have experience in investing in instruments in line with the proposed investment policy. Investors should be clear about the risks associated with an investment in units of the Fund, and should only make an investment decision after detailed consultation with their legal, tax and financial advisors, approved auditors or other advisors about (a) the suitability of an investment in the units in consideration of their personal financial or tax situation and other circumstances, (b) the information contained in this Prospectus, (c) the investment policy of the Fund.

Investors should bear in mind that while investments in a fund may increase in value they are also associated with risks. Units of the Fund are securities whose value is determined by the fluctuations in price of the assets it contains. The value of the units may increase or decrease in value in relation to the purchase price.

**Therefore, no guarantee can be given that the objectives of the investment policy will be achieved.**

Investors assume the risk of receiving a lower amount than they originally invested.

## **4.2. Risk factors**

### **Collateral management risk**

Counterparty risk may be mitigated by transfer or pledge of collateral. There is however a risk that the collateral received, when realised, will not raise sufficient cash to settle the counterparty's default. This may be due to factors including inaccurate pricing or improper monitoring of collateral, adverse market movements, deterioration in the credit rating of the issuer of the collateral, or the illiquidity of the market in which the collateral is traded where the collateral takes the form of securities (liquidity risk). Besides, collateral accepted by the Fund, with no title transfer (for example a pledge), will not be held by the Depositary. In the latter case there may be a risk of loss resulting from events such as the insolvency or negligence of such third party custodian or entity holding the collateral. Furthermore, collateral arrangements are entered into on the basis of complex legal document which may be difficult to enforce or may be subject to dispute.

### **Commodity risk**

Investments with exposure to commodities and precious metals involve additional risks compared to traditional investment. In particular, overall market movements, political, economic, regulatory and natural events may strongly influence such investments. Additionally, commodity market is usually very volatile and may be subject to market disruptions.

### **Counterparty risk**

When the Fund conducts over-the-counter (OTC) transactions, it may be exposed to risks relating to the credit standing of its counterparties and to their ability to fulfil the conditions and obligations of the contracts it enters into with them.

### **Concentration risk**

The Fund may concentrate its investment in a limited number of issuers, countries, sectors or instruments. It may result in the Fund's assets being more sensitive to adverse movement in a particular economy, sector, and company or instrument type.

### **Credit risk**

The creditworthiness (solvency and willingness to pay) of an issuer may change substantially over time. Debt instruments involve a credit risk with regard to the issuers, for which the issuers' credit rating can be used as a benchmark. Bonds or debt instruments floated by issuers with a lower rating are generally viewed as securities with a higher credit risk (greater risk of default) than those instruments that are floated by issuers with a better rating. If an issuer of bonds or debt instruments gets into financial or economic difficulties, this can affect the value of the bonds or debt instruments (this value could drop to zero). While the investment manager assesses the credit quality of any rated or unrated securities, there is no guarantee that its determination of an unrated security will match those a rating agency would have made. Investment managers may also differ in their assessment of an unrated security's credit quality which as a result may make it more volatile and increase its credit risk.

### **Currency risk**

If the Fund holds assets denominated in foreign currencies, it is subject to currency risk. Any depreciation of the foreign currency against the Base Currency of the Fund would cause the value of the assets denominated in the foreign currency to fall. Exchange rates may change rapidly and unpredictably, and some currencies may be more volatile than others.

### **Emerging and less developed markets risk**

Investments in emerging or less developed markets are often more volatile than investments in mature markets, due to, among others, political, economic, legal and regulatory risks specific to those markets.

## **Hedging risk**

The Management Company may have an ambition to hedge the currency risk. Considering the practical challenges of doing so, however, the Management Company does not guarantee how successful such currency hedging will be. For example, in case of hedging of a Unit Class, unsuccessful currency hedging means that the value of the Unit Class may rise or fall in response to fluctuations in the exchange rate between the Base Currency and the Reference Currency of the Unit Class. In case of hedging of instruments, unsuccessful hedging means that the value of the portfolio may rise or fall in response to fluctuations in the exchange rate between the Base Currency and the currency of the instruments.

## **Risks relating to the investment in financial derivative instruments (“derivative risk”)**

Financial derivative instrument is a generic name for instruments getting their return from underlying assets. The return of the financial derivative instrument depends on the return of the underlying asset.

- Specific risks related to OTC Derivatives

OTC derivatives are private agreements between a fund and one or more counterparties. In general, those transactions are less subject to governmental regulation and supervision, compared to exchange traded derivatives. OTC derivatives carry greater counterparty and liquidity risks. Additionally, the Fund may not be able to find a comparable derivative to be able to offset a certain position.

- Specific risks related to exchange traded derivatives

Although exchange traded derivatives are generally considered as less risky than OTC derivatives, there is still the risk that the securities exchange or commodities contract market suspend or limit the trading in derivatives or in their underlying assets.

- Specific risks related to Credit Default Swaps (“CDS”)

The price at which a CDS trades may differ from the price of the CDS’ referenced security. In adverse market conditions, the basis (the difference between the spread on bond and the spread of a CDS) can be significantly more volatile than the CDS’ referenced security.]

## **Leverage risk**

Leverage is typical for trading in financial derivative instruments. Investment in derivative transactions may potentially result in losses greater than the amount invested for those transactions.

## **Interest rate risk**

To the extent that the Fund invests in debt instruments, it is exposed to risk of interest rate changes. These risks may be incurred in the event of interest-rate fluctuations in the denomination currency of such debt instruments.

If the market interest rate increases, the price of the interest bearing securities included in the Fund may drop. This applies to a larger degree, if the Fund should also hold interest bearing securities with a longer time to maturity and a lower nominal interest return.

## **Risks relating to the investments in UCIs and UCITS**

The investors shall be aware of the fact that the fees charged by the target UCI or UCITS will have to be borne on a pro rata basis by the investing Fund and that in consequence the NAV of the investing Fund will be affected. This might lead in respect of the Fund to a duplication of fees.

## **Liquidity risk**

Liquidity risks arise when a particular security is difficult to dispose of. In principle, the Fund may only acquire securities that can be unwound promptly. Nevertheless, it may be difficult to sell, at a reasonable price, particular securities at certain points in time during certain phases or in certain markets.

## **Market risk**

This risk is of general nature and exists in all forms of investment. The principal factor affecting the price performance of securities is the performance of capital markets and the economic performance of individual issuers, which in turn are influenced by the general situation of the world economy, as well as the basic economic and political conditions in the particular countries or sectors.

## **Operational risk**

Operational risk refers to the potential losses resulting from unforeseen events, business disruption, inadequate controls and control or system failure.

## **Risk relating to the reuse of collateral**

The Fund may incur losses when reinvesting cash collateral received. Such a loss would reduce the amount of collateral available to be returned by the Fund to the counterparty as required by the terms of the transaction. In such a case, the Fund would need to cover the shortfall.

## **Risk of default**

In addition to the general trends on capital markets the particular performance of each individual issuer also affects the price of an investment. The risk of a decline in the assets of issuers, for example, cannot be entirely eliminated even by the most careful selection of securities.

## **4.3. Risk management process**

The Fund employs a risk management process, which enables the Management Company to monitor and measure at any time the risk of the positions, including derivatives positions, and their contribution to the overall risk profile of the portfolio.

### **a) Global exposure**

Since the Fund may use derivatives to seek investment returns, the VaR approach is used for the purpose of the global exposure calculation. The VaR is a means of measuring the potential loss of the Fund due to market risk and is expressed as the maximum potential loss measured at a 99% confidence level over a one month time horizon.

As the Fund's returns are compared to an identified benchmark<sup>2</sup>, the relative VaR approach is used.

In accordance with applicable regulations, the VaR of the Fund must not be greater than twice the VaR of its reference portfolio. The Fund uses the Bloomberg Barclays MSCI Green Bond Index 1-5 years hedged to EUR as a reference portfolio for the purpose of the relative VaR measurement.

### **b) Gross Leverage**

The Fund's maximum expected level of gross leverage is 300% of the Fund's Net Asset Value. In this context, the gross leverage is a measure of the aggregate derivative usage and is calculated as the sum of the absolute notional value of the financial derivative instruments used, without the use of netting or hedging arrangements.

Under certain circumstances, the actual level of gross leverage might exceed the expected gross leverage from time to time, however the use of financial derivative instruments will remain consistent with the Fund's investment objective and risk profile. The above-stated level of gross leverage is not intended to constitute additional exposure limit for the Fund. The gross leverage information only serves the purpose of increasing investors' understanding of the Fund.

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<sup>2</sup> For more information, please refer to the most up-to-date version of the key information document available on the Website of the Branch.

## 4.4. Typical Investor

This Fund is suitable for investors who invest in line with sustainable and environmental principles and who seek capital growth over the long-term. This fund is suitable to investors who can afford to set aside the capital invested for at least three years.

## 5. Units

### 5.1 Unit Classes

The Fund may offer several Unit Classes, which differ in their charges, dividend policy, persons authorised to invest, minimum investment amount, minimum holding, eligibility requirements, Reference Currency or other characteristics.

Any Unit Class that the Fund issue is defined by the following criteria: charges, dividend policy, denomination currency, targeted investor group, minimum investment amount, minimum holdings and other eligibility criteria. The base Unit Class labels described in the table below define the target investor group for a specific Unit Class.

