

# PROSPECTUS

## CARNEGIE INVESTMENT FUND

*Société d'Investissement à capital variable  
à compartiments multiples*

incorporated under the laws of the Grand Duchy of Luxembourg

Subscriptions can only be received on the basis of the current complete prospectus and relevant Key Information Document ("**KID**") accompanied by the latest annual report as well as by the latest semi-annual report published after the latest annual report.

In addition to the complete prospectus, containing fundamental information about CARNEGIE INVESTMENT FUND, CARNEGIE INVESTMENT FUND publishes a KID relating to an investment in each sub-fund and each share class and particular information on the profile of a typical investor. The KID is available, free of charge to each subscriber at the registered office of CARNEGIE INVESTMENT FUND and must be considered by an investor before conclusion of the subscription contract.

The annual and semi-annual reports form part of the present prospectus. No information other than that contained in this prospectus, the KID(s), in the periodic financial reports, as well as in any other documents mentioned in the prospectus and which may be consulted by the public, may be given in connection with the offer.

Shares of CARNEGIE INVESTMENT FUND may be neither bought nor held directly or indirectly by investors who are residents or citizens of the United States and its sovereign territories nor is the transfer of shares to those persons permitted.

**As in the case of any investment, CARNEGIE INVESTMENT FUND cannot guarantee future performance and there can be no certainty that the investment objectives of CARNEGIE INVESTMENT FUND's individual Sub-Funds will be achieved.**

R.C.S. LUXEMBOURG: B158803

**August 2024**

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## INTRODUCTION

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CARNEGIE INVESTMENT FUND (hereafter the "**Company**") described in this prospectus is a company established in the Grand Duchy of Luxembourg with a variable capital, (*société d'investissement à capital variable*), comprising separate sub-funds (the "**Sub-Funds**" or individually a "**Sub-Fund**"). The Company is an Undertaking for Collective Investment in Transferable Securities ("**UCITS**") incorporated pursuant to Part I of the Luxembourg Law of 17 December 2010 on undertakings for collective investment, as amended (the "**2010 Law**").

The Company is managed by Carne Global Fund Managers (Luxembourg) S.A., a management company governed by chapter 15 of the 2010 Law.

The objective of the Company is to achieve long-term capital appreciation through investment of its Sub-Funds' assets in transferable securities, money market instruments and other legally acceptable assets.

**As is the case for any investment, the Company cannot guarantee future performance and there can be no certainty that the investment objectives of the Company's individual Sub-Funds will be achieved.**

**Investment in the Company is suitable for private and institutional investors who do not require immediate liquidity for their investments, for whom an investment in the Company does not constitute a complete investment programme and who fully understand and are willing to assume the risks involved in Company's investment objective and policy.**

The Company has been set up as a multiple sub-fund investment company which means that the Company may be composed of several sub-funds. Details of each Sub-Fund are specified in the appendices to this prospectus.

The board of directors of the Company (the "**Board of Directors**") may decide at any time to create new Sub-Funds. At the opening of such additional Sub-Funds, a supplement to the prospectus shall be issued providing the investors with all information on those new Sub-Funds and the present prospectus shall be adapted accordingly and a new KID relating to such new Sub-Fund shall be made available.

## THE COMPANY

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The Company was incorporated in the Grand Duchy of Luxembourg on 13 January 2011. It is organised as a variable capital company (*société d'investissement à capital variable* "**SICAV**") under the law of 10 August 1915 relating to commercial companies, as amended, and Part I of the 2010 Law. As such the Company is registered on the official list of collective investment undertakings maintained by the Luxembourg regulator. It is established for an undetermined duration from the date of its incorporation.

The registered office of the Company is at: 3, rue Jean Piret, L-2350 Luxembourg). The articles of incorporation of the Company (the "Articles") were published in the *Mémorial, Recueil des Sociétés et Associations*, (hereafter referred to as the "**Mémorial**") C-346 on 22 February 2011. The Articles of the Company were amended by deed of Maître Francis

Kessler, notary, residing in Esch-sur-Alzette, (Grand Duchy of Luxembourg) dated 13 January 2012 and published in the Mémorial C-189 on 24 January 2012. The registered number of the Company is R.C.S. Luxembourg B 158803. The Articles have been deposited with the Register of Trade and Commerce of Luxembourg where they are available for inspection and where copies thereof can be obtained.

The Articles may be amended from time to time by a general meeting of shareholders, subject to the quorum and majority requirements provided by Luxembourg law. Any amendment thereto shall be published in the *Recueil Électronique des Sociétés et Associations* (the "RESA").

The fiscal year of the Company starts on January 1st and ends on December 31st of each year (the "**Fiscal Year**").

Shareholders' meetings are to be held annually in Luxembourg at the Company's registered office or at such other place as is specified in the notice of meeting. The annual general meeting will be held on the third Friday in March each year, at 4 p.m. local time. If such day is a legal bank holiday in Luxembourg, the annual general meeting shall be held on the next following bank business day in Luxembourg.

Other meetings of shareholders may be held at such place and time as may be specified in the respective notices of meetings. Notices of meetings will be given by registered letter to registered shareholders at least eight (8) days prior to each meeting. Notices of meetings may be published, in accordance with Luxembourg law, in the RESA and in such Luxembourg newspaper and in such other newspaper of general circulation as the Board of Directors may determine from time to time. Resolutions concerning the interests of the shareholders of the Company shall be taken in a general meeting and resolutions concerning the particular rights of the shareholders of one specific Sub-Fund shall in addition be taken by this Sub-Fund's general meeting.

The Company draws the investors' attention to the fact that any investor will only be able to fully exercise his investor rights directly against the Company, notably the right to participate in general shareholders' meetings, if the investor is registered himself and in his own name in the shareholders' register of the Company. In cases where an investor invests in the Company through an intermediary investing into the Company in his own name but on behalf of the investor, it may not always be possible for the investor to exercise certain shareholder rights directly against the Company. Investors are advised to take advice on their rights.

## **CAPITAL STOCK**

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The capital of the Company shall at all times be equal to the value of the net assets of all the Sub-Funds of the Company.

The minimum capital of the Company shall be the equivalent of EUR 1.250.000,- (one million two hundred and fifty thousand Euro). For the purpose of determining the capital of the Company, the net assets attributable to each Sub-Fund, if not expressed in Euro, will be converted into Euro at the then prevailing exchange rate in Luxembourg.

The Board of Directors is authorised, without limitation and at any time, to issue additional shares at the respective net asset value per share determined in accordance with the provisions of the Company's Articles, without reserving to existing shareholders a

preferential right to subscribe for the shares to be issued.

On issue, all shares have to be fully paid up. The shares do not have any par value. Each share carries one vote, regardless of its net asset value and of the Sub-Fund to which it relates.

Shares are only available in registered form. No share certificates will be issued in respect of registered shares unless specifically requested; registered share ownership will be evidenced by confirmation of ownership and registration on the share register of the Company.

If the capital of the Company becomes less than two-thirds of the legal minimum, the directors must submit the question of the dissolution of the Company to the general meeting of shareholders. The meeting is held without a quorum, and decisions are taken by simple majority. If the capital becomes less than one quarter of the legal minimum, a decision regarding the dissolution of the Company may be taken by shareholders representing one quarter of the shares present. Each such meeting must be convened not later than forty (40) days from the day on which it appears that the capital has fallen below two-thirds or one quarter of the minimum capital, as the case may be.

## ORGANISATION OF SHARES

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The Company may offer in each Sub-Fund different classes of shares (each a "**Class**" and together the "**Classes**"). The differences between the Classes of shares are different currencies, different minimum initial subscription amounts and different levels of commissions and corresponding management fees as more fully described in the relevant appendix to this prospectus for each Sub-Fund. The Company may also decide to reserve certain Classes to certain specific categories of investors (e.g. Institutional Investors). The Company may furthermore issue sub-classes (each a "**Sub-Class**" and together the "**Sub-Classes**") of shares within each Class: Capitalisation Sub-Class (Sub-Class A) and/or Distribution Sub-Class (Sub-Class B). These Sub-Classes differ by their distribution policy, the Capitalisation Sub-Classes capitalise income, the Distribution Sub-Classes pay dividends.

Details of the shares issued by each Sub-fund are set out in the relevant appendix hereto.

## INVESTMENT OBJECTIVE AND POLICY

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### General Investment Guidelines

The objective of the Company is to achieve long-term capital appreciation through investment in securities, money market instruments and other legally acceptable liquid financial assets.

The Company cannot, however, guarantee that it will achieve its goals given financial market fluctuations and the other risks to which investments are exposed.

Each Sub-Fund shall pursue an independent investment policy, which is set out in the appendices to this prospectus.

## Investment restrictions

The following investment restrictions are applicable to the Company as a whole, and therefore to any existing or future Sub-Fund.

- (I) The investments of the Company shall consist solely of:
- (A) transferable securities and money market instruments admitted to or dealt in on a regulated market, within the meaning of Directive 2014/65/EU of the European Parliament and of the Council of May 15, 2014 on markets in financial instruments;
  - (B) transferable securities and money market instruments dealt in on another market in an EU Member State which is regulated, operates regularly and is recognized 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 European Union or dealt in on another market in a non-Member State of the European Union which is regulated, operates regularly and is recognized and open to the public, such stock exchange or market being located in a member state of the OECD and any country in Europe, Africa, Asia, Central America and South America (each an "**Eligible State**");
    - all of the markets mentioned under (A), (B), and (C) above hereafter are referred to as "**Regulated Markets**";
  - (D) newly 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 Regulated Market;
    - such admission is scheduled to be secured within one year of issue;
  - (E) units of UCITS authorised according to Directive 2009/65/EC and/or other undertakings for collective investments ("**UCIs**") within the meaning of the points a) and b) of Article 1 paragraph 2 of Directive 2009/65/EC, whether situated in a Member State of the European Union or not, provided that:
    - such other UCIs are authorised under laws which provide that they are subject to supervision considered by the *Commission de Surveillance du Secteur Financier* (the "**CSSF**") to be equivalent to that laid down in EU law, and that cooperation between authorities is sufficiently ensured;
    - the level of protection for unitholders in such other UCIs is equivalent to that provided for unitholders in a UCITS, and in particular that the rules on assets segregation, borrowing, lending, and uncovered sales of transferable securities and money market instruments are equivalent to the requirements of Directive 2009/65/EC;
    - the business of such other UCIs is reported in half-yearly and annual



reports to enable an assessment of the assets and liabilities, income and operations over the reporting period; and

- no more than 10% of the assets of the UCITS or of the other UCIs, whose acquisition is contemplated, can, according to their fund rules or instruments of incorporation, be invested in aggregate in units of other UCITS or other UCIs.
- (F) deposits with credit institutions, which are repayable on demand or have the right to be withdrawn, and maturing in no more than twelve (12) months, provided that the credit institution has its registered office in a Member State of the European Union or, if the registered office of the credit institutions is situated in a non-Member State, provided that it is subject to prudential rules considered by the CSSF as equivalent to those laid down in EU law;
- (G) financial derivative instruments, including equivalent cash-settled instruments, dealt in on a Regulated Market referred to in paragraphs (A) (B) and (C) above, and/or financial derivative instruments dealt in over-the-counter ("**OTC derivatives**"), provided that:
- the underlying consists of instruments covered by Article 41, paragraph (1) of the 2010 Law, financial indices, interest rates, foreign exchange rates or currencies, in which the Company may invest according to its 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 Company's initiative;
- (H) money market instruments other than those dealt in on a Regulated Market if the issue or issuer of such instruments are themselves regulated for the purpose of protecting investors and savings, and provided that such instruments are:
- issued or guaranteed by a central, regional or local authority or by a central bank of a EU Member State, the European Central Bank, the European Union or the European Investment Bank, a non-EU 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 EU Member States belong; or
  - issued by an undertaking any securities of which are dealt in on a Regulated Market referred to in paragraphs (A) (B) and (C) above; 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 EU law; or

- issued by other bodies belonging to the categories approved by the CSSF provided that investments in such instruments are subject to investor protection equivalent to that laid down in the first, the second or the third indent of this paragraph (H) and provided that the issuer is a company whose capital and reserves amount to at least ten million euro (10,000,000 EUR) 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.
- (I) The Company will not invest more than 10% of the net assets of each Sub-Fund in transferable securities and money market instruments other than those referred to in (A), (B), (C), (D) & (H) above.
- (II) (J) Each Sub-Fund may hold ancillary liquid assets.
- (A) The Company will invest no more than 10% of the net assets of a Sub-Fund in transferable securities and money market instruments issued by the same issuing body. Moreover, where the Company holds, on behalf of a Sub-Fund, investments in transferable securities and money market instruments of any issuing body which individually exceed 5% of the net assets of such Sub-Fund the total value of such transferable securities and money market instruments must not exceed 40% of the value of the Sub-Fund's total net assets, provided that this limitation does not apply to deposits and OTC derivative transactions made with financial institutions subject to prudential supervision.
- (B) The Company may invest no more than 20% of the net assets of a Sub-Fund in deposits made with the same body.
- (C) The risk exposure to a counter-party of the Company in an OTC derivative transaction may not exceed 10% of the relevant Sub-Fund's net assets when the counter-party is a credit institution referred to in (F) above or 5% of the relevant Sub-Fund's net assets in other cases.
- (D) Notwithstanding the individual limits laid down in (II) (A) to (C) above, the Company may not, for each Sub-Fund, combine:
- investments in transferable securities or money market instruments issued by a single body;
  - deposits made with a single body; and/or
  - exposures arising from OTC derivative transactions undertaken with a single body;
- in excess of 20% of the relevant Sub-Fund's net assets.
- (E) The limit of 10% laid down in paragraph (II) (A) above may be increased to a maximum of 35% in respect of transferable securities and money market instruments which are issued or guaranteed by an EU Member State, its local authorities, by a non-Member State or

by public international bodies of which one or more Member States are members.