#### 5.1.1. Investor groups

The Management Company may issue Units taking into account the target investors. The Unit Classes in the Fund may therefore be:

Type of Unit Class	Targeted investor group
(No class letter, suffixes only)	Units which may be acquired by all kinds of investors;
“HNW” Unit Class	Units which may only be acquired by high net worth individuals who can afford the more elevated minimum initial investment amount.
“U” Unit Class	Units which are available to all kinds of investors at the discretion of the Management Company but only offered  (i) through distributors, financial intermediaries, distribution partners or similar (ii) appointed by the Global Distributor, or an authorised affiliate, that (iii) are investing on behalf of their customers and are charging the latter advisory, or alike, fees. The Management Company does not remit any commission-based payments for these units.
“I” Unit Class	Units which are available to Institutional Investors as defined in the Glossary of terms.
“Z” Unit Class	Units which are available to Institutional Investors at the discretion of the Management Company. The Management Company does not remit any commission-based payments for these units.
“X” Unit Class	Units which are available to Institutional Investors, directly or through the Global Distributor or any of its subsidiaries, where such intermediary or the Institutional Investor have concluded a written agreement with the Management Company in which the relevant fees and charging procedure are agreed prior to the investor’s initial subscription. All or part of the fees that are normally charged to a Unit Class will not be charged to the Unit Class for these units. Instead, these units will accommodate a separate



	charging structure whereby all or part of the fees are charged separately and/or collected directly from the investor.
"LTD" Unit Class	Units which may only be acquired by a limited number of authorised investors.

In order to distinguish between fee levels and minimum investment requirements, the base Unit Class may be followed by a number, such as Z1, Z2.

Please refer to [www.sebgroup.lu/private/our-funds](http://www.sebgroup.lu/private/our-funds) for more details on the applicable Management fees, entry/exit fees and minimum initial investments of the available Unit Classes.

#### **5.1.2. Available currencies**

The Unit Class can be issued in any of the following currencies: SEK, NOK, DKK, EUR, USD, SGD, JPY, CHF and GBP.

#### **5.1.3. Dividend policy**

The Management Company issues capitalisation Units ("C" Units) and distribution Units ("D" Units).

The "C" Units will reinvest their income, if any. The "D" Units may pay a dividend to its Unitholders, upon decision of the Management Company. Dividends are paid annually, except decided otherwise by the Management Company.

#### **5.1.4. Hedging policy**

The Management Company may issue Unit Classes which Reference Currency is not the Base Currency of the Fund. With regard to such Unit Classes, the Management Company aims to hedge the currency exposure from the Base Currency into the currency exposure of the Reference Currency. Considering the practical challenges of doing so, the Management Company does not guarantee the level of success of such currency hedging. For details, see Section 4.2. "Risk factors" particularly the paragraph "Hedging Risk".

For Unit Classes where the Management Company aims to currency-hedge the Unit Class, an "H-" precedes the currency denomination of the Unit Class. For example "(H-SEK)" indicates that the Management Company aims to hedge the currency exposure from a Base Currency into a SEK-exposure for the Unit Class.

The hedging activity aims to limit performance impact as related to fluctuations in the exchange rate between the Base Currency and the Reference Currency of the Unit Class. The effects of profit and loss, as related to currency hedging of a particular Unit Class, are allocated to the relevant Unit Class.

Hedging transactions may be executed when the Reference Currency declines or increases in value relative to the relevant Fund's Base Currency. This type of hedging can provide substantial protection for investors in the affected unit class against a decrease in the value of the Fund's Base Currency in relation to the Reference Currency of the Unit Class. However, it can also minimise or hinder an increase in the value of the Fund's currency.

The letters "PH" preceding the currency denomination of a unit class, for example IC(PH-EUR), indicate the Management Company aims to partially hedge the currency exposure from a Base Currency of the Fund to a euro exposure for the Unit Class. It can also indicate partial hedging to another specific currency in the sub fund's portfolio to a euro exposure for the Unit Class. This may be done for any currency.

#### **5.1.5 Available classes**

The information above describes all currently existing base Unit Classes and prefixes. The prefixes are added to the Unit Class name to indicate possible target group, currency of the Unit Class, the Unit Class' dividend policy and whether the Unit Class is hedged or not.

In practice, not all base Unit Classes and Unit Class configurations are available for the Fund. The Fund's unit classes are not available in all jurisdictions. A unit class is opened at the discretion of the Management Company. See [www.sebgroup.lu](http://www.sebgroup.lu) for current information on available unit classes. You may also, free of charge, request a list from the Management Company.

#### **5.1.6. Registered Units**

Units may be issued as registered Units which will be recorded in a nominal account. Units that are not issued as registered units will be made available through securities settlement systems.

### **5.2. Issue of Units**

Units are issued in registered form and recorded in a nominal account on each Valuation Day. Units that are not issued as registered units will be made available through securities settlement systems.

The issue price is the unit value plus a subscription fee if any according to the table under section 5.4. The payments made by electronic transfer must reach the Registrar and Transfer Agent in Luxembourg within five (5) bank business days following the applicable valuation day.

The issue price is payable in the Reference Currency of the relevant Class. However, the Management Company may also accept payments in other major currencies. Any costs connected with the foreign exchange transactions will have to be borne by the Unitholder.

The subscription fee may be charged on behalf of the Fund's Distributors. Fees and other costs incurred in the countries where the Fund is distributed may be added to the issue price.

At its discretion, the Management Company may, upon application from a Unitholder, issue Units in return for a contribution in kind of securities and other assets. It is assumed that these securities and other assets are in keeping with the investment objectives and policy as well as the provisions of the Management Regulations. The Independent Auditor of the Fund shall generate a valuation report, which shall be available for inspection to all investors at the address of the Management Company. The costs of such contribution in kind shall be borne by the investor in question. Units are issued at the corresponding subscription price in the amount of the value of the contribution in kind as determined by the Independent Auditor.

The Management Company may provide for the issuance of fractional units, which may be issued up to three decimal places.

The Management Company is authorised to issue new units at any time.

However, the Management Company reserves the right to suspend the issue of units temporarily or permanently. Payments already made will be reimbursed immediately if this should happen. Unitholders will be informed immediately of the suspension and resumption of the issue of units.

Note: to the extent that the Fund invests in markets that are closed on what would normally be a Valuation Day, the NAV of the Fund may not be calculated, which may delay the processing of trading requests by one or more days. For a calendar of known market closures, go to: <https://sebgroup.lu/private/luxembourg-based-funds/luxembourg-funds-trading-calendar>.

#### **5.2.1. Restrictions on the Issue of Units**

Units may not be offered, sold or otherwise distributed to prohibited persons (the "Prohibited Persons").

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

- 1) if in the opinion of the Management Company such holding may be harmful/damaging to the Fund,

- 2) if it may result in a breach of any law or regulation, whether Luxembourg or foreign, or if any contractual or statutory condition or condition provided in the Prospectus is no longer met by such person to participate in the-Fund, or if such person fails to provide information or documentation as requested by the Management Company,
- 3) if as a result thereof the Fund or the Management Company may become exposed to disadvantages of a tax, legal or financial nature that it would not have otherwise incurred or
- 4) if the participation of the investors in the Fund is such that it could have a significant detrimental impact on the economic interests of the investors, in particular in cases where individual investors seek by way of systematic subscriptions and immediate redemptions to realise a pecuniary benefit by exploiting the time differences between the setting of the closing prices and the valuation of the Fund's assets (market timing)
- 5) if such person would not comply with the eligibility criteria for Units (e.g. in relation to "U.S. Persons" as described below).

#### US Securities Act 1933 / US Investment Company Act 1940

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

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

The term "US Person" also means any entity organised principally for passive investment (such as a commodity pool, Investment Company or other similar entity) that was formed:

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

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

Unitholders are required to notify the Registrar and Transfer Agent of any change in their domiciliation status.

Prospective investors are advised to consult their legal counsel prior to investing in Units of the Fund in order to determine their status as non US Persons and as non-Prohibited Persons.

The Management Company. may refuse to issue units to Prohibited Persons or to register any transfer of units to any Prohibited Person. Moreover the Fund's Management Company may at any time forcibly redeem/repurchase the units held by a Prohibited Person and may take any other required action (e.g. such as blocking the accounts

within the Fund of such Prohibited Person) in accordance with laws and regulation and in the best interest of the Fund and its investors.

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

### **5.2.2. Anti- Money Laundering procedures**

The Luxembourg law of 12 November 2004 on the fight against money laundering and terrorist financing, as amended, and associated Grand-Ducal Regulation of 10 February 2010 as well as, but not limited to CSSF Regulation N°12-02 of 14 December 2012 on the fight against money laundering and terrorist financing (as modified), require the Fund and the Management Company to establish procedures to prevent the use of funds for money laundering and financing of terrorism purposes (collectively the “AML Laws”).

The Management Company carries out an analysis of the AML/CFT risk posed by the investments of the funds it manages and implements due diligence measures adapted to the risk assessed and documented. The risk analysis on investments is reviewed annually and also if particular events require it.

The Management Company is required to apply due diligence measures on the investors, their delegates and the assets of the Fund in accordance with their respective policies and procedures put in place.

Investors wanting to subscribe in units of the Fund must provide the Administrative Agent with all necessary information which the Administrative Agent may reasonably require to verify the identity of the applicant. Failure to do so will result in the Registrar and Transfer Agent refusing to accept the subscription for units in the Fund. Moreover, investors need to indicate whether they invest on their own account or on behalf of a third party.

Investors investing in their name or on behalf of a third party according to article 3 of CSSF regulation 12-02, as amended (hereafter “Intermediaries”) are subject to enhanced due diligence measures in order to ensure that all the obligations under the AML Laws, or at least equivalent obligations, are complied with. The Intermediary, the persons purporting to act on its behalf and its beneficial owners are identified and their identity verified, where applicable, according to a risk-based approach and enhanced due diligence measures are implemented for the business relationship qualified as similar to correspondent relationship with the Intermediary in order to analyse the robustness of the AML/CFT control framework of this Intermediary.

Investors will be requested to provide additional or updated identification documents from time to time due to ongoing client due diligence requirements under the AML Laws. Failure to provide proper information, confirmation or documentation may, among others, result in the rejection of subscriptions or the withholding of redemption proceeds by the Fund.