- (F) The limit of 10% referred to in paragraph (II) (A) above may be raised to maximum 25% for covered bonds as defined under 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 (hereafter "Directive (EU 2019/2162)", and certain debt instruments when 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 these bonds issued before 8 July 2022 must be invested in conformity with the 2010 Law in assets which, during the whole period of validity of the bonds, are capable of covering claims attaching to the debt securities and which, in case of bankruptcy of the issuer, would be used on a priority basis for the repayment of principal and payment of the accrued interest. If the Company invests more than 5% of the net assets of a Sub-Fund in such debt securities, and issued by one issuer, the total value of such investments may not exceed 80% of the value of the net assets of the relevant Sub-Fund.
- (G) The transferable securities and money market instruments referred to in paragraphs (II) (E) and (F) above are not included in the calculation of the limit of 40% laid down in paragraph (II) (A) above.
- (H) The limits set out in the paragraphs (II) (A) to (F) may not be combined, and thus investments in transferable securities or money market instruments issued by the same body, in deposits or derivative instruments made with this body carried out in accordance with paragraphs (II) (A) to (F) may not exceed a total of 35% of the net assets of any Sub-Fund. A Sub-Fund may cumulatively invest up to 20% of its net assets in transferable securities and money market instruments within the same group, such group being for purposes of consolidated accounts, as defined in accordance with Directive 83/349/EEC or in accordance with recognized international accounting rules, as regarded a single body for the purpose of calculating the limits contained in this Section (II).
- (I) Notwithstanding the limits set out in (II) (A) to (H), in accordance with Article 44 of the 2010 Law, each Sub-Fund is authorized to invest up to 20% of its net assets in shares and/or debt securities issued by the same body when such investment policy is to replicate the composition of a certain equity or debt securities index which is recognized 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; and
  - it is published in an appropriate manner.
- (J) The limit laid down in the previous paragraph (II) (I) can be 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.

**Notwithstanding (II) above, in accordance with Article 45 of the 2010 Law, the Company is authorised to invest up to 100% of the net assets of each Sub-Fund in transferable securities and money market instruments issued or guaranteed by an EU Member State, its local authorities, or by an OECD Member State or public international bodies of which one or more EU Member States are members on the condition that the respective Sub-Fund's net assets are diversified on a minimum of six separate issues, and each issue may not account for more than 30% of the total net asset value of the Sub-Fund.**

(III)

- (A) The Company may not acquire, shares carrying voting rights which would enable it to take legal or management control or to exercise significant influence over the management of the issuing body;
- (B) The Company may acquire no more than (a) 10% of the non-voting shares of the same issuer or (b) 10% of the debt securities of the same issuer, or (c) 10% of the money market instruments of any single issuer, or (d) 25% of the units of the same collective investment undertaking provided that such limits laid down in (b), (c) and (d) may be disregarded at the time of acquisition if at that time the gross amount of debt securities or of the money market instruments or the net amount of the instruments in issue cannot be calculated;
- (C) The limits laid down in paragraphs (III) (A) and (B) above are waived as regards:
  - transferable securities and money market instruments issued or guaranteed by a Member State of the EU or its local authorities;
  - transferable securities and money market instruments issued or guaranteed by a non-Member State of the EU;
  - transferable securities and money market instruments issued by public international bodies of which one or more EU Member States are members; and
  - shares held by the Company in the capital of a company incorporated in a non-Member State of the European Union 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 Company 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 a non-EU Member State complies with the limits laid down in Articles 43 and 46 and Article 48, paragraphs (1) and (2) of the 2010

Law. Where the limits set in Articles 43 and 46 are exceeded, Article 49 shall apply mutatis mutandis.

(IV)

- (A) The Company may acquire the units of UCITS and/or other UCI referred to in (I)(E) above provided that no more than 20% of the net assets of each Sub-Fund are invested in the units of a single UCITS or other UCI. For the purpose of the application of this investment limit, each compartment of a UCI with multiple sub-funds is to be considered as a separate issuer provided that the principle of segregation of the obligations of the various sub-funds vis-à-vis third parties is ensured.
- (B) Investments made in units of UCIS other than UCITS may not in aggregate exceed 10% of the net assets of each Sub-Fund. When the Company has acquired 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 set out in (II) above.
- (C) When the Company 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 subscription or redemption fees on account of the Company's investment in the units of such other UCITS and/or UCIs.
- (D) When a Sub-Fund invests a substantial proportion of its net assets in other UCITS and/or other UCIs, the maximum level of the management fees that may be charged both to the Sub-Funds of the Company itself and to the other UCITS and/or other UCIs in which it invests may not exceed 5% of each Sub-Fund's net assets. In its annual report the Company shall indicate the maximum proportion of management fees charged both to the Sub-Funds of the Company itself and to the UCITS and/or other UCIs in which it invests.

(V) The Company will not on behalf of each Sub-Fund:

- (A) make investments in, or enter into, transactions involving precious metal, commodities or certificates representing these;
- (B) purchase or sell real estate or any option, right or interest therein, provided that the Company may invest in securities secured by real estate or interests therein, or issued by companies which invest in real estate or interests therein and provided further that the Company may acquire such property which is essential for the direct pursuit of its business;
- (C) borrow. However the Company may (i) acquire foreign currency by means of a back-to-back loan, (ii) borrow the equivalent of up to 10% of the net assets of each Sub-Fund provided that the borrowing is on temporary basis, and (iii) borrow up to 10% of the net assets of each Sub-Fund provided that the borrowing is to make possible the acquisition of immovable property essential for the direct pursuit of

its business and provided further that these borrowings and those referred to in sub-paragraph (ii) may not in any case in total exceed 15% of the Sub-Fund's net assets;

- (D) grant loans to or act as guarantor for third parties. This shall not prevent the Company from acquiring transferable securities or money market instruments or other financial instruments referred to in (I)(E), (G) and (H) above which are not fully paid;
  - (E) carry out uncovered sales of transferable securities, money market instruments or other financial instruments referred to in (I)(E), (G) and (H) above.
- (VI) Risk management process:
- (A) The Company will employ a risk management process which enables it to monitor and measure at any time the risk of the positions and their contribution to the overall risk profile of the portfolio.
  - (B) The Company must employ a process for accurate and independent assessment of the value of OTC derivative instruments. It must communicate to the CSSF regularly and in accordance with the detailed rules the latter shall define, the types of derivative instruments, the quantitative limits and the methods which are chosen in order to estimate the risks associated with transactions in derivative instruments.
  - (C) The Company shall ensure that each Sub-Fund's global exposure relating to derivative instruments does not exceed the total net value of its portfolio.

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

The Company may invest, as a part of its investment policy and within the limits laid down in (II) (H) above in financial derivative instruments provided that the exposure to the underlying assets does not exceed in aggregate the investment limits laid down in (II) above. When the Company invests in index-based financial derivative instruments, these investments do not have to be combined to the limits laid down in (II) above. When a transferable security or money market instrument embeds a derivative, the latter must be taken into account when complying with the requirements of this paragraph (VI).

- (D) The method used to calculate the global exposure of each Sub-Fund as well as the maximum expected level of leverage of each Sub Fund shall be indicated in the relevant appendix.

The Company need not comply with the limits laid down above when exercising subscription rights attaching to transferable securities or money market instruments which form part of their assets. While ensuring the principle of risk-spreading, the Company may derogate from restrictions (II) and (IV) above for a period of six (6) months following the date of the

authorisation of any new Sub-Fund.

If the limitations are exceeded for reasons beyond the control of the Company or as a result of the exercise of subscription rights, the Company must adopt, as a priority objective for its sales transactions the remedying of that situation, taking due account of the interests of its shareholders.

To the extent an issuer is a legal entity with multiple compartments where the assets of a Sub-Fund are exclusively reserved to the investors in such Sub-Fund and to those creditors whose claim has arisen in connection with the creation, operation or liquidation of that sub-fund, each Sub-Fund is to be considered as a separate issuer for the purpose of the application of the risk-spreading rules set out in (II) and (IV).

## **Techniques and Instruments:**

### **A. General provisions**

For the purpose of efficient portfolio management and/or to protect their assets and commitments, the Company or the Investment Manager, as the case may be, may arrange for the Sub-Funds to make use of techniques and instruments relating to transferable securities and money market instruments or other types of underlying assets always in compliance with CSSF's Circular 14/592 relating to ESMA Guidelines on ETFs and other UCITS issues (the "**CSSF's Circular 14/592**").

When these transactions involve the use of derivatives, the conditions and restrictions set out above in the section headed "Investment Restrictions" must be complied with.

In no case whatsoever must the recourse to transactions involving derivatives or other financial techniques and instruments cause the Company or the Investment Manager, as the case may be, to depart from the investment objectives as set out in the prospectus.

### **B. Efficient portfolio management techniques ("**EMT**")**

The Company will not enter into the following securities financing transactions ("**SFT Transactions**") in accordance with the definitions described in 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 and amending Regulation (EU) No 648/2012 as amended from time to time (the "**SFT Regulation**"):

- repurchase and reverse repurchase agreement transactions;
- buy-sell back/sell-buy back transactions;
- margin lending.

In case the Company decides to use the above-mentioned SFT Transactions or total return swaps, the prospectus will be updated accordingly.

### **Common provisions applicable to EMT and total return swaps**

The Company's annual report will contain information on income from efficient portfolio-management techniques and OTC for the Sub-Funds' entire reporting period, together with details of the Sub-Funds' direct (e.g. transaction fees for securities, etc.) and indirect (e.g. general costs incurred for legal advice) operational costs and fees, insofar as they are associated with the management of the corresponding Company/Sub-Fund.

The Company's annual report will provide details on the identity of companies associated with the Company or its Depositary, provided they receive direct and indirect operational costs and fees.

All income arising from the use of techniques and instruments for efficient portfolio management and OTC, less direct and indirect operational costs, profit to the Company in order to be reinvested in line with the Company's investment policy and consequently will positively impact on the performance of the Sub-Fund. The counterparties to the agreements on the use of techniques and instruments for efficient portfolio management and OTC will be selected according to the Company's principles for executing orders for financial instruments (the "**best execution policy**"). The costs and fees to be paid to the respective counterparty or other third party will be negotiated according to market practice.

In principle, the counterparties are not affiliated companies of the Company or companies belonging to the promoter's group.

The selection of counterparties to such transactions will generally be financial institutions based in an OECD member state of any legal form and have an investment grade credit rating. Details of the selection criteria and a list of approved counterparties are available from the registered office of the Management Company.

These assets subject to SFT Transactions and total return swaps will be safekept with the Depositary.

### **Total return swaps**

A total return swap is a derivative contract as defined in point (7) of Article 2 of Regulation (EU) No 648/2012 in which one counterparty transfers the total economic performance, including income from interest and fees, gains and losses from price movements, and credit losses, of a reference obligation to another counterparty.

Sub-Funds may use total return swap instruments in order to improve a Sub-Fund's performance, generate capital or additional income or to reduce costs or risks. In such cases, the counterparty to the transaction will be a counterparty approved and monitored by the Management Company or the Investment Manager. At no time will a counterparty in a transaction have discretion over the composition or the management of the Sub-Fund's investment portfolio or over the underlying of the total return swap. Total return swaps will not be used on a continuous basis but may be used dependent on market conditions or when such instruments are deemed appropriate to improve performance of a Sub-Fund or to reduce costs or risks.

The following types of assets can be subject to total return swaps: equity and equity-related instruments, fixed income instruments, units of UCIs, eligible financial indices.

All revenues arising from total return swaps, net of direct and indirect operational costs and fees, will be returned to the Sub-Fund concerned.

In particular, fees and cost may be paid to the relevant counterparty and other intermediaries providing services in connection with Total Return Swaps as normal remuneration for their services. Information on direct and indirect operational costs and fees that may be incurred in this respect, the identity of the entities to which such costs and fees are paid as well as any relationship they may have with the Management Company or the Investment Manager will be available in the annual report of the Company.



The risk of counterparty default and the effect on investor returns are described under section "Special Risk considerations".

Where a sub-fund uses total return swaps, the maximum and the expected proportion of assets under management of the sub-fund that can be subject to total return swaps will be set out in the relevant sub-fund appendix. Sub-Funds for which this information is not disclosed will not engage in such transactions.

### **Securities lending transaction**

A securities lending is a transaction by which a counterparty transfers securities subject to a commitment that the borrower will return equivalent securities on a future date or when requested to do so by the transferor, that transaction being considered as securities lending for the counterparty transferring the securities and being considered as securities borrowing for the counterparty to which they are transferred.

The Company may enter into securities lending transactions in order to improve a Sub-Fund's performance, generate capital or additional income or to reduce costs or risks and provided that the following rules are complied with in addition to the above mentioned conditions:

- (i) The borrower in a securities lending transaction must be subject to prudential supervision rules considered by the CSSF as equivalent to those prescribed by EU law;
- (ii) The Company may only lend securities to a borrower either directly or through a standardised system organised by a recognised clearing institution or through a lending system organised by a financial institution subject to prudential supervision rules considered by the CSSF as equivalent to those provided by EU law and specialised in this type of transaction;
- (iii) The Company may only enter into securities lending transactions provided that it is entitled at any time under the terms of the agreement to request the return of the securities lent or to terminate the agreement.

The following types of assets can be subject to securities lending transactions: equities and equity-related instruments, fixed income instruments and (if possible) shares/units of UCIs.

The risks related to the use of securities lending transactions and the effect on investors returns are described under section "Special Risk considerations".

CACEIS Bank has been appointed as securities lending agent for the sub-funds that engage in securities lending. The relevant sub-funds pay max. 40% of the gross revenues generated from securities lending activities as costs/fees to the lending agent and retain min. 60% of the gross revenues generated from securities lending activities. All costs / fees of running the programme are paid from the lending agent's portion of the gross income (max. 40%). This includes all direct and indirect costs/fees generated by the securities lending activities.

Securities lending will generally be performed on a continuous basis for the Sub-Fund's that employ this technique.

Where a sub-fund uses securities lending, the maximum and the expected proportion of assets under management of the sub-fund that can be subject to securities lending will be

set out in the relevant sub-fund appendix. Sub-Funds for which this information is not disclosed will not engage in such transactions.

### **C. Management of collateral for OTC financial derivatives transactions and EMT**

As security for any EMT and OTC financial derivatives transactions, the relevant Sub-Fund will obtain the following type of collateral, with a view to reduce its counterparty risk covering at least the market value of the financial instruments object of EMT and OTC financial derivatives transactions:

- (i) liquid assets which include not only cash and short-term bank certificates, but also money market instruments such as defined within Directive 2007/16/EC of 19 March 2007 implementing Council Directive 85/611/EEC on the coordination of laws, regulations and administrative provisions relating to certain UCITS as regards the clarification of certain definitions. A letter of credit or a guarantee at first-demand given by a first-class credit institution not affiliated to the counterparty are considered as equivalent to liquid assets;

Haircut comprised between 0% and 5% depending on denomination currencies and market conditions;

- (ii) bonds issued or guaranteed by a Member State of the OECD or by their local public authorities or by supranational institutions and undertakings with EU, regional or worldwide scope. The maximum maturity for bonds issues from supranational institutions will be thirty (30) years, the maximum maturity for municipal bonds will be thirty-five (35) years and the maximum maturity for bonds issues by Member States of the OECD or by their agencies will be fifty (50) years;

Haircut comprised between 2% and 20% depending on corresponding terms and market conditions;

- (iii) shares or units issued by money market UCIs calculating a daily net asset value and being assigned a rating of AAA or its equivalent;

Haircut comprised between 2% and 5% depending on investment strategy and market conditions;

- (iv) shares or units issued by UCITS investing mainly in bonds/shares mentioned in (v) and (vi) below;

Haircut comprised between 5% and 20% depending on investment strategy and market conditions;

- (v) bonds issued or guaranteed by first class issuers offering an adequate liquidity with a maturity of up to thirty-five (35) years; or  
Haircut comprised between 5% and 20% depending on corresponding terms and market conditions;

- (vi) shares admitted to or dealt in on a regulated market of a Member State of the OECD, on the condition that these shares are included in a main index;

Haircut comprised between 5% and 40% depending on underlying companies and market conditions.

The Company may, on a case by case basis, apply different haircuts and/or amend the previous haircuts at any time and at its sole discretion.

The Company must proceed on a daily basis to the valuation of the collateral received using available market prices and taking into account appropriate discounts for each asset class based on its haircut policy. The policy takes into account a variety of factors, depending on the nature of the collateral received, such as the issuer's credit standing, the maturity, currency and price volatility of the assets. No review of the applicable haircut levels as disclosed below is undertaken in the context of the daily valuation. Haircut levels will be reviewed at least annually to ensure that they remain appropriate for eligible collateral.

Generally, the exposure of OTC financial derivatives transactions, EPM and SFT Transactions is calculated daily on a mark to market basis and the variation margin is valued and exchanged subject to the terms of the applicable derivatives contract.

The level of collateral required for OTC financial derivatives transactions, EPM and SFT Transactions will be determined by taking into account the nature and characteristics of such transactions, the creditworthiness and identity of counterparties and prevailing market conditions. The level of collateral maintained in relation to OTC financial derivatives transactions, EPM and SFT Transactions for which collateral is required will be at least equal to the market value of the transaction or instrument.

Each Sub-Fund must make sure that it is able to claim its rights on the guarantee in case of the occurrence of an event requiring the execution thereof. Therefore, the guarantee must be available at all times, either directly or through the intermediary of a first-class financial institution or a wholly-owned subsidiary of this institution, in such a manner that the Sub-Fund is able to appropriate or realize the assets given as guarantee, without delay, if the counterparty does not comply with its obligation to return the securities.

During the duration of the agreement, the guarantee cannot be sold or given as a security or pledged, except when the Sub-Fund has other means of coverage.

Collateral received must at all times meet with the following criteria:

- (a) Liquidity: Collateral must be sufficiently liquid in order that it can be sold quickly at a robust price that is close to its pre-sale valuation.
- (b) Valuation: Collateral must be capable of being valued on at least a daily basis and must be marked to market daily.
- (c) Issuer credit quality: The Company will ordinarily only accept high quality collateral.
- (d) Correlation – the collateral will be issued by an entity that is independent from the counterparty and is expected not to display a high correlation with the performance of the counterparty.
- (e) Collateral diversification (asset concentration) – collateral should be sufficiently diversified in terms of country, markets and issuers. The criterion of sufficient diversification with respect to issuer concentration is considered to be respected if the Sub-Fund receives from a counterparty of efficient portfolio management and over-the-counter financial derivative transactions a basket of collateral with a maximum exposure to a given issuer of 20% of the Sub-Fund's net asset value. When a Sub-Fund is exposed to different counterparties, the different baskets of collateral should

be aggregated to calculate the 20% limit of exposure to a single issuer. By way of derogation from this sub-paragraph, a Sub-Fund may be fully collateralised in different transferable securities and money market instruments issued or guaranteed by a Member State, one or more of its local authorities, a third country, or a public international body to which one or more Member States belong. Such a Sub-Fund should receive securities from at least six different issues, but securities from any single issue should not account for more than 30% of the Sub-Fund's net asset value.

- (f) **Safe-keeping:** Where there is a title transfer, the collateral received shall be held by the Depositary or a delegate of the Depositary, with a central security depository or with third-party custodian in case of collateral that does not imply a transfer of ownership such as pledge governed by Luxembourg law. At the date of this prospectus, collateral received is either held in custody by the Depositary Bank (or a sub-custodian on behalf of the Depositary Bank) or with regards to securities lending transactions can be held by the lending agent by delegation from the Depositary in a registered account opened in the Depositary Bank's or the delegate's books for safekeeping. For other types of collateral arrangement, the collateral can be held by a third party custodian which is subject to prudential supervision, and which is unrelated to the provider of the collateral.
- (g) **Risk management:** Risks limited to the management of collateral, such as operational and legal risks should be identified, managed or mitigated by the risk management process.
- (h) **Enforceable:** Collateral must be immediately available to the Company without recourse to the counterparty, in the event of a default by that entity.
- (i) **Non-Cash collateral**
  - cannot be sold, pledged or re-invested;
  - must be issued by an entity independent of the counterparty; and
  - must be diversified to avoid concentration risk in one issue, sector or country.
- (j) If the guarantee is given in the form of cash, such cash should only be:
  - (a) placed on deposit with entities prescribed in Article 41 (1) f) of the 2010 Law;
  - (b) invested in high-quality government bonds;
  - (c) used for the purpose of reverse repurchase transactions provided the transactions are with credit institutions subject to prudential supervision and that each Sub-Fund is able to recall at any time the full amount of cash on accrued basis;
  - (d) invested in short-term money market funds as defined in the Guidelines on a Common Definition of European Money Market Funds.

Financial assets other than bank deposits and units or shares of funds acquired by means of reinvestment of cash received as a guarantee, must be issued by an entity not affiliated to the counterparty.

Reinvested cash collateral should be diversified in accordance with the diversification requirements applicable to non-cash collateral. In case of cash collateral reinvestment, all risks associated with a normal investment will apply. Financial assets other than bank deposits must not be safekept by the counterparty, except if they are segregated in an appropriate manner from the latter's own assets. Bank deposits must in principle not be safekept by the counterparty, unless they are legally protected from consequences of

default of the latter.

Financial assets may not be pledged/given as a guarantee, except when the Sub-Fund has sufficient liquid assets enabling it to return the guarantee by a cash payment.

Short-term bank deposits, money market funds and bonds referred to above must be eligible investments within the meaning of Article 41 (1) of the 2010 Law.

Exposures arising from the reinvestment of collateral received by the Sub-Fund shall be taken into account within the diversification limits applicable under the 2010 Law.

If the short-term bank deposits referred to in (a) are likely to expose each Sub-Fund to a credit risk vis-à-vis the trustee, the Company must take this into consideration for the purpose of the limits on deposits prescribed by article 43 (1) of the 2010 Law.

The Company, when receiving collateral for at least 30% of the assets of a Sub-Fund, must have an appropriate stress testing policy in place to ensure regular stress tests are carried out under normal and exceptional liquidity conditions to enable the Company to assess the liquidity risk attached to the collateral. The liquidity stress testing policy should at least prescribe the following:

- (a) design of stress test scenario analysis including calibration, certification and sensitivity analysis;
- (b) empirical approach to impact assessment, including back-testing of liquidity risk estimates;
- (c) reporting frequency and limit/loss tolerance threshold(s); and
- (d) mitigation actions to reduce loss including haircut policy and gap risk protection.

The reinvestment must, in particular if it creates a leverage effect, be taken into account for the calculation of each Sub-Fund's global exposure. Any reinvestment of a guarantee provided in the form of cash in financial assets providing a return in excess of the risk free rate, is subject to this requirement.

Reinvestments will be mentioned with their respective value in an appendix to the Annual reports of the Company.

As of the date of the prospectus, collateral will not be reused.

The Annual reports will also mention the following information:

- (a) If the Collateral received from an issuer has exceeded 20% of the NAV of a Sub-Fund, and/or;
- (b) If a Sub-Fund has been fully collateralised in securities issued or guaranteed by a Member State.

## **Special Risk Considerations**

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Prospective investors should give careful consideration to the following factors in evaluating the merits and suitability for investment in the shares of the Company:

- (i) The value of the shares may fall as well as rise. There is no guarantee that the Company will meet its objectives.
- (ii) The Company's operations (including investment management) are carried out by the service providers mentioned in this prospectus. In the event of a bankruptcy or insolvency of a service provider, investors could experience delays (for example, delays in the processing of subscriptions, conversions and redemption of Shares) or other disruptions.
- (iii) The Company's assets are held in custody by the Depositary, which exposes the Company to custodian risk. This means that the Company is exposed to the risk of loss of assets placed in custody as a result of insolvency, negligence or fraudulent trading by the Depositary.
- (iv) The services of the directors, the Management Company and Depositary are not to be deemed exclusive to the Company. No provision of this prospectus shall be construed to preclude the directors and Depositary or any affiliate thereof from engaging in any other activity whatsoever and receiving compensation for providing services in the performance of any such activity. The Investment Manager, its officers, employees, agents and affiliates, or shareholders, and if any of the above are bodies corporate, any of their officers, employees, agents and affiliates or shareholders ("**Interested Parties**") may be involved in other financial, investment or other professional activities which may on occasion cause conflicts of interest with the Company. The Investment Manager may, for example make investments on its own behalf or for other clients. The Company will be offered and will be able to participate (local regulations permitting) in all potential investments identified by the Investment Manager as falling within the investment policy of the Company, if it is then reasonably practicable for it to do so.
- (v) Despite the possibility for the Company to use option, futures and swap contracts and to enter into forward foreign exchange transactions with the aim to hedge exchange rate risks, all Sub-Funds are subject to market or currency fluctuations, and to the risks inherent in all investments. Therefore, no assurance can be given that the invested capital will be preserved, or that capital appreciation will occur.
- (vi) The reference currency of each Sub-Fund is not necessarily the investment currency of the Sub-Fund concerned. Investments are made in those currencies that best benefit the performance of the Sub-Funds in the view of the Investment Manager. Shareholders investing in a Sub-Fund other than in its reference currency should be aware that exchange rate fluctuations could cause the value of their investment to diminish or increase.
- (vii) The value of fixed income securities held by the Sub-Funds generally will vary inversely with changes in interest rates and such variation may affect share prices accordingly.
- (viii) The value of a Sub-Fund that invests in equity securities will be affected by changes in the stock markets and changes in the value of individual portfolio securities. At times, stock markets and individual securities can be volatile and prices can change substantially in short periods of time. The equity securities of smaller companies are more sensitive to these changes than those of larger companies. This risk will affect the value of such Sub-Funds, which will fluctuate as the value of the underlying equity securities fluctuates.

- (ix) The value of an investment represented by a UCI in which the Company invests, may be affected by fluctuations in the currency of the country where such UCI invests, or by foreign exchange rules, the application of the various tax laws of the relevant countries, including withholding taxes, government changes or variations of the monetary and economic policy of the relevant countries. Furthermore, it is to be noted that the net asset value per share will fluctuate mainly in light of the net asset value of the targeted UCIs.
- (x) Liquidity risk exists when a particular instrument is difficult to purchase or sell. If a derivative transaction is particularly large or if the relevant market is illiquid, it may not be possible to initiate a transaction or liquidate a position at an advantageous price (however, the Company will only enter into OTC Derivatives if it is allowed to liquidate such transactions at any time at fair value).
- (xi) There shall be duplication of management fees and other operating fund related expenses, each time the Company invests in other UCIs and/or UCITS. The maximum proportion of management fees charged both to the Company itself and to the UCIs and/or UCITS in which the Company invests shall be disclosed in the annual report of the Company. If the Company invests in the units of other UCITS and/or other UCIs that are managed, directly or by delegation, by the 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, the Management Company or other company may not charge subscription or redemption fees on account of the Company's investment in the units of such other UCITS and/or UCIs.
- (xii) Potential investors should note that investments in emerging markets carry risks additional to those inherent in other investments. In particular, potential investors should note that investment in any emerging market carries a higher risk than investment in a developed market; emerging markets may afford a lower level of legal protection to investors; some countries may place controls on foreign ownership; and some countries may apply accounting standards and auditing practices which do not necessarily conform with internationally accepted accounting principles.
- (xiii) The Sub-Funds may seek to protect or enhance the returns from the underlying assets by using options, futures, swaps and contracts for difference ("**CFD**") and enter into forward foreign exchange transactions in currency. The ability to use these strategies may be limited by market conditions and regulatory limits and there can be no assurance that the objective sought to be attained from the use of these strategies will be achieved. Participation in the options, futures, swaps, CFD contracts or in currency exchange transactions involves investment risks and transaction costs to which the Sub-Funds would not be subject if the Sub-Funds did not use these strategies. If the portfolio manager's predictions of movements in the direction of the securities, foreign currency and interest rate markets are inaccurate, the adverse consequences to a Sub-Fund may leave the Sub-Fund in a worse position than if such strategies were not used. Risks inherent to options, futures, foreign currency, swaps, CFD contracts and options on futures contracts include, but are not limited to (a) dependence on the portfolio manager's ability to forecast correctly the movements of interest rates, securities prices and currency markets; (b) imperfect correlation between the price of options, futures contracts and options thereon and movements in the prices of the securities or currencies being hedged; (c) the fact that skills needed to use these strategies are different from those needed to select portfolio securities; (d) the possible absence of a liquid secondary market

for any particular instrument at any time; and (e) the possible inability of a Sub-Fund to purchase or sell a portfolio security at a time that otherwise would be favourable for it to do so, or the possible need for a Sub-Fund to sell a portfolio security at a disadvantageous time. Where a Sub-Fund enters into swap or CFD transactions it is exposed to a potential counterparty risk. In case of insolvency or default of the swap or CFD counterparty, such event would affect the assets of the Sub-Fund.