Pursuant to the Luxembourg law of 13 January 2019 on the register of beneficial owners (the “RBO Law”), the Company is also required to collect certain information on its beneficial owner(s) and register such information in a publicly available central register of beneficial owners (the “RBO”).

Under the RBO Law, criminal sanctions will be imposed on the Management Company in case of its failure to comply with the obligations to collect and make available the required information, but also on any beneficial owner(s) that fail to make all relevant necessary information available to the Management Company.

### **5.2.3. Market Timing and Late Trading**

The Management Company does not permit any practices associated with market timing and late trading and reserves the right to reject applications for subscription from an investor who the Management Company suspects of engaging in such practices. The Management Company will take whatever action is necessary to protect the other investors in the Fund.

### 5.3. Redemption of Units

Units are redeemed on each Valuation Day at their Net Asset Value. If stamp duties or other charges are payable in a country in which the units are being redeemed, the redemption price will be reduced accordingly.

Payment will be made by the Depositary, respectively the Paying Agents in the Reference Currency. Payments are made by electronic transfer with a value date within ten (10) bank business days following the relevant valuation day. Any costs connected with the foreign exchange transactions will have to be borne by the Unitholder.

The Management Company may temporarily suspend an application for redemption of units under the same conditions as it may suspend the calculation of the NAV (as further described under the section "7.1 Suspension of the calculation of the NAV") but only in so far as this is deemed to be necessary in the interests of the Unitholders.

If redemption requests for more than 10% of the NAV of the Fund are received, then the Fund shall have the right to limit redemptions so they do not exceed this threshold amount of 10%. Redemptions shall be limited with respect to all Unitholders seeking to redeem Units as of a same Valuation Day so that each such Unitholder shall have the same percentage of its redemption request honoured; the balance of such redemption requests shall be processed by the Fund on the next day on which redemption requests are accepted, subject to the same limitation. On such day, such requests for redemption will be complied with in priority to subsequent requests

The units may be redeemed at the Management Company, the Registrar and Transfer Agent as well as the relevant Paying Agents and Distributors. Any other payments to Unitholders are also made through these offices.

Any person who becomes aware that he is holding Units in contravention of any of the provisions set out in the section "Restrictions on the Issue of Units" or the present section and who fails to transfer or redeem his Units pursuant to such provisions shall indemnify and hold harmless the Management Company, its directors, the Fund, the Depositary, the Central Administration, the investment manager, if any, and the Unitholders of the Fund (each an "Indemnified Party") from any claims, demands, proceedings, liabilities, damages, losses, costs and expenses directly or indirectly suffered or incurred by such Indemnified Party arising out of or in connection with the failure of such person to comply with his obligations pursuant to any of the above provisions.

In case of a compulsory redemption in accordance with this section, the Management Company shall notify the respective investor by a written notice about the compulsory redemption, specifying the Units to be redeemed, the date of the redemption and the price applicable to such Units concerned as well as the place at which the redemption price in respect of such Units is payable. Such notice shall be addressed to the respective investor at his last address known to or appearing in the Fund's register. The Units concerned by such a redemption shall be cancelled immediately after the date specified in the redemption notice.

#### 5.3.1. Redemption of Units Held by US Persons

The Management Company is further authorised to redeem units held by US persons (as defined above) at any time.

### 5.4 Unit Classes available

Class	ISIN Code	Dividend policy	Entry/exit fee	Initial subscription price	Minimum initial investment <sup>2</sup>	Management fee (maximum)
C (EUR)	LU1116557585	Capitalizing	Entry fee 1.5%	100 EUR	n/a	0.40%
D (EUR)	LU0041441808	Distributing	Entry fee 1.5%	N/A	n/a	0.40%

Class	ISIN Code	Dividend policy	Entry/exit fee	Initial subscription price	Minimum initial investment <sup>2</sup>	Management fee (maximum)
C (H-SEK)	LU1116557668	Capitalizing	None	100 SEK	n/a	0.40%
D (H-SEK)	LU1116557742	Distributing	None	100 SEK	n/a	0.40%
HNW C (H-SEK)	LU1116557825	Capitalizing	None	100 SEK	1 mio SEK	0.30%
HNW D (H-SEK)	LU1116558047	Distributing	None	100 SEK	1 mio SEK	0.30%
C (H-NOK)	LU1116558120	Capitalizing	None	100 NOK	n/a	0.40%
IC (EUR)	LU1144887475	Capitalizing	None	100 EUR	1 mio EUR	0.20%
ID (EUR) <sup>1</sup>	LU1144889505	Distributing	None	100 EUR	1 mio EUR	0.20%
ID (H-GBP)*		Distributing	None	1,000 GBP	1 mio GBP	0.20%
IC (H-CHF)	LU1672055347	Capitalizing	None	100 CHF	1 mio CHF	0.20%
IC (H-GBP)		Capitalizing	None	1,000 GBP	1 mio GBP	0.20%
UC (H-SEK)	LU1748252035	Capitalizing	None	100 EUR	n/a	0.20%
UC (H-GBP)	LU2470622031	Capitalizing	None	N/A	n/a	0.20%

<sup>1</sup> and <sup>2</sup> This Class of Units will be launched upon decision of the Management Company.

<sup>2</sup> May be waived at the discretion of the Management Company.

## 5.5 Conversion of Units

A Unitholder may convert all or part of the Units he holds into Units of one Class into Units of another Class.

Conversions are executed free of commission.

In case of the conversion, the number of Units allotted in the new Class is determined by means of the following formula:

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

where:

- A is the number of Units presented for conversion,
- B is the NAV per Unit in that Unit Class of which the Units are presented for conversion, on the day the conversion is executed,
- C is the conversion factor between the Base Currencies of the two Unit Classes, on the day of execution. If the Unit Classes have the same Base Currency, this factor is one,
- D is the NAV per Unit of the new Unit Class on the day of execution,
- N is the number of Units allotted in the new Unit Class.

## 5.6. Cut-off Time

All subscription and redemption requests are made on the basis of an unknown Net Asset Value per Unit. Unless a suspension of NAV calculation is in effect, orders that are received by the Registrar and Transfer Agent before 15:30 (CET) on a Valuation Day are processed at the Net Asset Value per Unit of the next Valuation Day. Orders received after 15:30 p.m. (CET) will be processed at the Net Asset Value per Unit of the next but one Valuation Day.

This ensures that subscription and redemption requests can only be submitted on the basis of the unknown Net Asset Value per unit, plus any subscription fee or less any redemption fee.

In order to ensure that orders are placed in good time, earlier cut-off times may be applicable for orders placed with Distributors (and/or any of their agents) in Luxembourg or abroad. The corresponding information may be obtained from the respective Distributor (and/or its agents).

## 6. Costs

The Fund will, in principle, bear the following charges:

1. a management fee, payable to the Management Company

The applicable amount and the way it is calculated are laid down in section 5.4. This fee shall in particular serve as compensation for the Central Administration, the Investment Manager if any and the Global Distributor as well as for the services of the Depositary.

2. Transaction related fees
  - Execution fees for brokerage
  - Settlement fees incurred by the Fund 's business transactions
3. Other expenses
  - A fee for research costs. The research costs if applicable amount to a maximum of 0,20 % p.a. of the net assets of the Fund.
  - All taxes and duties owed on the Fund's assets and income
  - Audit fees
  - Fees for country specific tax reporting and / or the audit thereof, depending on the countries of distribution
  - Expenses connected with publications and supply of information to investors, specifically for the disclosure of the NAV, for the provision of the Prospectus as well as for the production and provision of the KIDs
  - CSSF fees

Investment in target funds may lead to duplicate costs, in particular to double management fees (excluding SEB labelled target funds), since fees are incurred both on the side of the Fund as well on the side of the target fund.

## 7. Net Asset Value

The Fund's Net Asset Value is expressed in EUR .

The net asset value per unit is calculated on each bank business day in Luxembourg with the exception of 24 December and 31 December, ("Valuation Day") by subtracting the value of the Fund's liabilities from the value of the Fund's assets, divided by the number of outstanding units.

Details on the net asset value per Unit calculation and on the valuation of assets are set out in the Management Regulations.

When substantial sums flow in or out of the Fund, the Management Company has to make adjustments, such as trading on the market, in order to maintain the desired asset allocation for the Fund. Trading can incur costs that affect the Unit price of the Fund and the value of existing Unitholders' investments. Swing pricing is designed to protect Unitholders' investments in this kind of situation.

The Unit price of the Fund may thus be adjusted upwards in case of large inflows and downwards in case of large outflows on a certain Business Day. The thresholds that trigger swing pricing as well as the size of the adjustments ("swing factor") are set by the board of directors of the Management Company or by a swing price committee appointed by the board of directors of the Management Company. The board of directors of the Management Company or swing price committee may also decide a maximum swing factor to apply to the Fund. The Funds will not have a higher maximum swing factor than 1%. Information on whether the Fund currently applies swing pricing, including the size of a maximum swing factor, is available on the Website of the Branch. Investors may also request this information, free of charge.

### **7.1 Suspension of the calculation of the NAV**

The Management Company is entitled to suspend the calculation of the Fund's net asset value, if and for as long as there are circumstances which make this suspension necessary and if the suspension is justifiable, taking into account the interests of the Unitholders, in particular:

- a) the principal stock exchanges or markets associated with a substantial portion of the Sub-Fund's investment are closed during a time when they normally would be open, or their trading is restricted or suspended;
- b) a disruption of communication systems or other emergency has made it impractical to reliably value or to trade Sub-Fund assets;
- c) the Sub-Fund is a feeder fund and its master fund has suspended its NAV calculations or unit transactions for any reason a substantial part of the Sub-Fund's investments cannot be properly or accurately valued;
- d) the Sub-Fund is unable to repatriate monies needed to pay out redemption proceeds, or is unable to exchange monies needed for operations or redemptions at what the Management Company considers to be a normal currency exchange rate;
- e) the Sub-Fund is being liquidated or merged, or notice has been given of a unitholder meeting at which it will be decided whether or not to liquidate or merge;
- f) the CSSF has ordered the suspension; and
- g) any other circumstance out of our control exists that, in the opinion of the Management Company, would justify the suspension for the protection of unitholders.

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

Investors who have applied for redemption of Units will be informed promptly of the suspension and will then be notified immediately once the calculation of the net asset value per Unit is resumed. After resumption, investors will receive the then current redemption price.

## **8. Merger**

For the purposes of this Chapter the term "UCITS" includes the Funds of a UCITS.

The merger of the Fund with another UCITS and the merger date are decided by the board of directors of the Management Company.



In the case provided by law, the Management Company entrusts either a chartered or certified accountant or, if necessary, an independent auditor with the audit measures required by law.

Mergers are effected and effective in accordance with applicable law.

Unitholders of the merging and/or host UCITS are given access to the information about the merger on the Website of the Branch and, if necessary, in any other form required by law or by the relevant regulations in the countries in which the units concerned are sold.

## 9. Liquidation of the Fund

The Management Company can liquidate the Fund at any time in accordance with the details given in the Management Regulations.

## 10. Taxation of the Fund and of the Unitholders

**The following overview is based on the current laws and practices and applies subject to future amendments. This information is not definitive and does not constitute legal or tax advice.**

**With regard to tax issues, it is assumed that the unitholders of the Fund are domiciled in many different countries. As a result, this Prospectus does not attempt to describe the implications for the taxation of all investors who subscribe to, hold, redeem or otherwise acquire or dispose of the Fund units. The implications vary according to the laws and practices in the particular country of citizenship, domicile or residence of the unitholder, and the unitholder's personal situation.**

### 10.1. Taxation of the Fund

The Fund is subject to Luxembourg legislation. Investors should inform themselves of the legislation and rules applicable to the purchase, holding and possible sale of Units having regard to their residence or nationality.

The Fund is currently subject to the following taxes:

1. Subscription tax

The Fund is as a rule liable in Luxembourg to a subscription tax (*taxe d'abonnement*) at a rate of 0.01% or 0.05% per annum of its net assets attributable to the Units of the Fund. Such tax is payable quarterly and calculated on the net asset value of the relevant Class at the valuation date.

Some exemptions from subscription tax are however provided under current Luxembourg legislation.

2. European Union Tax Considerations

The Council of the EU has adopted on 3 June 2003 Council Directive 2003/48/EC on the taxation of savings income in the form of interest payments (the "Directive"). Under the Directive, member states of the EU will be required to provide the tax authorities of another EU member state with information on payments of interest or other similar income paid by a paying agent (as defined by the Directive) within its jurisdiction to an individual resident in that other EU member state. Austria and Luxembourg have opted instead for a tax withholding system for a transitional period in relation to such payments. Switzerland, Monaco, Liechtenstein, Andorra and San Marino and the Channel Islands, the Isle of Man and the dependent or associated territories in the Caribbean, have also introduced measures equivalent to information reporting or, during the above transitional period, withholding tax.

The Directive has been implemented in Luxembourg by a law dated 21 June 2005 (the "Law").

Dividends distributed by the Fund will be subject to the Directive and the Law if more than 15% of the Fund's assets are invested in debt claims (as defined in the Law) and proceeds realised by Unitholders on the redemption or sale of Units in the Fund will be subject to the Directive and the Law if more than 25% of the Fund's assets are invested in debt claims.

The applicable withholding tax will be at a rate of 35%. The Luxembourg government has however announced that it will elect out the withholding system in favour of the automatic exchange of information with effect as from 1 January 2015.

Consequently, if in relation to the Fund a Luxembourg paying agent makes a payment of dividends or redemption proceeds directly to a Unitholder who is an individual resident or deemed resident for tax purposes in another EU member state or certain of the above mentioned dependent or associated territories, such payment will, subject to the next paragraph below, be subject to withholding tax at the rate indicated above.

No withholding tax will be withheld by the Luxembourg paying agent if the relevant individual either (i) has expressly authorised the paying agent to report information to the tax authorities in accordance with the provisions of the Law or (ii) has provided the paying agent with a certificate drawn up in the format required by the Law by the competent authorities of his state of residence for tax purposes.

The Fund reserves the right to reject any application for Units if the information provided by any prospective investor does not meet the standards required by the Law as a result of the Directive.

The foregoing is only a summary of the implications of the Directive and the Law, is based on the current interpretation thereof and does not purport to be complete in all respects. It does not constitute investment or tax advice and Investors should therefore seek advice from their financial or tax adviser on the full implications for themselves of the Directive and the Law.

### 3. Income tax

The Fund is not liable to any Luxembourg income tax in Luxembourg.

### 4. Value added tax

The Fund, respectively the Management Company is considered in Luxembourg as a taxable person for value added tax ("VAT") purposes without input VAT deduction right. A VAT exemption applies in Luxembourg for services qualifying as fund management services. Other services supplied to the Fund respectively the Management Company could potentially trigger VAT. No VAT liability arises in principle in Luxembourg in respect of any payments by the Fund to its Unitholders, as such payments are linked to their subscription to the Fund's Shares and do therefore not constitute the consideration received for taxable services supplied.

The above information is based on the law in force and current practice and is subject to change. In particular, a pending case law before the European Court of Justice might impact the VAT treatment of the investment advisory services (C-275/11).

### 5. Other taxes

No stamp duty or other tax is payable in Luxembourg on the issue of Units in the Fund against cash. The Fund may be subject to withholding tax on dividends and interest and to tax on capital gains in the country of origin of its investments. As the Fund itself is exempt from income tax, withholding tax levied at source, if any, may not be refundable in Luxembourg.

## **10.2. Taxation of the Unitholders**

Under current legislation, Unitholders are normally not subject to any capital gains, income, withholding, estate, inheritance or other taxes in Luxembourg, except for (i) those Unitholders domiciled, resident or having a permanent establishment in Luxembourg or (ii) non-residents of Luxembourg who hold 10% or more of the issued Unit capital

of the Fund and who dispose of all or part of their holdings within six months from the date of acquisition or (iii) in some limited cases some former residents of Luxembourg, who hold 10% or more of the issued Unit capital of the Fund.

Under the European Savings Directive (Council Directive 2003/48/EC) which was adopted on 3 June 2003 by the Council of the EU, each Member State is required to provide to the tax authorities of another Member State details of payment of interest or other similar income (including in certain circumstances interest accrued in the proceeds of unit redemptions) paid by a paying agent within its jurisdiction to an individual resident in that other Member State, subject to the right of certain Member States (Luxembourg and Austria) to opt for a withholding tax system for a transitional period in relation to such payments instead of the above mentioned reporting to the tax authorities. The rate of this withholding tax is 35% since 1 July 2011.

### **Common Reporting Standard (“CRS”)**

The Organisation for Economic Co-operation and Development (“OECD”) has developed the CRS which is a parallel to FATCA to achieve a comprehensive and multilateral automatic exchange of information on a global basis. In Luxembourg, the CRS was implemented by the law of 18 December 2015 on the automatic exchange of financial account information in the field of taxation (the “CRS Law”). According to the CRS Law, The Luxembourg branch of the management company qualifies as a Reporting Financial Institution and must annually report to the Luxembourg tax authorities the identification and holdings of, and payments made to, investors and controlling persons of certain non-financial entities. The reporting will include information about transactions made by reportable persons and other personal and financial data.

### **Foreign Account Tax Compliance Act (“FATCA”)**

The FATCA, which was passed as part of the Hiring Incentives to Restore Employment Act (the “Hire Act”), entered into force in the United States of America (the “USA” or “US”). The FATCA generally requires that foreign financial Institutions (“FFIs”) and certain other non-financial foreign entities report on the foreign assets held by their US account holders or be subject to withholding on withholdable payments.

Luxembourg has signed a Model I Intergovernmental Agreement (“IGA”) with the USA on 28 March 2014. The Luxembourg branch of the management company and the Fund are hence obliged to comply with the provisions of FATCA under the terms of the IGA and under the terms of Luxembourg legislation implementing the IGA (the “Luxembourg IGA legislation”), rather than under the US Treasury Regulations implementing FATCA.

Under the IGA, information on direct and indirect ownership of non-US accounts or entities by certain US persons information must be reported to the Luxembourg tax authorities, who in turn may share it with the US Internal Revenue Service or other tax authorities. Unitholders who hold their units through intermediaries should check the intermediaries’ intention to comply with FATCA.

As an FFI, the Fund may potentially be subject to a 30% withholding tax on certain source of US income should it fails to comply with the regime and or not otherwise exempt. In order to protect unitholders from the effect of any penalty withholding, the Fund must comply with the requirements of the FATCA regime and hence, qualify as a so-called “participating financial institution” as defined in the IGA. As long as the Fund complies with the IGA and the enabling legislation, the Fund does not anticipate that it or its sub-funds will be subject to the related US withholding tax.

The Luxembourg branch of the management company has agreed to sponsor the Fund which means that the Fund is considered as a “sponsored financial institution” and the Luxembourg branch of the management company as a “sponsoring financial institution”. The Fund qualifies as a “non-reporting sponsored financial institution” within the meaning of the IGA.

In cases where investors invest in the Fund through an intermediary, investors are reminded to check whether such intermediary is FATCA compliant and, hence, qualifies as a participating financial institution.

Although the Fund and the Luxembourg branch of the management company will attempt to satisfy any obligations imposed on it to avoid the imposition of the US withholding tax, no assurance can be given that the Fund and the

Luxembourg branch of the management company will be able to satisfy these obligations. If the Fund becomes subject to a withholding tax as a result of the FATCA regime, the value of the Shares held by the unitholders may suffer material losses.

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

## **11. Information for Unitholders**

### **11.1. Prospectus, Management Regulations and Key Information Document**

Copies of the Prospectus, Management Regulations and Key Information Document are available free of charge at the address of the Management Company, at the address of its Branch and on the Website of the Branch.