- (xiv) The purchase of credit default swap protection allows a Sub-Fund, on payment of a premium, to protect itself against the risk of default by an issuer. In the event of default by an issuer, settlement can be effected in cash or in kind. In the case of a cash settlement, the buyer of the CDS protection receives from the seller of the CDS protection the difference between the nominal value and the attainable redemption amount. Where settlement is made in kind, the buyer of the CDS protection receives the full nominal value from the seller of the CDS protection and in exchange delivers to him the security which is the subject of the default, or an exchange shall be made from a basket of securities. The detailed composition of the basket of securities shall be determined at the time the CDS contract is concluded. The events which constitute a default and the terms of delivery of bonds and debt certificates shall be defined in the CDS contract. The Sub-Fund can if necessary sell the CDS protection or restore the credit risk by purchasing call options. Upon the sale of credit default swap protection, the Sub-Fund incurs a credit risk comparable to the purchase of a bond issued by the same issuer at the same nominal value. In either case, the risk in the event of issuer default is in the amount of the difference between the nominal value and the attainable redemption amount. Besides the general counterparty risk, upon the concluding of credit default swap transactions there is also in particular a risk of the counterparty being unable to establish one of the payment obligations which it must fulfil. The Sub-Fund will ensure that the counterparties involved in these transactions are selected carefully and the risk associated with the counterparty is limited and closely monitored.
- (xv) The Sub-Funds may enter into transactions in OTC markets, which will expose the Sub-Funds to the credit of its counterparties and their ability to satisfy the terms of such contracts. For example, the Sub-Funds may enter into swap arrangements or other derivative techniques as specified in the relevant Sub-Fund Appendix, each of which expose the Sub-Funds to the risk that the counterparty may default on its obligations to perform under the relevant contract. In the event of a bankruptcy or insolvency of a counterparty, the Sub-Funds could experience delays in liquidating the position and significant losses, including declines in the value of its investment during the period in which the Company seeks to enforce its rights, inability to realise any gains on its investment during such period and fees and expenses incurred in enforcing its rights. There is also a possibility that the above agreements and derivative techniques are terminated due, for instance, to bankruptcy or change in the tax or accounting laws relative to those at the time the agreement was originated. However, this risk is limited in view of the Investment Restrictions laid down in the Section Investment Objective and Policy of this prospectus.
- (xvi) Certain markets in which the Sub-Funds may effect their transactions are over-the-counter or interdealer markets. The participants in such markets are typically not subject to credit evaluation and regulatory oversight as are members of "exchange-based" markets. To the extent a Sub-Fund invests in swaps, derivative or synthetic instruments, or other over-the-counter transactions, on these markets, such Sub-Fund may take credit risk with regard to parties with whom it trades and may also bear the risk of settlement default. These risks may differ materially from those entailed in exchange-traded transactions which generally are backed by clearing



organisation guarantees, daily marking-to-market and settlement, and segregation and minimum capital requirements applicable to intermediaries. Transactions entered directly between two counterparties generally do not benefit from such protections. This exposes the Sub-Funds to the risk that a counterparty will not settle a transaction in accordance with its terms and conditions because of a dispute over the terms of the contract (whether or not bona fide) or because of a credit or liquidity problem, thus causing the Sub-Fund to suffer a loss. Such "counterparty risk" is accentuated for contracts with longer maturities where events may intervene to prevent settlement, or where the Company has concentrated its transactions with a single or small group of counterparties. In addition, in the case of a default, the respective Sub-Fund could become subject to adverse market movements while replacement transactions are executed. The Sub-Funds are not restricted from dealing with any particular counterparty or from concentrating any or all of their transactions with one counterparty. Moreover, the Sub-Funds have no internal credit function which evaluates the creditworthiness of their counterparties. The ability of the Sub-Funds to transact business with any one or a number of counterparties, the lack of any meaningful and independent evaluation of such counterparties' financial capabilities and the absence of a Regulated Market to facilitate settlement may increase the potential for losses by the Sub-Funds.

- (xvii) There is a risk that agreements and derivatives techniques are terminated due, for instance, to bankruptcy, supervening illegality or change in tax or accounting laws. In such circumstances, a Sub-Fund may be required to cover any losses incurred. Furthermore, certain transactions are entered into on the basis of complex legal documents. Such documents may be difficult to enforce or may be the subject of a dispute as to interpretation in certain circumstances. Whilst the rights and obligations of the parties to a legal document may be governed by Luxembourg law, in certain circumstances (for example insolvency proceedings) other legal systems may take priority which may affect the enforceability of existing transactions.
- (xviii) With regard to investment in warrants investors should note that the leverage effect of investment in warrants and the volatility of warrant prices make the risk attached to the investment in warrants higher than in the case with investment in equities.
- (xix) In assessing the eligibility of an issuer in terms of ESG classification, there is a dependence upon information and data from third party providers. ESG information from third-party data providers may be incomplete, inaccurate or unavailable. As a result, there is a risk that the Investment Manager may incorrectly assess a security or issuer, resulting in the incorrect inclusion or exclusion of a security in the portfolio of a Sub-Fund.

There is also a risk that the Investment Manager may not apply the relevant criteria of the ESG information correctly or that the relevant Sub-Funds could have indirect exposure to issuers who do not meet the relevant criteria.

To the extent that a Sub-Fund uses ESG criteria as a basis for including or excluding securities from the Sub-Fund's portfolio, it may forego opportunities in individual securities and/or sectors of securities for non-investment reasons which could have a positive or negative impact on performance and may cause the Sub-Fund's performance profile to differ from that of funds which invest in a similar universe of potential investments but which do not apply ESG criteria.

The lack of common or harmonised definitions and labels regarding ESG criteria may result in different approaches by managers when setting ESG objectives

making it difficult to compare funds with ostensibly similar objectives but which employ different security selection and exclusion criteria.

Consequently, the performance profile of otherwise similar funds may deviate more substantially than might otherwise be expected. Additionally, in the absence of common or harmonised definitions and labels, a degree of subjectivity is required and this will mean that a Sub-Fund may invest in a security that another manager or an investor would not.

- (xx) A Sub-Fund may invest in China A-shares through the Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect programmes subject to any applicable regulatory limits. The Shanghai-Hong Kong Stock Connect program is a securities trading and clearing linked program developed by Hong Kong Exchanges and Clearing Limited ("HKEx"), the Hong Kong Securities Clearing Company Limited ("HKSCC"), Shanghai Stock Exchange ("SSE") and China Securities Depository and Clearing Corporation Limited ("ChinaClear") with an aim to achieve mutual stock market access between mainland China and Hong Kong. This program will allow foreign investors to trade certain SSE listed China A Shares through their Hong Kong based brokers. The Shenzhen-Hong Kong Stock Connect is a similar cross-boundary investment channel, however it connects the Shenzhen Stock Exchange with HKEx. Again, it provides mutual stock market access between mainland China and Hong Kong and broadens the range of China A Shares that international investors can trade.

A Sub-Fund may seek to invest in the domestic securities markets of the People's Republic of China ("PRC") and may use both the Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect programmes, in addition to the QFII and RQFII schemes and, thus, are subject to the following additional risks:

**General Risk:**

The programmes require use of new information technology systems which may be subject to operational risk due to their cross-border nature. If the relevant systems fail to function properly, trading in both Hong Kong, Shanghai and Shenzhen markets through the programmes could be disrupted.

**Clearing and Settlement Risk:**

The HKSCC and ChinaClear have established the clearing links and each will become a participant of each other to facilitate clearing and settlement of cross-boundary trades. For cross-boundary trades initiated in a market, the clearing house of that market will on the one hand clear and settle with its own clearing participants, and on the other hand undertake to fulfil the clearing and settlement obligations of its clearing participants with the counterparty clearing house.

**Legal/Beneficial Ownership:**

Where securities are held in custody on a cross-border basis, there are specific legal/beneficial ownership risks linked to compulsory requirements of the local central securities depositories, HKSCC and ChinaClear.

As in other emerging and less developed markets, the legislative framework is only beginning to develop the concept of legal/formal ownership and of beneficial ownership or interest in securities. In addition, HKSCC, as nominee holder, does not guarantee the title to Shanghai-Hong Kong Stock Connect or Shenzhen-Hong Kong Stock Connect securities held through it and is under no obligation to enforce title or other rights associated with ownership on behalf of beneficial owners.

Consequently, the courts may consider that any nominee or custodian as registered holder of Shanghai-Hong Kong Stock Connect or Shenzhen-Hong Kong Stock Connect securities would have full ownership thereof, and that those Shanghai-Hong Kong Stock Connect or Shenzhen-Hong Kong Stock Connect securities would form part of the pool of assets of such entity available for distribution to creditors of such entities and/or that a beneficial owner may have no rights whatsoever in respect thereof. Consequently a Sub-Fund and the Depositary cannot ensure that a Sub-Fund's ownership of these securities or title thereto is assured.

To the extent that HKSCC is deemed to be performing safekeeping functions with respect to assets held through it, it should be noted that the Depositary and a Sub-Fund will have no legal relationship with HKSCC and no direct legal recourse against HKSCC in the event that a Sub-Fund suffers losses resulting from the performance or insolvency of HKSCC.

In the event ChinaClear defaults, HKSCC's liabilities under its market contracts with clearing participants will be limited to assisting clearing participants with claims. HKSCC will act in good faith to seek recovery of the outstanding stocks and monies from ChinaClear through available legal channels or the liquidation of ChinaClear. In this event, a Sub-Fund may not fully recover its losses or its Shanghai-Hong Kong Stock Connect or Shenzhen-Hong Kong Stock Connect securities and the process of recovery could also be delayed.

#### Operational Risk:

The HKSCC provides clearing, settlement, nominee functions and other related services of the trades executed by Hong Kong market participants. PRC regulations which include certain restrictions on selling and buying will apply to all market participants.

#### Quota Limitations:

The program is subject to quota limitations which may restrict a Sub-Fund's ability to invest in China A Shares through the program on a timely basis.

**Investor Compensation:** A Sub-Fund will not benefit from local investor compensation schemes.

Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect will only operate on days when both the PRC and Hong Kong markets are open for trading and when banks in both markets are open on the corresponding settlement days. There may be occasions when it is a normal trading day for the PRC market but a Sub-Fund cannot carry out any China A Shares trading. A Sub-Fund may be subject to risks of price fluctuations in China A Shares during the time when Shanghai-Hong Kong Stock Connect or Shenzhen-Hong Kong Stock Connect are not trading as a result. The list above refers to the most frequently encountered risks and is not an exhaustive list of all the potential risks.

All these risks are correctly identified and monitored according to CSSF's Circular 11/512 and 14/594 and ESMA Guidelines 2014/937. The use of efficient portfolio management techniques will not result in a change to the investment policy of a Sub-Fund and should not add substantial supplementary risk to the original risk policy of the relevant Sub-Fund.

## DISTRIBUTION POLICY

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No distributions are contemplated in relation to Class 1A of the sub-fund Nordic Equity Fund and the proportionate amount of trading gains and net investment income relating to that Class will be automatically reinvested.

Decisions regarding the annual dividend are taken by the annual general meeting, and regarding the interim dividends by the Board of Directors. The dividend, if any, will be paid in the reference currency of the respective Sub-Fund.

No distribution may be made as a result of which the minimum capital of the Company falls below EUR 1.250.000.

## NET ASSET VALUE

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The net asset value of each Class/Sub-Class of each Sub-Fund will be expressed in the reference currency of the respective Sub-Fund as a per share figure, and shall be determined on any Valuation Date (as defined below), by the Management Company by dividing the value of the net assets attributable to that Class/Sub-Class being the value of the assets attributable to that Class/Sub-Class less the liabilities attributable to that Class/Sub-Class, on the Valuation Date, by the number of shares of that Class/Sub-Class then outstanding (the "**Net Asset Value**").

The Net Asset Value of each Class/Sub-Class of each Sub-Fund will be calculated on such a bank business day in Luxembourg (being a day on which banks are open for business in Luxembourg other than 24 December) as being defined for each Sub-Fund in the appendices to this prospectus (each a "**Valuation Date**") unless otherwise stated in the appendix for a specific Sub-Fund.

### **Suspension of the calculation of Net Asset Value and of the issue, conversion and repurchase of shares.**

The calculation of the Net Asset Value of the shares of any Class/Sub-Class of any Sub-Fund and the issue, conversion and redemption of the shares of any Class/Sub-Class of any Sub-Fund may be suspended in the following circumstances:

- during any period (other than ordinary holidays or customary weekend closings) when any market or stock exchange is closed, which is the main market or stock exchange for a significant part of the Sub-Fund's investments, or in which trading therein is restricted or suspended; or
- during any period when an emergency exists as a result of which it is impossible to dispose of investments which constitute a substantial portion of the assets of a Sub-Fund; or
- during any breakdown in the means of communication normally employed in determining the price of any of the Sub-Fund's investments or of current prices on any stock exchange; or
- when for any reason the prices of any investment owned by the Sub-Fund cannot,

under the control and liability of the Board of Directors, be reasonably, promptly or accurately ascertained; or

- during the period when remittance of monies which will or may be involved in the purchase or sale of any of the Sub-Fund's investments cannot, in the opinion of the Board of Directors, be carried out at normal rates of exchange; or
- following a decision to liquidate or dissolve the Company or one or several Sub-Funds; or
- whenever exchange or capital movement restrictions prevent the execution of transactions on behalf of the Company or in case purchase and sale transactions of the Company's assets are not realisable at normal exchange rates.

The suspension of the calculation of the Net Asset Value and of the issue and redemption of the shares shall be published in a Luxembourg newspaper and in one newspaper of more general circulation.

Any such suspension shall be notified to the investors or shareholders affected, i.e. those who have made an application for subscription or redemption of shares for which the calculation of the Net Asset Value has been suspended.

Suspended subscription and redemption applications shall be processed on the first Valuation Date after the suspension ends.

Suspended subscription and redemption applications may be withdrawn by means of a written notice, provided the Company receives such notice before the suspension ends.

In the case where the calculation of the Net Asset Value is suspended for a period exceeding one (1) month, all shareholders will be personally notified.

**The Net Asset Value of the shares shall be assessed as follows:**

- I. The Company's assets shall include:
  1. all cash at hand and on deposit, including interest due but not yet collected and interest accrued on these deposits up to the Valuation Date;
  2. all bills and demand notes and accounts receivable (including the result of the sale of securities that have not yet been received);
  3. all securities, units, shares, debt securities, option or subscription rights and other investments and transferable securities owned by the Company;
  4. all dividends and distribution proceeds declared to be received by the Company in cash or securities insofar as the Company is aware of such;
  5. all interest due but not yet received and all interest yielded up to the Valuation Date by securities owned by the Company, unless this interest is included in the principal amount of such securities;
  6. the incorporation expenses of the Company if such were not amortised; and
  7. all other assets of whatever nature, including prepaid expenses.