### **11.2. Reports and Financial Statements**

The financial year of the Fund begins on January 1 of the year and ends on December 31 of the following year. The audited annual reports and the unaudited semi-annual reports of the Fund are available free of charge at the address of the Management Company, at the address of its Branch and on the Website of the Branch.

### **11.3. Issue and Redemption Prices**

The latest known issue and redemption prices may be downloaded from the Website of the Branch and/or requested free of charge at the address of the Management Company, at the address of its Branch and at the registered office of the Depositary and the Paying Agents at any time.

### **11.4. Notices to Unitholders**

All notices to Unitholders may be downloaded from the Website of the Branch and/or, as the case may be, is made available to investors in any other form required by laws or related regulations of the countries, where Units are sold, and/or may be requested at any time, free of charge, at the address of the Management Company and at the address of its Branch.

### **11.5 Stock Exchange Listing**

There are no plans to list units of the Fund on a stock exchange.

### **11.6. Calculation and Use of Income**

The Management Company decides annually whether and in what amount a dividend distribution will be made.

### **11.7. Best Execution**

The Management Company acts in the best interest of the Fund when executing investment decisions, For that purpose, the Management Company shall monitor that the Investment Manager if any takes all reasonable steps to obtain the best possible result for the Fund, taking into account price, costs, speed, likelihood of execution and settlement, order size and nature, or any other consideration relevant to the execution and settlement of the order

in accordance with its Instructions for Ensuring a Proper Execution, Handling and Transmission of orders in Financial Instruments, information on the Instructions for Ensuring a Proper Execution, Handling and Transmission of orders in Financial Instruments is available, free of charge, upon request at the address of the Management Company and at the address of the Branch as well as on the Website of the Branch.

### **11.8. Exercise of Voting Rights**

A summary of the strategy for determining when and how voting rights attached to the Fund's investments are to be exercised is made available to investors. The information related to the actions taken on the basis of this strategy in relation to the Fund shall be made available to investors upon request at the registered office of the Management Company.

Information on the Organization and exercise of voting rights' policy is available free of charge, upon request at the address of the Management Company, at the address of the Branch and on the Website of the Branch.

### **11.9. Complaints handling**

Information relating to the complaints' handling procedure will be made available to investors, free of charge, upon request at the address of the Management Company, at the address of its Branch and on the Website of the Branch.

### **11.10. Conflicts of interest**

The Board of Directors, the Management Company, the investment manager(s) if any, the Depositary, and the other service providers of the Fund, and/or their respective affiliates, members, employees or any person connected with them may be subject to various conflicts of interest in their relationships with the Fund.

The Board of Directors has adopted and implemented a conflicts of interest policy in accordance with its Code of Conduct.

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

The Management Company, the Depositary and certain distributors are part of the SEB Group (the "Affiliated Person").

The Affiliated Person is a worldwide, full-service private banking, investment banking, asset management and financial services organization and a major participant in the global financial markets. As such, the Affiliated Person is active in various business activities and may have other direct or indirect interests in the financial markets in which the Fund invests.

Entities of the Affiliated Person act as counterparty and in respect of financial derivative contracts entered into by the Fund.

Potential conflicts of interest or duties may arise because the Affiliated Person may have invested directly or indirectly in the Fund. The Affiliated Person could hold a relatively large proportion of Units in the Fund. Furthermore, a potential conflict may arise because the Depositary is related to a legal entity of the Affiliated Person which provides other products or services to the Fund.

In the conduct of its business the Management Company and the Affiliated Person's policy is to identify, manage and where necessary prohibit any action or transaction that may pose a conflict between the interests of the Affiliated Persons' various business activities and the Fund or its investors. The Affiliated Person, as well as the Management

Company strive to manage any conflicts in a manner consistent with the highest standards of integrity and fair dealing. For this purpose, both have implemented procedures that shall ensure that any business activities involving a conflict which may harm the interests of the Fund or its investors, are carried out with an appropriate level of independence and that any conflicts are resolved fairly. Details can be found on the following webpage: <https://sebgroup.com/about-us/our-business/our-divisions/seb-investment-management/about-investment-management/reports-and-legal-information> for the Depositary and for the Management Company.

Notwithstanding its due care and best effort, there is a risk that the organizational or administrative arrangements made by the Management Company for the management of conflicts of interest are not sufficient to ensure with reasonable confidence, that risks of damage to the interests of the Fund or its Unitholders will be prevented. In such case these non-neutralized conflicts of interest as well as the decisions taken will be reported to investors in an appropriate manner (e.g. in the notes to the financial statements of the Fund). Respective information will also be available free of charge at the address of the Management Company.

### **11.11. Inducements**

Third parties, including Affiliated Person, may be remunerated or compensated by the Management Company in monetary/non-monetary form in relation to the provision of a covered service as defined in the Instruction relating to Inducements in SEB Investment Management AB. The Management Company strives to ensure that in providing services to its investors, it acts at all times in a honest, fair and professional manner, and in the best interests of the investors. The Instruction relating to Inducements in SEB Investment Management AB is available, free of charge, upon request at the address of the Management Company and at the address of the Branch.

### **11.12 Remuneration Policy**

The Management Company has implemented a remuneration policy, which is reviewed at least annually, that is designed to encourage good performance and behavior, and seeks to achieve a balanced risk-taking that goes in line with Unitholders' expectations.

In SEB Group, there is clear distinction between the criteria for setting fixed remuneration (e.g. base pay, pension and other benefits) and variable remuneration (e.g. short- and long-term variable remuneration). The individual total remuneration corresponds to requirements on task complexity, management and functional accountability and is also related to the individual's performance.

SEB Group provides a sound balance between fixed and variable remuneration and aligns the payout horizon of variable pay with the risk horizon. This implies that certain maximum levels and deferral arrangements apply for different categories of employees.

Details of the up-to-date remuneration policy are available to investors, free of charge, upon request at the address of the Management Company, and on the Website of the Management Company.

The policy shall secure that remuneration is in line with the business strategy, objectives, values and long term interest of the Unitholders, and includes measures to avoid conflicts of interests.

The assessment process of performance is based on the longer term performance of the Fund and its investment risks and the actual payment of performance-based components of remuneration is spread over the same period.

The remuneration policy is available on <https://sebgroup.com/about-us/our-business/our-divisions/seb-investment-management/about-investment-management/reports-and-legal-information>.

### **11.13. Unitholders's rights against the Fund**

The Management Company draws the investors' attention to the fact that any investor will only be able to fully exercise his investor rights directly against the Fund if the investor is registered himself and in his own name in the unitholders' register of the Fund. In cases where an investor has invested in a Fund through an intermediary investing in his own name but on behalf of the investor, it may not always be possible for the investor to exercise certain investor rights directly against the Fund. Investors are advised to inform themselves of their rights.

## 12. Data Protection

Any information which directly or indirectly relates to natural persons (the "Personal Data") i.e. the individual representative(s) of the unitholders or prospective unitholders (the "Data Subjects") and which is provided to, or collected by or on behalf of, the Fund (directly from Data Subjects or from publicly available sources) will be processed by the management company as data controller (the "Controller" – contact details available at <https://sebgroupl.lu/sebgroupl.lu/legal-and-regulatory-information/legal-notice/data-protection-notice-for-seb-investment-management-ab>) in compliance with Regulation (EU) 2016/679 of 27 April 2016 (the "GDPR") and applicable data protection laws (together the "Data Protection Legislation").

The Controller may collect information including Personal Data from the Data Subjects from time to time in order to develop and process the business relationship between the unitholder or prospective unitholder and the Fund, and for other related activities. If a unitholder or prospective unitholder fails to provide such information in a form which is satisfactory to the Board of Directors, the Board may restrict or prevent the ownership of Shares and the Fund shall, to the extent permitted by applicable laws, be held harmless and indemnified against any loss arising as a result of the restriction or prevention of the ownership of Shares.

Personal Data will be processed by the Controller and disclosed to, and processed by, services providers acting as data processors on behalf of the Controller such as the Management Company, Depositary, Central Administration, Global Distributor and its appointed sub-distributors, Paying Agents, Paying and Information Agent, Auditor, legal and financial advisers (the "Processors") and any of the foregoing respective agents, delegates, affiliates, subcontractors and/or their successors and assigns, for the purposes of (i) offering and managing investments and performing the related services, (ii) developing and processing the business relationship with the Processors, and (iii) direct or indirect marketing activities (the "Purposes").

Personal Data will also be processed by the Controller and Processors to comply with legal or regulatory obligations applicable to them such as cooperation with, or reporting to, public authorities including but not limited to legal obligations under applicable fund and company law, anti-money laundering and counter terrorist financing (AML-CTF) legislation, prevention and detection of crime, tax law such as reporting to the tax authorities under Foreign Account Tax Compliance Act (FATCA), the Common Reporting Standard (CRS), the law transposing Directive 2011/16/EU as regards mandatory automatic exchange of information in the field of taxation (DAC 6) or any other tax identification legislation to prevent tax evasion and fraud as applicable (the "Compliance Obligations").

The Controller and/or the Processors may be required to report information (including name and address, date of birth and U.S. tax identification number (TIN), account number, balance on account, the "Tax Data") to the Luxembourg tax authorities (*Administration des Contributions Directes*) which will exchange this information with the competent authorities in permitted jurisdictions (including outside the European Economic Area) for the purposes provided for in FATCA and CRS, DAC 6 or equivalent Luxembourg legislation. It is mandatory to answer questions and requests with respect to the Data Subjects' identification and Shares held in the Fund and, as applicable, FATCA and/or CRS. Failure to provide relevant Personal Data requested by the Controller or the Processors in the course of their relationship with the Fund may result in incorrect or double reporting, prevent them from acquiring or maintaining their Shares of the Fund and may be reported to the relevant Luxembourg authorities.

In certain circumstances, the Processors may also process Personal Data of Data Subjects as data controllers, in particular for compliance with their legal obligations in accordance with laws and regulations applicable to them (such as anti-money laundering identification) and/or order of any competent jurisdiction, court, governmental,

supervisory or regulatory bodies, including tax authorities. In this case, unitholders should consult the data privacy policies of the Processors acting as independent data controllers.

The Fund reserves the right to refuse to issue Shares to unitholders who do not provide the necessary Personal Data (including records of their transactions).

Communications (including telephone conversations and e-mails) may be recorded by the Controller and Processors including for record keeping as proof of a transaction or related communication in the event of a disagreement and to enforce or defend the Controller's and Processors' interests or rights in compliance with any legal obligation to which they are subject. Such recordings may be produced in court or other legal proceedings and permitted as evidence with the same value as a written document and will be retained for a period of 10 years starting from the date of the recording. The absence of recordings may not in any way be used against the Controller and Processors.

Personal Data will in principle not be transferred outside the European Economic Area (the "EEA"). If Personal Data were ever to be transferred to countries outside the EEA and not falling under an adequacy decision from the Commission on the basis of article 45 GDPR, the Joint Controllers shall ensure that such transfers are governed by an arrangement drafted in compliance with the Commission Implementing Decision (EU) 2021/914 of 4 June 2021 on standard contractual clauses for the transfer of personal data to third countries pursuant to Regulation (EU) 2016/679 of the European Parliament and of the Council (the "Standard Contractual Clauses") and, where applicable, that appropriate supplementary measures are implemented to ensure compliance with the EU level of protection of Personal Data.

Insofar as Personal Data is not provided by the Data Subjects themselves, the unitholders represent that they have authority to provide such Personal Data of other Data Subjects. If the unitholders are not natural persons, they undertake and warrant to (i) adequately inform any such other Data Subject about the processing of their Personal Data and their related rights as described below and in the summary information notice and (ii) where necessary and appropriate, obtain in advance any consent that may be required for the processing of the Personal Data.

Personal Data of Data Subjects will not be retained for longer than necessary with regard to the Purposes and Compliance Obligations, in accordance with applicable laws and regulations, subject always to applicable legal minimum retention periods.

Detailed data protection information is contained in the information notice and available at <https://sebgroupl.lu/sebgroupl.lu/legal-and-regulatory-information/legal-notice/data-protection-notice-for-seb-investment-management-ab>, in particular in relation to the nature of the Personal Data processed by the Controller and Processors, the legal basis for processing, recipients, safeguards applicable for transfers of Personal Data outside of the European Union.

The unitholders have certain rights in relation to Personal Data relating to them including the rights to access to or have Personal Data about them rectified or deleted, ask for a restriction of processing or object thereto, right to portability, right to lodge a complaint with the relevant data protection supervisory authority and the right to withdraw consent after it was given. The summary information notice contains more detailed information concerning these rights and how to exercise them.

The full information notice is also available at <https://sebgroupl.lu/sebgroupl.lu/legal-and-regulatory-information/legal-notice/data-protection-notice-for-seb-investment-management-ab>, on demand, free of charge, at [dataskyddsbud@seb.se](mailto:dataskyddsbud@seb.se) or at the registered office of the Fund.

The unitholders' attention is drawn to the fact that the data protection information contained herein and in the information notice is subject to change at the sole discretion of the Controller.

The unitholders acknowledge having received and read the data protection information contained in the information notice.

### **13. Applicable law, jurisdiction and governing language**



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

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

**ANNEX I – INFORMATION ABOUT THE ENVIRONMENTAL OR SOCIAL CHARACTERISTICS OF THE FUND**

Product name: **SEB Green Bond Fund**

Legal entity identifier: **529900BAVG20FVDM1A51**

### Sustainable investment objective

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

**Yes**
 **No**

<input checked="" type="checkbox"/> It will make a minimum of <b>sustainable investments with an environmental objective: 80.00%</b> <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy</li> <li><input checked="" type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</li> </ul> <input type="checkbox"/> It will make a minimum of <b>sustainable investments with a social objective 0.00%</b>	<input type="checkbox"/> It <b>promotes Environmental/Social (E/S) characteristics</b> and while it does not have as its objective a sustainable investment, it will have a minimum proportion of ____% of sustainable investments <ul style="list-style-type: none"> <li><input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy</li> <li><input type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</li> <li><input type="checkbox"/> with a social objective</li> </ul> <input type="checkbox"/> It promotes E/S characteristics, but <b>will not make any sustainable investments</b>
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**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

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



### What is the sustainable investment objective of this financial product?

“SEB Green Bond Fund has sustainable investments as its objective withing the meaning of Article 9 of SFDR”. The Fund seeks to contribute to a reduction in greenhouse gas emissions globally in accordance with the Paris Agreement. This is performed by investing in green bonds that contributes to projects that have a clear focus on generating renewable energy, energy efficiency, green buildings, and sustainable transport. The Fund contributes to sustainable development by supporting companies’ work to reduce climate impact and with the development of new sustainable technologies. The alignment of the companies’ activities with the objectives of the EU Taxonomy is based on data availability and quality from third party vendors. Depending on the investment opportunities, the Fund may contribute to any of the 6 objectives detailed in Article 9 of the Taxonomy Regulation.

The benchmark is the Bloomberg barclays MSCI Green Bond Index 1-5 yrs Index, which does not qualify as an EU Climate Transition Benchmark nor an EU Paris-aligned Benchmark and does not fully comply with all the methodological requirements in the Commission Delegated Regulation (EU) 2020/181. The benchmark is purely for performance comparison.

The objective of reducing carbon emissions is instead attained by identifying and investing with continued effort in green bonds with underlying projects with a clear focus on renewable energy, sustainable transports and the development of new sustainable technology in line with achieving the long term objective of the Paris agreement. The impact is measured by the avoided emissons from the green bonds underlying projects.

Green bonds, can be classified and accounted as sustainable as their use of proceed contributes to the environmental objectives. The Management Company has procedures in place to ensure that the bonds

invested in are aligned with the relevant principles, such as Green Bond Principles (“GBP”), from the International Capital Market Association (“ICMA”) or similar organisations

The SEB Investment Management Sustainability Score (the “SIMS-S”), is central to our sustainability integration process and evaluation. SIMS-S focuses on risks and opportunities related to sustainable development in company management, products & services and operations, using metrics such as alignment with the Paris Agreement, carbon footprint, gender diversity, Taxonomy alignment and sustainable development goals (“SDG”) revenues.

The Sub-Fund uses the SIMS-S framework and scores for additional ESG integration.

The SIMS-S consists of overall scores and underlying component scores. Each of them has two versions, a raw and an adjusted score. The raw score is the issuer’s standalone overall sustainability score, whereas the adjusted is sector and region adjusted. The underlying component scores, building up to the overall SIMS-S, make it possible to have a specific focus on specific sustainability topics. The SIMS-S ranges between 0 and 10, with 10 being the highest sustainability score.

The Management Company and the Sub-Fund use a “pass/fail approach”, where an issuer is classified and accounted for as sustainable, if the issuer, based on quantitative measurements provided by third party data providers, fulfil one or more of the following conditions:

- A minimum of 20% of their revenue is SDG aligned
- A minimum of 10% of their revenue is taxonomy-aligned
- In top 10% of issuers based on their Carbon Key Resource Efficiency metric within the relevant region benchmark, sector adjusted.
- In top 25% of all issuers based on their Equality Key Resource Efficiency within the relevant region benchmark.

In addition, issuers can also be fundamentally determined as being sustainable if one or more of the following conditions are met:

- A minimum of 20% of their revenue contributes to the environmental or/and social SDGs
- In the top 10% of issuers within the relevant region benchmark, sector adjusted, based on their Carbon Key Resource Efficiency metric.
- In the top 25% of all issuers within the relevant region benchmark based on their Equality Key Resource Efficiency.

To be a sustainable investment, the issuer of the investment needs to pass the pass/fail approach but also pass the do no significant harm (“DNSH”) test on the issuer level.

ESG labelled bonds, e.g., green, social, sustainability or sustainability-linked bonds, are classified and accounted as sustainable as their use of proceeds contributes to the environmental or/and social objective. The Management Company has procedures in place to ensure that the ESG labelled bonds which the Sub-Fund invests are aligned with the relevant principles for each bond, such as the Green Bond Principles (“GBP”), the Social Bond Principle (“SBP”), the Sustainability Bond Guidelines (“SBG”), the Sustainability-Linked Bond Principles (“SLBP”) from the International Capital Market Association (“ICMA”) or similar organisations.

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

- 1. Enabling activities for other activities to make a substantial contribution to reducing emissions**

is measured by the proportion of bonds from issuers active in enabling sectors or business areas

- 2. Finance projects with environmental objectives:**

is measured by the proportion of Green bonds.

Other indicators to measure the environmental and social characteristics promoted by this financial product are:

- 1. Exclusion of issuers that breach international norms and standards:**

is measured by the number of issuers restricted as a result of this restriction

**2. Exclusion of issuers that operate in controversial sectors or business areas:**

is measured by the number of issuers restricted as a result of this restriction

**3. Exclusion of issuers that have exposure to fossil fuels or other activities with negative environmental impact:**

is measured by the number of issuers restricted as a result of this restriction

**4. Integrate sustainability in their ongoing business model and strategy:**

is measured by the Sub-Fund's weighted average ESG score based on the SIMS-S framework.

**5. Influence the issuers towards a more sustainable direction:**

is measured by the number of companies subject to engagement, either directly or through collaborative initiatives.