The value of these assets shall be determined as follows:

- (a) the value of any cash at hand or on deposit, bills and demand notes and accounts receivable, prepaid expenses, dividends and interests declared or due but not yet collected will be deemed to be the full value thereof, unless it is unlikely that such values are received in full, in which case the value thereof will be determined by deducting such amount the directors consider appropriate to reflect the true value thereof;
- (b) securities and money market instruments listed on a stock exchange or traded on any other regulated market will be valued at the last available price on such stock exchange or market. If a security or money market instrument is listed on several stock exchanges or markets, the last available price on the stock exchange or market, which constitutes the main market for such securities or money market instruments, will be determining;
- (c) securities or money market instruments not listed on any stock exchange or traded on any regulated market or securities or money market instruments for which no price quotation is available or for which the price referred to in (b) is not representative of the fair market value, will be valued prudently, and in good faith on the basis of their reasonable foreseeable sales prices;
- (d) units/shares of UCITS authorised according to Directive 2009/65/EC and/or other UCIs will be valued at the last available net asset value for such shares or units as of the relevant Valuation Date;
- (e) Futures and options are valued on the basis of their closing price on the concerned market on the preceding day. The prices used are the liquidation prices on the futures markets;
- (f) Swaps are valued at their real value, which is based on the last known traded closing price of the underlying security.

Assets expressed in a currency other than the currency of the relevant Sub-Fund shall be converted on the basis of the rate of exchange ruling on the relevant business day in Luxembourg.

II. The Company's liabilities shall include:

- 1. all borrowings, bills matured and accounts due;
- 2. all liabilities known, whether matured or not, including all matured contractual obligations that involve payments in cash or in kind (including the amount of dividends declared by the Company but not yet paid);
- 3. all reserves, authorised or approved by the directors, in particular those that have been built up to reflect a possible depreciation on some of the Company's assets;
- 4. All other commitments of the Company of any kind whatsoever other than commitments represented by the shares of the Company. For the purpose of estimating the amount of such commitments the Company shall take into account all of its payable expenses such as described in the section "Expenses" below including, without any limitation the incorporation expenses and costs for

subsequent amendments to the constitutional documents, fees and expenses payable to the Management Company, Depositary and correspondent agents, domiciliary agents, or other mandataries and employees of the Company, as well as the permanent representative of the Company in countries where it is subject to registration, the costs for legal assistance or the auditing of the Company's annual reports, the costs of printing the annual and interim financial reports, the costs of convening and holding shareholders' and directors' Meetings, reasonable travelling expenses of directors, directors' fees, the costs of registration statements, all taxes and duties charged by governmental authorities and stock exchanges, the costs of publishing the issue and repurchase prices as well as any other running costs, including financial, banking and brokerage expenses incurred when buying or selling assets or otherwise and all other administrative costs. For the purpose of estimating the amount of such liabilities, the Company may factor in any regular or recurrent administrative and other expenses on the basis of an estimate for the year or any other period by dividing the amount in proportion to the fractions of such period.

For the valuation of the amount of these liabilities, the Company shall take into account pro-rata temporis the expenses, administrative and other costs that occur regularly or periodically.

- III. Each of the Company's shares in the process of being redeemed shall be considered as a share issued and outstanding until the close of business on the Valuation Date applicable to the redemption of such share and its price shall be considered as a liability of the Company from the close of business on this date until the price has been paid.

Each share to be issued by the Company in accordance with subscription applications received shall be considered as issued from the close of business on the Valuation Date of its issue and its price shall be considered as an amount owed to the Company until it has been received by the Company.

Whenever a foreign exchange rate is needed in order to determine the Net Asset Value of a Sub-Fund, the applicable foreign exchange rate on the respective Valuation Date will be used.

In addition, appropriate provisions will be made to account for the charges and fees charged to the Sub-Funds as well as accrued income on investments.

In the event it is impossible or incorrect to carry out a valuation in accordance with the above rules owing to extraordinary circumstances or events the Board of Directors is entitled to use other generally recognised valuation principles, which can be examined by an auditor, in order to reach a proper valuation of each Sub-Fund's total assets.

## **ISSUE OF SHARES**

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The directors reserve the right to reject any application in whole or in part, without giving the reasons therefore.

### **Initial Subscription Period**

Shares shall be subscribed during the initial subscription period at a price such as determined by the Company in the appendices to this prospectus.

### **Subsequent Subscriptions**

After the initial offering period, the shares of each Class/Sub-Class are offered for sale on each Valuation Date except in case of suspension of the Net Asset Value determination as under the section entitled "Net Asset Value". The Board of Directors may, if it thinks appropriate, close a Sub-Fund to new subscriptions. Upon such a decision being made an addendum to the prospectus shall be issued.

Shares of a Class/Sub-Class of a Sub-Fund will be issued at a subscription price based on the relevant Net Asset Value per share determined on the relevant Valuation Date (see "Net Asset Value" section).

### **Minimum Investment**

Minimum initial investments and minimum subsequent investments for each Sub-Fund are specified in the appendices to this prospectus.

The Board of Directors may, in its discretion, increase the minimum amount of any subscription in any Sub-Fund. Upon such an increase, the appendices to the prospectus shall be amended accordingly.

### **Subscription Application and Cut-Off Time**

If a subscription application is to be carried out at the Net Asset Value prevailing on a Valuation Date, the application must be received by the Central Administration Agent no later than such a cut-off time as specified for each Sub-Fund in the appendices to this prospectus. Any application received after such time shall be calculated on the basis of the Net Asset Value calculated on the immediately following Valuation Date.

In order to comply with applicable money laundering legislation, investors must submit, along with their application form, documents that prove their identity to the Central Administration Agent.

### **Subscription Fee**

A subscription fee, payable to the Sub-Fund, may be charged upon a subscription for shares of the Sub-Fund provided that the same subscription fee shall be applied to all shareholders subscribing on the same Valuation Date. The level of such subscription fee is set out for each Sub-Fund in the appendices to this prospectus.

### **Subscription-in-kind**

The Company may also accept securities as payment for the shares provided that the securities meet the investment policy and investment restrictions of the concerned Sub-Fund of the Company. In such case, the independent auditor of the Company shall establish a report to value the contribution in kind, the expenses of which shall be borne either by the subscriber who has chosen this method of payment or by the Investment Manager, if so agreed.



## **Miscellaneous**

The subscription price of each share is payable by wire transfer only within two (2) bank business days following the Valuation Date.

All shares will be allotted immediately upon subscription. Payments shall be made in the reference currency of the relevant Sub-Fund or another currency, if requested; if payment is made in another currency than the reference currency of the relevant Sub-Fund, the Company, at the expense of the relevant shareholder, will enter into an exchange transaction at market conditions and this exchange transaction could lead to a postponement of the allotment of shares.

Shares may be issued in fractions up to four decimals. Rights attached to fractions of shares are exercised in proportion to the fraction of a share held except in the case of the right to vote, which may only be exercised in relation to a whole share.

The issue of shares of any Sub-Fund shall be suspended on any occasion when the calculation of the Net Asset Value thereof is suspended.

In accordance with the 2010 Law, the issue of shares shall be prohibited:

(i) during any period where the Company has no Depositary; and

(ii) where the Depositary is put into liquidation or declared bankrupt or seeks an arrangement with the creditors, a suspension of payment or a controlled management or is the subject of similar proceedings.

## **Hedged Classes**

The Company may issue hedged classes ("Hedged Classes") which will be identified by "H" in the Class name.

The currency of the Hedged Classes will be systematically hedged against the reference currency of that Sub-Fund, with the objective of minimizing currency risk exposure. While the relevant Sub-Fund will attempt to hedge this risk, there can be no guarantee that it will be successful in doing so.

This activity may increase or decrease the return to Shareholders in those Classes. Hedged Classes of a Sub-Fund will seek to be 100% hedged and will be hedged against the reference currency of the Sub-Fund. Investors should note that it will not be possible to always fully hedge the total Net Asset Value of the Hedged Class against currency fluctuations of the reference currency, the aim being to implement a currency hedge equivalent to between 95% and 105% of the Net Asset Value of the respective Hedged Class. Changes in the value of the portfolio or the volume of subscriptions and redemptions may however lead to the level of currency hedging temporarily surpassing the limits set out above. In such cases, the currency hedge will be adjusted without undue delay. It is not the intention of the Company to use the hedging arrangements to generate a further profit for the Hedged Classes.

Investors should note that there is no segregation of liabilities between the individual Classes within a Sub-Fund. Hence, there is a risk that under certain circumstances, hedging transactions in relation to a Hedged Class could result in liabilities affecting the Net Asset

Value of the other Classes of the same Sub-Fund. In such case assets of other Classes of such Sub-Fund may be used to cover the liabilities incurred by the Hedged Class.

Classes of a Sub-Fund that are not hedged against the reference currency of that Sub-Fund are therefore subject to currency risk exposure if such Classes are denominated in a currency other than the Sub-Fund's reference currency.

A list of Classes with a contagion risk is available to investors, upon request, at the registered office of the Management Company and will be kept up-to-date.

## CONVERSION OF SHARES

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### Conversion Application and Cut-Off Time

Shares of any Class/Sub-Class of any Sub-Fund may be converted into shares of any other Class/Sub-Class of the same Sub-Fund or of any other Sub-Fund upon written instructions addressed to the Central Administration Agent provided that the conditions of access which apply to the said Class/Sub-Class are fulfilled. Shareholders may be requested to bear the difference in the subscription fee between the Class/Sub-Class of the Sub-Fund they leave and the Class/Sub-Class of the Sub-Fund of which they become shareholders, should the subscription fee of the Class/Sub-Class of the Sub-Fund into which the shareholders are converting their shares be higher than the subscription fee of the Class/Sub-Class of the Sub-Fund they leave.

If a conversion application is to be carried out at the Net Asset Value prevailing on a Valuation Date, the application must be received by the Central Administration Agent no later than such a cut-off time as specified for each Sub-Fund in the appendices to this prospectus. Any application received after such time shall be calculated on the basis of the Net Asset Value calculated on the immediately following Valuation Date.

The Board of Directors will determine the number of shares into which an investor wishes to convert his existing shares in accordance with the following formula:

$$A = \frac{[(B \times C) - D]}{E} * EX$$

A = The number of shares in the new Sub-Fund or new Class/Sub-Class of the same Sub-Fund to be issued

B = The number of shares in the original Sub-Fund or the original Class/Sub-Class of the same Sub-Fund

C = The Net Asset Value per share in the original Sub-Fund or the original Class/Sub-Class of the same Sub-Fund

D = The conversion fee, if any, which is equal to up to 0.5% of BxC.

E = The Net Asset Value per share of the new Sub-Fund or the new Class/Sub-Class of the same Sub-Fund.

EX: being the exchange rate on the conversion day in question between the currency of the Sub Fund or the Class/Sub-Class to be converted and the currency of the Sub-Fund or the Class/Sub-Class to be assigned. In the case no exchange rate is needed the formula will be multiplied by 1.

### **Conversion Fee**

A conversion fee, payable to the Sub-Fund from which the shareholder is redeeming, of up to 0.5% may be charged upon a conversion of shares provided that the same conversion fee shall be applied to all shareholders converting on the same Valuation Date.

### **Miscellaneous**

If requests for conversion and/or redemption on any Valuation Date exceed 10% of the Net Asset Value of a Class/Sub-Class of a Sub-Fund's shares, the Company reserves the right to postpone the conversion and/or redemption of all or part of such shares to the following Valuation Date. On the following Valuation Date such requests will be dealt with in priority to any subsequent requests for conversion and/or redemption.

The conversion of shares of any Sub-Fund shall be suspended on any occasion when the calculation of the Net Asset Value thereof is suspended.

## **REDEMPTION OF SHARES**

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Shares are redeemable on each Valuation Date on the basis of the Net Asset Value per share of that Sub-Fund calculated on the relevant Valuation Date except in case of suspension of the Net Asset Value determination (see "Net Asset Value" section).

The redemption price per Class/Sub-Class of share will be the relevant Net Asset Value per Class/Sub-Class of share as of the relevant Valuation Date less any redemption fee.

### **Redemption Fee**

A redemption fee, to be paid to the Sub-Fund, may be levied upon redemptions of shares as specified in the appendices to this prospectus provided that the same redemption fee shall be applied to all shareholders redeeming on the same Valuation Date.

### **Redemption Application and Cut-Off Time**

If a redemption application is to be executed at the Net Asset Value per share prevailing on a Valuation Date, the application form must be received by the Central Administration Agent no later than such a cut-off time as specified for each Sub-Fund in the appendices to this prospectus. Any application received after such time will be executed on the basis of the Net Asset Value calculated on the next following Valuation Date. The Company will redeem shares with no priority given based on time of receipt of the redemption application.

The redemption application must indicate the number of shares or amount and Class of Shares to be repurchased, TA account number, name of account holder and fund identifier. Settlement will be made using the payment detail provided on the Application Form.

### **Miscellaneous**

The shares that are redeemed will be cancelled by the Company.

Except in the case of a suspension of the calculation of the Net Asset Value or in the case

of extraordinary circumstances, such as, for example, an inability to liquidate existing positions, or the default or delay in payments due to the Company from brokers, banks or other persons, payment of redemptions will be made within a reasonable time, normally within five (5) bank business days following the Valuation Date in relation to the Sub-Funds Nordic Equity Fund and Nordic Equity Fund Screened and within two (2) bank business days following the Valuation Date in relation to the Sub-Funds Svenska Aktier and Global Stock Picking Fund, provided the Depositary has received all the documents certifying the redemption.

If requests for redemptions and/or conversion on any Valuation Date exceed 10% of the Net Asset Value of a Class/Sub-Class of a Sub-Fund's shares, the Company reserves the right to postpone the redemption and/or conversion of all or part of such shares to the following Valuation Date. On the following Valuation Date such requests will be dealt with in priority to any subsequent requests for redemptions and/or conversion.

All requests will be dealt with in strict order in which they are received.

Redemption proceeds will be paid in the reference currency of the respective Sub-Fund but investors may, if they so wish, receive their redemption proceeds in any other currency. If payment is made in another currency than the reference currency of the relevant Sub-Fund, the Company, at the expense of the relevant shareholder, will enter into an exchange transaction at market conditions.

**Investors should note that any repurchase of shares by the Company will take place at a price that may be more or less than the shareholder's original acquisition cost, depending upon the value of the assets of the Sub-Fund at the time of redemption.**

The redemption of shares of any Sub-Fund shall be suspended on any occasion when the calculation of the Net Asset Value thereof is suspended.

In accordance with the 2010 Law, the redemption of shares shall be prohibited:

(i) during any period where the Company has no Depositary; and

(ii) where the Depositary is put into liquidation or declared bankrupt or seeks an arrangement with the creditors, a suspension of payment or a controlled management or is the subject of similar proceedings.

### **Compulsory Redemption**

Shares may be compulsorily redeemed if in the opinion of the directors, the subscription for, or holding of, the shares is, or was, or may be unlawful or detrimental to the interest or well being of the Company, or is in breach of any law or regulation of a relevant country.