**6. 6 avoided emissions**

is measured by the avoided GHG emissions per MEUR from the underlying projects from the green bonds

**7. Alignment to SDGs**

is measure by the amount of financing dedicated to one or several of the climate related UN Sustainability Development Goals (SDGs), including SDG 6 (Clean water and sanitation), SDG 7 (Affordable and clean Energy), SDG 9 (Industry, innovation and infrastructure), SDG 11 (Sustainable cities and communities), SDG 12 (Responsible consumption and production), SDG 13 (Climate Action).

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

The Management Company's sustainability policy is used to ensure no sustainable investment causes significant harm to any environmental or social sustainable investment objective.

Companies are excluded and not applicable for investment if they:

- do not comply with international norms and standards
- operate in controversial sectors and business areas
- have exposure to fossil fuels or other activities with negative environmental impact

The Sub-Fund is also screened for misalignment/obstruction towards the UN SDGs. A significant misalignment can lead to exclusion from the Sub-Fund's sustainable investments universe if the issuer is considered at risk of causing significant harm to environmental and/or social objectives.

Apart from the data-driven analysis and exclusion, each sustainable investment will be fundamentally tested to identify whether it causes any significant harm to any other environmental or social sustainable investment objective.

The Management Company has developed internal tools and processes to assess and consider the negative consequences of the Principal Adverse Impact ("PAI") indicators in Annex I of the CDR 2022/1288, relevant PAIs in relevant PAI Tables 2 and 3 of Annex 1 of the CDR 2022/1288. However, the indicators are subject to current data availability. They will, together with the fundamental analysis, the internal exclusion process, and the internal proprietary sustainability score from SIMS-S, affect the impact analysis in the do no significant harm ("DNSH") test.

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

Principle adverse impacts ("PAIs") from Table 1-Annex 1 of the CDR (EU) 2022/1288, are taken into account by Management Company sustainability policy and are excluded from investment:

- PAI 4: Exposure to companies active in the fossil sector

**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, anticorruption and antibribery matters.

- PAI 10: Violations of UN Global Compact Principles & OECD Guidelines for multinational enterprises
- PAI 14: Exposure to controversial weapons

PAIs from Table 1-Annex 1 of the CDR (EU) 2022/1288, are taken into account through the SIMS-S and fundamental analysis to remove the issuers causing significant harm:

- PAI 1: GHG emissions
  - PAI 2: Carbon footprint
  - PAI 3: GHG intensity of investee companies
  - PAI 5: Share of non-renewable energy consumption and production
  - PAI 6: Energy consumption intensity per high-impact climate sector
  - PAI 7: Activities negatively affecting biodiversity-sensitive areas
  - PAI 8: Emissions to water
  - PAI 9: Hazardous waste ratio
  - PAI 12: Unadjusted gender pay gap
  - PAI 13: Board gender diversity
  - PAI 11: Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD guidelines for Multinational Enterprises.
  - PAI 4 from Table 2-Annex 1 of CDR (EU) 2022/1288: Investments in companies without carbon emission reduction initiatives
  - PAI 4 from Table 3-Annex 1 of CDR (EU) 2022/1288: Lack of a supplier code of conduct
- *How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:*

The sustainable investments are aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human rights via both the norm-based exclusion criteria stated in Management Company's sustainability policy and using the SIMS-S.

Norm-based exclusions mean that Management Company expects issuers to adhere to international laws and conventions such as:

- the UN Principles for Responsible Investment
- the UN Global Compact, the OECD Guidelines for Multinational Enterprises
- the UN Guiding Principles on Business and Human Rights, including the principles and rights set out in the eight fundamental conventions identified in the Declaration of the International Labour Organisation on Fundamental Principles and Rights at Work and the International Bill of Human Rights.

Issuers with confirmed breach are not considered as sustainable.



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

Prior to the investment decision, the following PAIs are considered:

- On exclusionary basis:

From Table 1-Annex 1 of CDR (EU) 2022/1288

- PAI 4: Exposure to companies active in the fossil sector
- PAI 10: Violations of UN Global Compact Principles & OECD Guidelines for multinational enterprises
- PAI 14: Exposure to controversial weapons
- During the ESG integration process using the SIM-S combined with fundamental analysis:

From Table 1-Annex 1 of CDR (EU) 2022/1288

- PAI 1: GHG emissions
- PAI 2: Carbon footprint
- PAI 3: GHG intensity of investee companies
- PAI 5: Share of non-renewable energy consumption and production
- PAI 6: Energy consumption intensity per high-impact climate sector
- PAI 7: Activities negatively affecting biodiversity-sensitive areas
- PAI 8: Emissions to water
- PAI 9: Hazardous waste ratio
- PAI 11: Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD guidelines for Multinational Enterprises.
- PAI 12: Unadjusted gender pay gap
- PAI 13: Board gender diversity

From Table 2-Annex 1 of CDR (EU) 2022/1288

- PAI 4: Investments in companies without carbon emission reduction initiatives

From Table 3-Annex 1 of CDR (EU) 2022/1288

- PAI 4: Lack of a supplier code of conduct.

During the investment period, these PAIs are considered:

- In engagement dialogues with issuers:
  - PAI 1 – 6 from Table 1-Annex 1 of CDR (EU) 2022/1288
  - PAI 4, from Table 2-Annex 1 of CDR (EU) 2022/1288: Investments in companies without carbon emission reduction initiatives

More information about PAIs on sustainability factors is available in the SEB Principal adverse Impact Statement found at <https://sebgroup.com/about-us/our-business/our-divisions/seb-investment-management/our-sustainability-approach> and also in the Fund's annual report at: <https://sebgroup.lu/private/our-funds>

No



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

## What investment strategy does this financial product follow?

The Fund is actively managed and invests globally, primarily in green bonds in the fixed-income market. Green bonds are bonds linked to investments that aim to reduce climate and environmental impact and contribute to sustainable development. At least 80% of the Fund is invested in green bonds, mainly rated investment grade, that aim to have a beneficial effect for the environment and the climate. Wind farms, water purification plants, clean transportation, sustainable agriculture, and waste management are examples of such sustainability activities. The Fund applies positive as well as negative screening. Positive screening aims to identify companies with a good governance that contribute to sustainable development. Negative screening excludes companies that breach international norms regarding labour, anti-corruption, the environment and human rights. The Sub-Fund actively seek and select green bonds with underlying projects that contribute to or viewed as being aligned with the Paris Agreement goals of limiting the global warming to well below 2 °C, preferably 1.5 °C, compared to pre-industrial levels.

The ESG strategy applied in The Sub-Fund is through:

**Thematic and impact:** At least 80% of the Fund is invested in green bonds, mainly rated investment grade, that aim to have a beneficial effect for the environment and the climate. Wind farms, water purification plants, clean transportation, sustainable agriculture, and waste management are examples of such sustainability activities

**Integration,** the Sub-Fund promotes issuers that:

- Integrate sustainability into their ongoing business model and strategy.
- Have a high SIMS-S.
- Demonstrate a high degree of willingness to reduce their greenhouse gas (GHG) emissions (transitioning issuers) or aim to be more energy efficient.

**Monitoring and engagement dialogues**, the Sub-Fund seeks to influence issuers towards a more sustainable direction, by ensuring that the portfolio companies strive to make ongoing and meaningful progress concerning sustainability risks and opportunities through engagement dialogues, both in direct dialogues and in collaborations.

We believe that companies working with managing environmental challenges, business ethics and social responsibilities will be more successful.

**Exclusion**, the Sub-Fund will comply with the Management Company's exclusion policy and therefore excludes issuers that:

- Breach international norms and standards where the issuer cannot present clear goals and ongoing measures to address the issue(s).
- Operate in controversial sectors or business areas such as tobacco, recreational cannabis, pornography, commercial gambling, civilian weapons, and alcohol.
- Companies where more than 5% of their revenue is from the development, production and service of weapons comprising combat equipment or certain other military equipment.
- Produce fossil fuels or use unconventional extraction methods. Consequently, the Sub-Fund has limited exposure to:
  - companies generating energy from fossils fuels
  - companies, where distribution linked to fossil fuels exceeds 5% of total revenue
  - companies for which services related to fossil fuels exceed 50% of total revenues.

More information on exclusion criteria can be found at: <https://sebgroup.lu/private/our-funds>

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

Thematic investment : At least 80% of the portfolio bonds are green bonds

Monitoring dialogues : At least 20 of the portfolio issuers are subject to engagement dialogues with a specific and targeted objective to achieve a change.

Exclusion. The Sub-Fund will comply with the Management Company's exclusion policy as mentioned above.

Impact investment: The impact is measured by the avoided emissions from the green bonds underlying projects and should contribute to at least 100 ton GHG avoided per MEUR invested

The Fund has a commitment to invest 80% of its assets in Sustainable Investments with an environmental objective, and of those 80%, a minimum of 2% will be in taxonomy aligned activities.

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

The Management Company ensures good governance of the securities in the financial product, partly by exclusions and screenings based on:

- sector screenings
- norm breaches
- safeguards such as adherence to the UN Global Compact, ILO conventions and OECD Guidelines in the investment decision process.

Screening for relevant sanctions is also applied. The Sub-Fund's investments are monitored in these regards as well, as stated in the Management Company's sustainability policy.

The governance of each company held in the Sub-Fund is assessed by several additional factors, including:

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



- sustainability and independence of board directors
- board and management diversity
- appropriate levels of pay and variable remuneration (including sustainability-linked incentives),
- separation of senior management and board positions
- anti-corruption
- tax evasion practices
- environmental and climate impacts
- human rights
- working conditions, both regarding the company's own operations and through its supply chain.