## LATE TRADING AND MARKET TIMING POLICY

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The Company has adopted protections against late trading and market timing practices as required by CSSF Circular 04/146.

Late trading is defined as the acceptance of a subscription, conversion or redemption order after the relevant cut-off time and the execution of such order at the Net Asset Value applicable to orders received before such cut-off time. Late trading is strictly forbidden and the Company has implemented reasonable measures to ensure that late trading does not take place. The effectiveness of these measures is closely monitored.

Market timing is defined as an arbitrage method through which an investor systematically subscribes and redeems or switches units or shares of the same undertaking for collective investment within a short time period, by taking advantage of time differences and/or imperfections or deficiencies in the method of determination of the net asset values of the sub-funds of the undertaking for collective investment.

Market timing practices are not acceptable as they may affect the performance of the Company through an increase in costs and/or dilution in Net Asset Value. The Company is not designed for investors with short-term investment horizons and as such, activities which may adversely affect the interests of the shareholders (for example that disrupt investment strategies or impact expenses) such as market timing or the use of the Company as an excessive or short-term trading vehicle are not permitted.

Accordingly, if the Company determines or suspects that a shareholder has engaged in such activities, the Company may suspend, cancel, reject or otherwise deal with that shareholder's subscription or switching application and take any action or measures as appropriate or necessary to protect the Company and its shareholders.

## TAXATION

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This is a short summary of certain important Luxembourg tax principles in relation to the Company. The summary is based on laws and regulations in force and applied in Luxembourg at the date of this prospectus. Provisions may change at short-term notice, possibly with retroactive effect.

This does not purport to be a complete summary of tax law and practice currently applicable in Luxembourg and does not contain any statement with respect to the tax treatment of an investment in the Company in any other jurisdiction. Furthermore, this does not address the taxation of the Company in any other jurisdiction or of any investment structure in which the Company holds an interest in any jurisdiction.

Prospective investors are advised to consult their own professional accounting, legal and tax advisers in respect of their investment in the Company.

### *1. Taxation of the Company in Luxembourg*

In Luxembourg, no duty or tax is owed for the issue of shares, with the exception of the fixed duty payable for incorporation, which covers operations for gathering capital.

Generally speaking, the Company is subject to a subscription tax at an annual rate of 0.05% per year on net assets.

This tax is reduced to 0.01% per year in certain cases, such as, for example, in respect of any sub-fund that is authorised as money market fund in accordance with Regulation (EU) 2017/1131 of the European Parliament and of the Council of 14 June 2017 on money market funds, hereinafter "Regulation (EU) 2017/1131", without prejudice to Article 175, letter b) of the 2010 Law, or concerning net assets in sub-funds and/or share classes restricted to institutional investors, pursuant to Article 174 of the 2010 Law (an "**Institutional Investor**").

The Company or its sub-funds, may benefit from reduced subscription tax rates depending on the value of its/their net assets invested in economic activities that qualify as environmentally sustainable within the meaning of Article 3 of EU Regulation 2020/852 of 18 June 2020 (the "**Qualifying Activities**"), except for the proportion of net assets invested in fossil gas and/or nuclear energy related activities.

A subscription tax exemption applies to:

- the portion of any sub-fund's assets (pro rata) invested in a Luxembourg investment fund or any of its sub-fund to the extent it is subject to the subscription tax;
- any sub-fund (i) whose securities are only held by Institutional Investor(s), and (ii) that is authorised as short-term money market funds in accordance with Regulation (EU) 2017/1131, and (iii) that has obtained the highest possible rating from a recognised rating agency. If several classes are issued in the relevant sub-fund meeting (ii) to (iii) above, only those share classes meeting (i) above will benefit from this exemption;
- any sub-fund whose main objective is the investment in microfinance institutions;
- any sub-fund, (i) whose securities are listed or traded on a stock exchange and (ii) whose exclusive object is to replicate the performance of one or more indices. If several classes are issued in the relevant sub-fund meeting (ii) above, only those classes meeting (i) above will benefit from this exemption; and
- any sub-fund whose securities are reserved for (i) institutions for occupational retirement pension or similar investment vehicles, set-up on initiative of one or more employers and (ii) companies of one or more employers investing funds they hold to provide retirement benefits to their employees and (iii) savers in the context of a pan European personal pension product established under Regulation (EU) 2019/1238 of the European Parliament and of the Council of 20 June 2019 on a pan-European personal pension product (PEPP).

Nevertheless, some income from the Company portfolio, in the form of dividends and interest, may be subject to tax at variable rates, deducted at source in the country of origin.

## *2. Taxation of the investor*

Under current legislation, shareholders are not subject to any capital gains, income or withholding tax in Luxembourg with the exception of those domiciled, resident or having a permanent establishment in Luxembourg.

From a net wealth tax perspective, there is no net wealth tax levied for an individual shareholder resident in Luxembourg. However, for Luxembourg corporate holders

(essentially, joint stock companies), net wealth tax would be applicable on such participation in the absence of available exemptions.

Prospective investors should keep themselves informed of the possible taxes or other governmental charges applicable to the acquisition, holding, converting and disposal of shares of the Company and to distributions in respect thereof under the laws of their countries of citizenship, residence or domicile.

## **FATCA**

The Foreign Account Tax Compliance Act ("**FATCA**") provisions of the US Hiring Incentives to Restore Employment Act of 2010 (the "**Hire Act**") represent an expansive information reporting regime enacted by the United States ("**US**") aiming at ensuring that US investors holding financial assets outside the US will be reported by financial institutions to the US Internal Revenue Service ("**IRS**"), as a safeguard against US tax evasion. As a result of the Hire Act, and to discourage non-US financial institutions from staying outside this regime, all US securities held by a financial institution that does not enter and comply with the regime will be subject to a US tax withholding of 30% on certain U.S. source income (including dividends and interest) and gross proceeds from the sale or other disposal of property that can produce U.S. source interest or dividends. This regime has become effective in phases between 1 July 2014 and 1 January 2017.

The Model I Intergovernmental Agreement between the Government of the United States of America and the Government of the Grand Duchy of Luxembourg to Improve International Tax Compliance and to Implement FATCA ("**Luxembourg IGA**") has been signed on 28 March 2014 in Luxembourg. The IGA was adopted by the Luxembourg Parliament on 1 July 2015 and ratified by the law of 24 July 2015 (the "**Luxembourg IGA Legislation**"). Under the terms of the Luxembourg IGA, the Company will be obliged to comply with the provisions of FATCA under the terms of the IGA and under the terms of the Luxembourg IGA Legislation, rather than under the US Treasury Regulations implementing FATCA. Under the IGA, Luxembourg resident financial institutions that comply with the requirements of the Luxembourg IGA Legislation will be treated as compliant with FATCA and, as a result, will not be subject to withholding tax under FATCA ("**FATCA Withholding**"). The Company will be considered to be a Luxembourg-resident financial institution that will need to comply with the requirements of the Luxembourg IGA Legislation and, as a result of such compliance, the Company should not be subject to FATCA Withholding.

Any investor must be aware that the Company will comply with FATCA.

Under the Luxembourg IGA Legislation, the Company will be required to report to the Luxembourg tax authorities certain holdings by, and payments made to, (a) certain US investors, (b) certain US controlled foreign entity investors and (c) non-US financial institution investors that do not comply with the terms of the Luxembourg IGA Legislation. Under the Luxembourg IGA Legislation, such information will be onward reported by the Luxembourg tax authorities to the US IRS under the general information exchange provisions of the US-Luxembourg Income Tax Treaty.

Additional intergovernmental agreements similar to the IGA have been entered into or are under discussion by other jurisdictions with the US. Investors holding investments via intermediaries that are not in Luxembourg or in another IGA country should check with such intermediary as to the intermediary's intention to comply with FATCA. Additional information may be required by the Management Company or its agents from certain investors in order to comply with their obligations under FATCA or under an applicable IGA.

The scope and application of FATCA Withholding and information reporting pursuant to the terms of FATCA and the IGAs is subject to review by the US, Luxembourg and other IGA governments, and the rules may change. Investors should contact their own tax advisors regarding the application of FATCA to their particular circumstances.

In order to be compliant with FATCA, the Company has implemented proper Anti Money Laundering and Know Your Customer ("**AML/KYC**") rules and new investors will be accepted only if certain conditions are met. Indeed, potential investors are required to provide the Company with certain documents and self-certification. This documentation that may vary according the local legislation applicable to the potential investor is mandatory, the most common document being the application or subscription form. As a consequence, should the potential investor refuse to provide such documentation, the Company will refuse the subscription from such investor.

In case of self-certification, the Company should assess a "reasonableness" to FATCA purposes. "Reasonableness" means that a cross-check will be made between information, US indicia, self-certification and AML/KYC collected information. In case inconsistency in information contained in self-certification is detected, more clarifications will be required. In case the request is declined, the investor will not be accepted.

On the basis of the documentation received, a verification of the status (US Person or not US Person) will be made.

The Company will also monitor all data provided for by an investor from time to time in order to check if any change in circumstances (US Indicia) to FATCA purposes occurs, which could cause the investor classification as an US Person or not and the investor will agree to provide them with the requested documents.

Notwithstanding the above, the investor will communicate to the Company in writing any change of circumstances in its status (US Indicia) in a timely manner and in any case no later than ninety (90) business days from the date of the change of circumstances and provide them with any relevant documentation evidencing said change in circumstances.

Ultimately, the Company's ability to avoid the FATCA withholding may not be within its control and may, in some cases, depend on the actions of an intermediary or other withholding agents in the chain of custody, or on the FATCA status of the investors or their beneficial owners. Any withholding tax imposed on the Company would reduce the amount of cash available to pay all of its investors and such withholding may be allocated disproportionately to a particular sub-fund.

In certain circumstances, the Company may compulsorily redeem shareholders' investment and take any actions it considers, in its own discretion, necessary to comply with the applicable laws and regulation. Any tax caused by a shareholder's failure to comply with FATCA will be borne by such shareholder.

There can be no assurance that a distribution made by the Company or that an asset held by it will not be subject to withholding. Accordingly, all prospective investors including non-US prospective Investors should consult their own tax advisors about whether any distributions by the Company may be subject to withholding.

**List of US Indicia - provided for information and subject to modification:**

Any individual investor will communicate to the Company, in a timely manner, a change in the following information:

- US citizenship or residency;



- US address of residence and mailing address (i.e. including a US post office box);
- US telephone number;
- standing instruction to pay amounts to an account maintained in the US;
- power of attorney or signatory authority granted to a person with a US address;
- an "in-care of" address or "hold mail" address that is the sole address provided for by the investor.

Any corporate investor will communicate to the Administrative Agent, the placing agent, the distributors (if any) and local paying agents, in a timely manner, a change in its US place of incorporation or organization, or in an US address.

The shareholders who do not comply with their obligations of communication in change of situation as described above will be subject to reporting to the local tax authority and, as such, be treated as "US Reportable Accounts".

Prospective investors should inform themselves of, and where appropriate take advice on the laws and regulations in particular those relating to taxation (but also those relating to foreign exchange controls and being Prohibited Persons) applicable to the subscription, purchase, holding, conversion and redemption of shares in the country of their citizenship, residence or domicile and their current tax situation and the current tax status of the Company in Luxembourg.

### **Common reporting Standard**

Regarding the automatic exchange of information at the EU level, the law of 18 December 2015 transposes Directive 2014/107/EU of 9 December 2014, which amends Council Directive 2011/16/EU on administration cooperation in the field of taxation ("**CRS Directive**") and introduces the Common Reporting Standards ("**CRS**") defined by the OECD into Luxembourg domestic law. In order to avoid any overlap, the previous exchange of information system regarding interest income under Council Directive 2003/48/EC on taxation of savings income in the form of interest payments (commonly referred to as "**EU Savings Directive**") has been repealed by Council Directive 2015/2060/EU of 10 November 2015.

CRS provisions impose general reporting obligations to Luxembourg Financial Institutions ("**FI**") very similar to those of FATCA at the level of EU. In order to do so, Luxembourg FIs have to apply specific due diligence procedures and send self-certification forms in order to identify and classify the accountholders.

Information to be communicated to the Luxembourg tax authorities encompasses, the name, address, tax residence, tax identification number (TIN), account balances at the beginning and at the end of the relevant year, the date and place of birth of (i) the account holder or (ii) the person controlling the passive non-financial entity which is resident in a Reportable Jurisdiction as defined by the Grand-Ducal Decree dated 23 December 2016.

Luxembourg FIs have to provide before 30 June of each year to the Luxembourg tax authorities reportable information corresponding to the previous calendar year.

Luxembourg has also signed the multilateral Convention on Mutual Administrative Assistance in Tax Matters ("**Convention**") and the CRS Multilateral Competent Authority Agreement ("**CRS MCAA**"), which is based on article 6 of the Convention and allows for an automatic exchange of financial account information on certain cross-border investors from CRS partners' jurisdictions. It is intended that, as from September 2017, Luxembourg will start sharing such information, subject however to certain processes, safeguards and legal

requirements being met. In particular, the automatic exchange of information with third States (which do not apply the CRS Directive) requires that both jurisdictions have the Convention and CRS MCAA in effect, have filed certain notifications related to the CRS MCAA and have listed each other in accordance with the CRS MCAA.

Shareholders should contact their own tax advisers regarding the application of information reporting and exchange between governments to their particular circumstances.

## MANAGEMENT COMPANY

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Pursuant to the management company agreement, the Company has appointed Carne Global Fund Managers (Luxembourg) S.A., (the "**Management Company**"), a public limited liability company (*société anonyme*) incorporated under the laws of the Grand Duchy of Luxembourg, having its registered office at 3, rue Jean Piret, L-2350 Luxembourg, Grand Duchy of Luxembourg and registered with the RCS under number B148258, to act as management company of the Company. The Management Company was established on 17 September 2009 as a *société anonyme* under Luxembourg law and is regulated by the CSSF and approved as a management company under Chapter 15 of the 2010 Law.

The Management Company is responsible on a day-to-day basis under the supervision of the Board of Directors, for providing investment management, risk management, administration, marketing, and distribution services in respect of all the Company/Sub-Funds and may delegate part or all of such functions to third parties.

The Management Company also acts as management company for other investment funds. The names of these other funds are available upon request.

The Management Company has been authorised by the Company to delegate certain administrative, distribution and investment management functions to specialised service providers. In that context, the Management Company may delegate certain marketing functions to the Distributors. The Management Company has also delegated investment management functions to the Investment Managers as more fully described below.

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

The Management Company receives periodic reports from the Investment Managers and the Fund's other service providers to enable it to perform its monitoring and supervision duties.

The Management Company has in place a remuneration policy in accordance with Article 111 of the 2010 Law,

The remuneration policy sets out principles applicable to the remuneration of senior management, all staff members having a material impact on the risk profile of the financial undertakings as well as all staff members carrying out independent control functions.

In particular, the remuneration policy complies with the following principles in a way and to the extent that is appropriate to the size, internal organisation and the nature, scope and complexity of the activities of the Management Company:

- i. it is consistent with and promotes sound and effective risk management and does not encourage risk taking which is inconsistent with the risk profiles, rules or Articles;
- ii. if and to the extent applicable, the assessment of performance is set in a multi-year framework appropriate to the holding period recommended to the Investors of the Company in order to ensure that the assessment process is based on the longer-term performance of the Company and its investment risks and that the actual payment of performance-based components of remuneration is spread over the same period;
- iii. it is in line with the business strategy, objectives, values and interests of the Management Company and the Company and of the Shareholders, and includes measures to avoid conflicts of interest;
- iv. fixed and variable components of total remuneration are appropriately balanced and the fixed component represents a sufficiently high proportion of the total remuneration to allow the operation of a fully flexible policy on variable remuneration components, including the possibility to pay no variable remuneration component.

The remuneration policy is determined and reviewed at least on an annual basis by a remuneration committee.

The details of the up-to-date remuneration policy of the Management Company, including, but not limited to, a description of how remuneration and benefits are calculated, the identity of the persons responsible for awarding the remuneration and benefits, including the composition of the remuneration committee, are available on the website <http://www.carnegroup.com/policies-and-procedures/>, a paper copy will be made available free of charge upon request.

The variable remuneration is not paid through vehicles or methods that facilitate the avoidance of the requirements of the applicable legislation and regulatory requirements. In consideration for its services, the Management Company is entitled to receive fees from the Company for each Fund as stipulated in this prospectus and in accordance with the Management Company Agreement.

Additional information which the Management Company must make available to investors in accordance with Luxembourg laws and regulations including, but not limited to, shareholder complaints handling procedures, the management of activities giving rise to actual or potential conflicts of interest and the voting rights policy of the Management Company, shall be available at the registered office of the Management Company.

## **Central Administration Agent**

Pursuant to an Investment Fund Services Agreement dated 1 November 2021 (the "**Central Administration Agent**") CACEIS Bank, Luxembourg Branch, has been appointed as central administrative agent and registrar and transfer agent of the Fund.

As central administrative agent, CACEIS Bank, Luxembourg Branch, is responsible for the calculation of the Net Asset Value per share, the keeping and maintenance of the books and records of the Company and other general administrative functions.

As registrar and transfer agent, CACEIS Bank, Luxembourg Branch, is responsible for processing the issue, redemption and conversion of shares in the Sub-Funds, for the

settlement arrangements thereof, as well as for keeping official records of the shareholder's register.

In order to provide those services, CACEIS must enter into outsourcing arrangements with third party service providers in- or outside the CACEIS group (the "**Sub-contractors**"). As part of those outsourcing arrangements, CACEIS may be required to disclose and transfer personal and confidential information and documents about a Shareholder and individuals related to the Shareholder (the "Related Individuals") (such as identification data – including the Shareholder and/or the Related Individual's name, address, national identifiers, date and country of birth, etc. – account information, contractual and other documentation and transaction information) (the "**Confidential Information**") to the Sub-contractors. In accordance with Luxembourg law, CACEIS is required to provide a certain level of information about those outsourcing arrangements to the Company, which, in turn, must provide such information to the Shareholders.

A description of the purposes of the said outsourcing arrangements, the Confidential Information that may be transferred to Sub-contractors thereunder, as well as the country where those Sub-contractors are located is therefore set out in the table below.

Type of Confidential Information transmitted to the Sub-contractors	Country where the Sub-contractors are established	Nature of the outsourced activities
Confidential Information (as defined above)	Belgium Canada Hong Kong India Ireland Jersey Luxembourg Malaysia Poland Singapore United Kingdom United States of America	<ul style="list-style-type: none"> <li>• Transfer agent/ shareholders services (incl. global reconciliation)</li> <li>• Treasury and market services</li> <li>• IT infrastructure (hosting services, including cloud services)</li> <li>• IT system management / operation Services</li> <li>• IT services (incl. development and maintenance services)</li> <li>• Reporting</li> <li>• Investor services activities</li> </ul>

Confidential Information may be transferred to Sub-contractors established in countries where professional secrecy or confidentiality obligations are not equivalent to the Luxembourg professional secrecy obligations applicable to CACEIS. In any event, CACEIS is legally bound to, and has committed to the Company that it will enter into outsourcing arrangements with Sub-contractors which are either subject to professional secrecy obligations by application of law or which will be contractually bound to comply with strict confidentiality rules. CACEIS further committed to the Company that it will take reasonable technical and organisational measures to ensure the confidentiality of the Confidential Information subject to the data transfer and to protect Confidential Information against unauthorised processing. Confidential Information will therefore only be accessible to a limited number of persons within the relevant Sub-contractor, on "a need to know" basis and following the principle of the "least privilege". Unless otherwise authorised/required by law, or in order to comply with requests from national or foreign regulatory authorities or law enforcement authorities, the relevant Confidential Information will not be transferred to entities other than the Sub-contractors.

## INVESTMENT MANAGERS

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The Management Company has appointed the Danish branch of Carnegie Investment Bank AB, i.e. Carnegie Investment Bank, Filial af Carnegie Investment Bank AB (publ.) Sverige, København K, as Investment Manager for some Sub-Funds.

The Investment Manager was incorporated under the laws of Denmark on 8 November 1985, as a public limited company and credit institution and under the name of Carnegie Bank A/S, before to be converted as a branch of Carnegie Investment Bank AB on 1<sup>st</sup> December 2013.

Carnegie Investment Bank AB is a Swedish bank duly authorised under the Swedish Securities Market Act (SFS 2007:528) and registered with the Swedish *Finansinspektionen*, inter alia with the authorisation to provide portfolio management, execution of orders on behalf of clients and to deal on own account.

The Investment Manager is authorised under the above regulation, as a branch of Carnegie Investment Bank AB, as well as under the Danish Financial Business Act.

The Management Company has appointed Carnegie Investment Bank AB as Investment Manager for the Sub-Funds Svenska Aktier and Global Stock Picking Fund.

Carnegie Investment Bank AB is a Swedish bank duly authorised under the Swedish Securities Market Act (SFS 2007:528) and registered with the Swedish *Finansinspektionen*, inter alia with the authorisation to provide portfolio management, execution of orders on behalf of clients and to deal on own account.

The Investment Managers, in the execution of their duties and the exercise of their powers, shall be responsible for compliance with the investment policy and restrictions of the Company. The Investment Managers will further be responsible for monitoring the overall portfolio of the Company and determining the required ratios in order to keep a satisfactory level of liquidity within the Company.

Carnegie Investment Bank, Filial af Carnegie Investment Bank AB (publ.) Sverige performs its services pursuant to an Investment Management Agreement with the Management Company dated October 29, 2021 and effective as from November 1, 2021. Carnegie Investment Bank AB performs its services pursuant to an Investment Management Agreement with the Management Company dated October 29, 2021 and effective as from November 1, 2021. The Investment Management Agreements were entered into for an undetermined duration and may be terminated at any time by either party upon ninety (90) days prior notice.

The Investment Managers may sub-contract at their own expense and responsibility but with the prior approval of the Company and the Luxembourg regulatory authority, partly or in total the services delivered to the Company to a third party under the terms of the Investment Management Agreements. Whenever an Investment Manager does so, this prospectus will have to be updated.

In consideration for its services as Investment Managers, the Investment Managers will receive a fee from the Fund.

## DEPOSITARY BANK

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### Depositary

CACEIS Bank, Luxembourg Branch, has been appointed as the Company's depositary (the "**Depositary**" or "**CACEIS Bank, Luxembourg Branch**") in accordance with a depositary bank and principal paying agent dated 1 November 2021 as amended from time to time (the "**Depositary Bank and Principal Paying Agent Agreement**") and the relevant provisions of Directive 2009/65/EC, as amended.

CACEIS Bank, Luxembourg branch is acting as a branch of CACEIS Bank, a public limited liability company (*société anonyme*) incorporated under the laws of France with a share capital of 1 280 677 691,03 Euros having its registered office located at 89-91, rue Gabriel Peri, 92120 Montrouge, France, registered with the French Register of Trade and Companies under number 692 024 722 RCS Nanterre. CACEIS Bank is an authorised credit institution supervised by the European Central Bank ("ECB") and the *Autorité de contrôle prudentiel et de résolution* ("ACPR"). It is further authorised to exercise through its Luxembourg branch banking and central administration activities in Luxembourg.

Shareholders may consult, upon request, at the registered office of the Company, the Depositary Bank and Principal Paying Agent Agreement to get a better understanding and knowledge of the limited duties and liabilities of the Depositary.

The Depositary has been entrusted with the custody and/or, as the case may be, recordkeeping and ownership verification of the Company's assets, and it shall fulfil the obligations and duties provided for by Part I of the 2010 Law. In particular, the Depositary shall ensure an effective and proper monitoring of the Company's cash flows.

In compliance with Directive 2009/65/EC, the Depositary shall:

- ensure that the sale, issue, repurchase, redemption and cancellation of Shares of the Company are carried out in accordance with the 2010 Law and with the Articles,
- ensure that the value of Shares is calculated in accordance with the 2010 Law and the Articles,
- carry out the instructions of the Company or the Management Company acting on behalf of the Company, unless they conflict with the 2010 Law or the Articles,
- ensure that in transactions involving the Company's assets any consideration to the Company is remitted to the Company within the usual time limits, and
- ensure that the income of the Company is applied in accordance with the 2010 Law and the Articles.

The Depositary shall not delegate any of the obligations and duties set out above.

In compliance with Directive 2009/65/EC, the Depositary may, under certain conditions, entrust part or all of the assets which are placed under its custody and/or recordkeeping to correspondents or third party custodians as appointed from time to time. The Depositary's liability shall not be affected by any such delegation, unless otherwise specified, but only within the limits as permitted by the 2010 Law.

A list of these correspondents/third party custodians are available on the website of the Depositary (<https://www.caceis.com/regulatory-environment/>). Such list may be updated from time to time. A complete list of all correspondents/third party custodian may be

obtained, free of charge and upon request, from the Depositary. Up-to-date information regarding the identity of the Depositary, the description of its duties and of conflicts of interest that may arise, the safekeeping functions delegated by the Depositary and any conflicts of interest that may arise from such delegation are also made available to investors on the website of the Depositary, as mentioned above, and upon request. There are many situations in which a conflict of interest may arise, notably when the Depositary delegates its safekeeping function or when the Depositary also performs other tasks on behalf of the Company, such as administrative agency and registrar and transfer agency service. In order to protect the Company's and its Shareholders' interests and to comply with applicable regulations, a policy and procedures designed to prevent situation of conflicts of interest and monitor them when they arise have been set in in place by the Depositary, aiming at

- identifying and analysing potential situations of conflicts of interest,
- recording, managing and monitoring the conflicts of interest situations either in
  - relying of the permanent measure in place to address conflicts of interest such as maintaining separate legal entities, segregation of duties, separation of reporting lines, insider lists for staff members, or
  - implementing a case-by-case management to (i) take the appropriate preventative measures such as drawing up a new watch list, implementing a new Chinese wall, making sure that operations are carried out at arm's length and/or informing the concerned Shareholders, or (ii) refuse to carry out the activity giving rise to the conflict of interest.

The Depositary has established a functional, hierarchical and/or contractual separation between the performance of its UCITS depositary functions and the performance of other tasks on behalf of the Company, notably, administrative agency and registrar and transfer agency services.

The Company and the Depositary may terminate the Depositary Agreement at any time by giving ninety (90) days' prior notice in writing. The Depositary will have to be replaced with a new depositary and paying agent that will assume the responsibilities, duties and obligations of the Depositary, subject to the terms and conditions as set out in the Depositary Agreement. If a new depositary has not been appointed by the end of the notice period, the Company will be removed by the CSSF from the Official List of Specialised Investment Funds. In such case, the Depositary shall take all necessary steps for the good preservation of the interests of the investors, including the obligation to keep open or to open all the accounts necessary for the safekeeping of the various assets of the Company until the closure of the liquidation of the Company.

The Depositary has no decision-making discretion nor any advice duty relating to the Company's investments. The Depositary is a service provider to the Company and is not responsible for the preparation of this Prospectus and therefore accepts no responsibility for the accuracy of any information contained herein or the validity of the structure and investments of the Company.

## **Fees**

In consideration for its services as Depositary, CACEIS Bank, Luxembourg Branch, will receive for each Sub-Fund a fee calculated and accrued on each Valuation Date and payable monthly as set out in the appendices attached to this prospectus.

## MONEY LAUNDERING PREVENTION

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According to the international rulings and the Luxembourg laws and regulations inter alia, but not exclusively, the Luxembourg anti money laundering and terror-financing law of 12 November 2004 as amended (the "**AML-TFL Law**"), the Grand Duchy regulation of 1 February 2010 and CSSF regulation 12-02 of 14 December 2012 as well as any amendments or successive rulings related to these, it is the responsibility of financial service companies to prevent the misuse of UCIs for money laundering and terror-financing purposes. As a result of such regulations, the Company must apply due diligence measures on both investors and investments, following a risk based approach.

Prospective investors who wish to subscribe to shares in the Company must provide the Company or the Management Company with all such necessary information as these can reasonably request in order to verify the prospective investor's identity.

The Company is also obliged to verify the name of the economic owner(s) in the case of prospective investor who submit a subscription agreement in the name of a third party. Every prospective investor furthermore undertakes to inform the Company of any change of identity of such an economic owner.

If a prospective investor submits the documents to the Company late, or not at all, the subscription agreement will be rejected or, in the case of redemption applications, payment will be deferred. In the above-mentioned cases neither the Company nor the Management Company bears liability for the late processing or failure of the application.

Information provided to the Company for this purpose shall only be stored for the purpose of regulations to prevent money laundering and terrorism financing.