More information about good governance can be found at: <https://sebgroup.com/about-us/our-business/our-divisions/seb-investment-management/our-sustainability-approach/active-ownership>

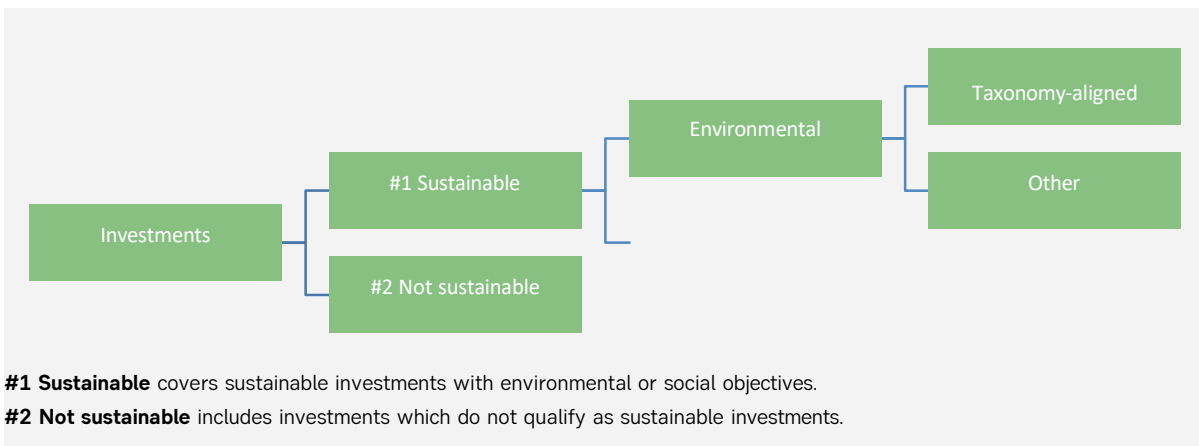


## What is the asset allocation and the minimum share of sustainable investments?

**Asset allocation** describes the share of investments in specific assets.

The Fund has a commitment to invest 80% of its assets in sustainable investments with an environmental objective, and of those 80%, a minimum of 2% will be in taxonomy aligned activities.

Investments not included under sustainable investments are cash and derivatives. Where derivatives are used for hedging and liquidity purposes while cash is used in the meaning of ancillary liquid assets. These investments need to comply with the Management Company's exclusion policy as the minimum environmental and social safeguards.



Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies

- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.

- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

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

the Management Company does not use derivatives as a way to attain the sustainability investment objectives, but uses ESG derivatives where possible. In order to decide if it is feasible, total cost of execution is considered. Factors like liquidity, spreads and alignment, along with the Management Company's ESG principles are considered as well.



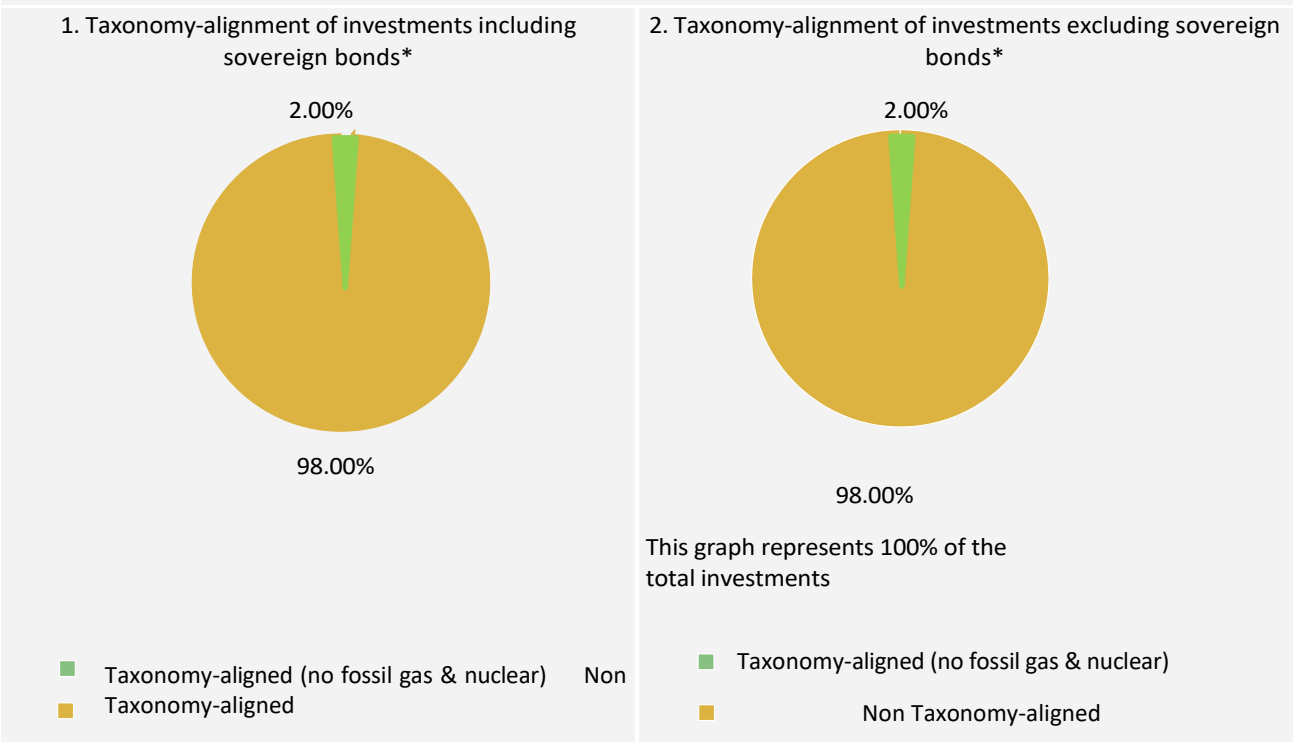
### To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

The Fund has a commitment to have, on portfolio level, at least 2% of its assets invested in taxonomy aligned activities.

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

- **What is the minimum share of investments in transitional and enabling activities?**  
0%. The investments in the Sub-Fund may or may not be in transitional and enabling activities. However, the Sub-Fund does not commit to having a minimum proportion of investments in transitional and enabling activities.
- **Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy<sup>3</sup>?**  
 Yes  
 In fossil                       In nuclear energy  
 No

The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds<sup>3</sup>, the first graph shows the Taxonomy-alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy-alignment only in relation to the investments of the financial product other than sovereign bonds.



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

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



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

1%. The Fund does not exclude any investments that would be aligned with the EU taxonomy.

<sup>3</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 objectives – see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.



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



What is the minimum share of sustainable investments with a social objective?

0%, The Fund does not commit to any minimum share of sustainable investments with a social objective, nor does it exclude any investments with a social objective



What investments are included under “#2 Not sustainable”, what is their purpose and are there any minimum environmental or social safeguards?

Investments included in “#2 Not sustainable” are cash and derivatives. Where derivatives are used for hedging and liquidity purposes while cash is used within the meaning of ancillary liquid assets.

The “#2 Not sustainable” investments need to comply with the Management Company's exclusion policy as the minimum environmental and social safeguards.



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

No.

**Reference benchmarks** are indexes to measure whether the financial product attains the sustainable investment objective.



Where can I find more product specific information online?

More product-specific information can be found on the website: <https://sebgrouplu/private/our-funds> .

More information about the sustainability approach of the Management Company can be found on the website:

<https://sebgrouplu/about-us/our-business/our-divisions/seb-investment-management/our-sustainability-approach> .

## ADDITIONAL INFORMATION FOR INVESTORS IN GERMANY

In accordance with Section 310 (1) and (2) of the Investment Code (Kapitalanlagegesetzbuch KAGB), the Management Company has notified the Bundesanstalt für Finanzdienstleistungsaufsicht (BaFin: the German Federal Financial Supervisory Authority), Frankfurt am Main, of the distribution of Fund units in Germany.

Distributor in Germany  
SEB AB Frankfurt Branch  
Stephanstrasse 14-16  
D-60313 Frankfurt am Main

Information Agent in Germany  
SEB AB Frankfurt Branch  
Stephanstrasse 14-16  
D-60313 Frankfurt

### Publications

The prospectus, the key information documents, the constitutive documents as well as the annual and semi-annual reports can be obtained free of charge from the Information Agent and are available to investors on the website [www.sebgroup.lu](http://www.sebgroup.lu).

The issue and redemption prices of Fund are available upon request at the office of the Management Company and published on the website [www.sebgroup.lu](http://www.sebgroup.lu).

In addition, the investors in Germany will be provided by means of a durable medium in accordance with § 167 KAGB in German or in a language that is customary in the sphere of international finance (§ 298 clause 2 KAGB):

- aa) suspension of the redemption of the units of an EU UCITS;
- bb) termination of an EU UCITS' management or the winding-up of an EU UCITS;
- cc) amendments to the Fund rules which are inconsistent with existing investment principles, affect material investor rights, or relate to remuneration or the reimbursement of expenses that may be amendments and the rights of investors, the information must be communicated in an easily understandable form and manner and must indicate where and how further information may be obtained; dd) the merger of EU UCITS in the form of information on the proposed merger which must be drawn up in accordance with Article 43 of Directive 2009/65/EC; ee) the conversion of an EU UCITS into a feeder Fund or any change to a master Fund in the form of information which must be drawn up in accordance with Article 64 of Directive 2009/65/EC. All payments to unitholders (sales proceeds, distributions, if applicable, and all other payments) may be received in Germany through the Transfer Agent of the Fund via the German correspondent bank. Furthermore, investors in Germany may address their redemption or conversion request directly to their German correspondent bank.

Specific risks arising from new obligations on the publication of tax data in Germany. Upon request and at any time, the Management Company of the Fund must provide the German tax authorities with documents which the tax authorities require to permit the verification of the tax information published by the Fund. The basis for calculating the tax-relevant data can be interpreted in various ways. As a result, there can be no guarantee that the German tax authorities will accept the calculation method of the Fund's Management Company in every respect.

If, as a result of this state of affairs, it should emerge that the tax data published by the Fund are incorrect, the investor must be aware that any corrections made will not have a retroactive effect and will, as a general rule, apply only to the current tax year. Consequently, a correction may have a positive or negative impact on the investor only for the current tax year in which distributions have been received or in which distribution-like income is attributable.