In accordance with the Luxembourg law of 13 January 2019 establishing a register of beneficial owners (the "**RBO Law**"), shareholders are informed that the Company may need to communicate certain information to the register of beneficial owners in Luxembourg (the "**RBO**"). Although access to the website of the RBO is currently suspended pursuant to judgments of the European Court of Justice in Joined Cases C-37/20 and C-601/20, it is expected that certain professionals (as defined in the RBO Law) shall resume access to such information through access to the website of the RBO, to the extent required by and subject to the conditions of Luxembourg anti-money laundering laws and regulations. This law defines beneficial owners as a reference to economic beneficiaries under the AML-TFL Law as the shareholders who own more than 25% of the shares of the Company or who otherwise control the Company.

## DATA PROTECTION

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Shareholders are hereby informed that, in connection with a subscription for shares in the Company, they are agreeing to disclose information to the Company or to the Management Company which qualifies as personal data within the meaning of the law of 2 August 2002, as amended, as well as Regulation 2016/679 of the European Parliament and the Council of 27 April 2016 for the protection of natural entities during the processing of personal data, and to the free movement of data and the application of Directive 95/46/EG (the "**General Data Protection Regulation**" or "**GDPR**"). The processing of this data is carried out by the Company or the Management Company, with joint responsibility, in accordance with the



provisions of the GDPR and the Luxembourg law of 2 August 2002, as amended, regarding the protection of personal data during data processing.

In respect of the data, this can in detail involve names, addresses and identification numbers, as well as contact data of actual commercial owners, members of the Management Company and persons who directly or indirectly hold shares in respectively subscribing companies. It will be used for the purposes of: (i) the maintenance of a shareholders' register, (ii) the processing of subscriptions, redemptions and conversion of shares, and dividend payments to shareholders, (iii) carrying out of compliance checks, (iv) compliance with relevant money laundering regulations, (v) identification with tax entities, which can be required in accordance with Luxembourgish or foreign laws and regulations (including those in connection with FATCA and CRS), as well as compliance with other laws and regulations, and the identification and reporting obligations related to these as applicable to the area of operations of the Company or the Management Company.

The Company or the Management Company can assign the processing of personal data to another company (the "**Processor**"), e.g. to the central administration agent, the register agent, a company related to the Company or to the Management Company, or any other third party in accordance with, and within the limits of, the applicable laws and regulations. A Processor can in turn commission a further processor (the "**Sub-processor**"), to carry out certain processing activities in the name of the Company or the Management Company, if the Company or the Management Company has given prior approval for this. These companies (Processors and Sub-processors) can be based either within the European Union or in countries outside of the European Union whose data protection laws offer an appropriate level of protection such as, for example, (especially but not exclusively) in the Principality of Liechtenstein, Belgium, Canada, Hong Kong, India, Ireland, Jersey, Luxembourg, Malaysia, Poland, Singapore, the United Kingdom and the United States of America. Every Processor or Sub-processor processes the personal data under the same conditions, and for the same purposes, as the Company or the Management Company.

Personal data can also be passed on to the Luxembourg tax authorities, which in turn act as a data processing agency, and are thus also able to pass on such data to foreign tax authorities. In addition, personal data can also be passed to the Company's service providers and advisers (e.g. the Investment Manager, the Depositary, etc), as well as to companies related to these within the European Union, or in countries outside of the European Union whose data protection laws offer an appropriate level of protection. In this context it must be established that, in the course of fulfilling the legal and regulatory duties placed upon them, these companies are also potentially able to process the data passed to them as a responsible agency within the meaning of, and in accordance with, the provisions of the GDPR.

Every shareholder has the right of access to his/her personal data and, if this is incorrect and/or incomplete, can request correction of the same. Every shareholder can also object to the processing of his/her personal data on grounds of legitimate interest, or request the deletion of such data, if the provisions in accordance with the data protection law are fulfilled.

Further information on the processing of personal data, as well as the rights of natural entities affected by data processing, can be seen in the data protection notices appended to the subscription form.

## **EXPENSES**

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The Company shall bear the following expenses:

- All fees to be paid to the Management Company and the Investment Manager;
- Central Administration Agent and Registrar and Transfer Agent fees;
- Depositary Bank fees;
- All taxes which may be payable on the assets, income and expenses chargeable to the Company;
- Standard brokerage and bank charges incurred on the Company's business transactions;
- Any additional non-recurrent fees, including legal advice, incurred for exceptional steps taken in the interest of the shareholders may be amortised over a five (5) year period.

All recurring expenses will be charged first against current income, then should this not suffice, against realised capital gains, and, if need be, against assets.

Any costs, which are not attributable to a specific Sub-Fund, incurred by the Company will be charged to all Sub-Funds in proportion to their average Net Asset Value. Each Sub-Fund will be charged with all costs or expenses directly attributable to it.

The different Sub-Funds of the Company have a common generic denomination and an investment manager which determine their investment policy and its application to the different Sub-Funds in question via a single Board of Directors of the Company. Under Luxembourg law, the Company including all its Sub-Funds, is regarded as a single legal entity. However, pursuant to article 181(5) of the 2010 Law, as amended, each Sub-Fund shall be liable for its own debts and obligations. In addition, for the purpose of the relations between the shareholders, each Sub-Fund will be deemed to be a separate entity having its own contributions, capital gains, losses, charges and expenses.

## **NOTICES**

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Notices to shareholders are available at the Company's registered office. If required by law, they are also published in the RESA and in any newspapers as the directors may determine.

The Net Asset Value of each Sub-Fund and the issue and redemption prices thereof will be available at all times at the Company's registered office.

All reports will be available at the Company's registered office.

Audited annual reports containing, inter alia, a statement regarding the Company's and each of its Sub-Funds' assets and liabilities, the number of outstanding shares and the number of shares issued and redeemed since the date of the preceding report, as well as semi-annual unaudited reports, will be made available at the registered office of the Company not later than four (4) months, after the end of the Fiscal Year in the case of annual reports and, two (2) months after the end of such period in the case of semi-annual reports.

## LIQUIDATION AND MERGER

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In the event of the liquidation of the Company by decision of the shareholder's meeting, liquidation shall be carried out by one or several liquidators appointed by the meeting of the shareholders deciding such dissolution and which shall determine such dissolution and which shall determine their powers and their compensation. The liquidators shall realise the Company's assets in the best interest of the shareholders and shall distribute the net liquidation proceeds (after deduction of liquidation charges and expenses) to the shareholders in proportion to their share in the Company. Any amounts not claimed promptly by the shareholders will be deposited at the close of liquidation in escrow with the *Caisse de Consignation*. Amounts not claimed from escrow within the statute of limitations will be forfeited according to the provisions of Luxembourg law.

A Sub-Fund may be terminated by resolution of the Board of Directors of the Company if the Net Asset Value of a Sub-Fund is below € 1,000,000.- or its equivalent in any other currency, or in the event of special circumstances beyond its control, such as political, economic, military emergencies, or if the Board should conclude, in light of prevailing market or other conditions, including conditions that may adversely affect the ability of a Sub-Fund to operate in an economically efficient manner, and with due regard to the best interests of shareholders, that a Sub-Fund should be terminated. In such events, the assets of the Sub-Fund will be realized, the liabilities discharged and the net proceeds of realization distributed to shareholders in the proportion to their holding of shares in that Sub-Fund. In such event, notice of the termination of the Sub-Fund will be given in writing to registered shareholders and will be published, if necessary, in such newspapers as determined from time to time by the Board of Directors.

Any amounts not claimed by any shareholder shall be deposited at the close of liquidation in escrow with the *Caisse de Consignation*.

In the event of any contemplated liquidation of the Company or any Sub-Fund, no further issue, conversion, or redemption of shares will be permitted after publication of the first notice to shareholders. All shares outstanding at the time of such publication will participate in the Company's or the Sub-Funds' liquidation distribution.

A Sub-Fund may be merged with another Sub-Fund of the Company or with a sub fund of another UCITS by resolution of the Board of Directors of the Company if the value of its net assets is below €1,000,000.- or its equivalent in any other currency or in the event of special circumstances beyond its control, such as political, economic and military emergencies, or if the Board should conclude, in light of prevailing market or other conditions, including conditions that may adversely affect the ability of a Sub-Fund to operate in an economically efficient manner, and with due regard to the best interests of shareholders, that a Sub-Fund should be merged. Such merger, as defined in Article 1 (20) of the 2010 Law will be realized in accordance with the conditions set out in Chapter 8 of the 2010 Law. The Board of Directors will decide on the effective date of any merger of the Company with another

UCITS pursuant to Article 66 (4) of the 2010 Law. However, in accordance with article 67(1) of the 2010 Law where the merging UCITS is established in Luxembourg, the merger is subject to prior authorisation by the CSSF.

Pursuant to Article 71(1) of the 2010 Law, the merging UCITS will appoint an approved independent auditor to validate the criteria adopted for valuation of the assets and as the case may be, the liabilities on the date for calculating the exchange ratio; the cash payment per unit (where applicable); and the calculation method of the exchange ratio as well as the actual exchange ratio determined at the date for calculating that ratio. A copy of such reports will be made available on request and free of charge to the shareholders of both the merging and receiving UCITS.

The merging and/or receiving UCITS will, in accordance with Article 72(1) of the 2010 Law, provide appropriate and accurate information on the proposed merger to their respective shareholders so as to enable those shareholders to make an informed judgement of the impact of the merger on their investment. This information will only be provided after such time as the CSSF has authorised the proposed merger in accordance with Article 67 of the 2010 Law but, in any case, at least thirty (30) days before the last date for requesting repurchase or redemption or conversion as provided under Article 73(1) of the 2010 Law and will include the following:

- the background to and the rationale for the proposed merger;
- the possible impact of the proposed merger on shareholders, including but not limited to any material differences in respect of investment policy and strategy, costs, expected outcome, periodic reporting, possible dilution in performance, and, where relevant, a prominent warning to investors that their tax treatment may be changed following the merger;
- any specific rights shareholders have in relation to the proposed merger, including the right to obtain additional information, the right to obtain or request a copy of the report of the approved independent auditor or the Depositary (if applicable in the receiving or merging UCITS's home Member State) and the right to request the repurchase or redemption or, as the case may be, the conversion of their shares without charge as specified in Article 73(1) of the 2010 Law and the last date for exercising that right;
- the relevant procedural aspects and the planned effective date of the merger; and
- a copy of the KID of the receiving UCITS.

In accordance with Article 73(1) of the 2010 Law, the shareholders of the merging and/or receiving UCITS will have the right to request, without any charge other than those retained by the UCITS to meet disinvestment costs, the repurchase or redemption of their units or, where possible, to convert them into units in another UCITS with similar investment policy and managed by the same management company. This right shall become effective from the moment that the shareholders of the merging UCITS and those of the receiving UCITS have been informed of the proposed merger in accordance with Article 72 of the 2010 Law, and shall cease to exist five (5) working days before the date for calculating the exchange ratio referred to in Article 75(1) of the aforementioned law. Without prejudice to provisions of Article 73(1) of the 2010 Law, as referred to above, the Company may temporarily suspend the subscription, repurchase or redemption of any class(es) of units, provided that any such suspension is justified for the protection of the shareholders. The CSSF may moreover require the temporary suspension of the subscription, repurchase or redemption of units, provided that any such suspension is justified by the protection of the shareholders.

## DOCUMENTS

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The following documents may be consulted and obtained at the Company's registered office and at the Depositary:

- the Company's Articles;
- the articles of incorporation of the Management Company;
- the current complete prospectus and the KID relating to the relevant Sub-Fund;
- the Management Company Agreement between the Company and Carne Global Fund Managers (Luxembourg) S.A. dated 1 November 2021;
- the Depositary Agreement between the Company and CACEIS Bank, Luxembourg Branch, dated 1 November 2021;
- the Investment Management Agreement between Carne Global Fund Managers (Luxembourg) S.A. and Carnegie Investment Bank, Copenhagen, branch of Carnegie Investment Bank AB (publ) Sweden dated 1 November 2021;
- the Investment Management Agreement between Carne Global Fund Managers (Luxembourg) S.A. and Carnegie Investment Bank AB, dated 1 November 2021; and
- the Company's annual and semi-annual financial reports.

## SUSTAINABLE FINANCE DISCLOSURE REGULATION ("SFDR")

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All Sub-Funds of the Company are taking environmental, social, and governance ("ESG") factors into account as the Investment Manager considers that ESG issues can influence investment risk and return. Unless otherwise specified in a Sub-Fund's appendix, the Sub-Funds do not promote environmental or social characteristics or have specific sustainable investment objectives. This means that whilst ESG risks and factors are considered, they may or may not impact the portfolio construction and investment decisions of the different investment teams.

The Management Company and the Investment Manager integrate material sustainability risks into the investment decision-making processes in order to enhance their ability to manage risk more comprehensively and generate sustainable, long-term returns for investors.

Unless otherwise stated in the appendixes, the Sub-Funds have a diversified portfolio. Therefore, the Investment Manager believes that the Sub-Funds will be exposed to a broad range of sustainability risks, which will differ from company to company. Some markets and sectors will have greater exposure to sustainability risks than others. For instance, some sectors or individual companies may be subject to greater regulatory or public pressure than other sectors and, thus, greater risk. However, it is not anticipated that any single

sustainability risk will drive a material negative financial impact on the value of the Sub-Funds.

Sustainability risks mean an environmental, social, or governance event or condition that, if it occurs, could potentially or actually cause a material negative impact on the value of a Sub-Fund's investment. Sustainability risks can either represent a risk of their own or have an impact on other risks and may contribute significantly to risks, such as market risks, operational risks, liquidity risks or counterparty risks.

Assessment of sustainability risks is complex and may be based on environmental, social, or governance data which is difficult to obtain and incomplete, estimated, out of date or otherwise materially inaccurate. Even when identified, there can be no guarantee that these data will be correctly assessed.

The following outlines the results of the Management Company's assessment of sustainability risk for the Sub-Funds:

Article 8 Sub-Funds (promotion of environmental and/or social characteristics): CARNEGIE INVESTMENT FUND – Nordic Equity Fund, CARNEGIE INVESTMENT FUND – Svenska Aktier, CARNEGIE INVESTMENT FUND – Nordic Equity Fund Screened, and CARNEGIE INVESTMENT FUND – Global Stock Picking Fund.

Due to the environmental and/or social characteristics promoted, sustainability risks are expected to have a less material impact on the value of the Sub-Fund's investments in the medium to long term.

The Management Company does not currently consider principal adverse impacts of investment decisions on sustainability factors ("PAIs") due the lack of information and clear methodology on how to obtain PAI data from issuers and broadly lack of publicly available data. When the Management Company will consider the adverse impacts of its investment decisions on sustainability factors, the related disclosures (i) on its website and (ii) in the present Prospectus will be updated accordingly at the next possible time.

## APPENDICES

<b>APPENDIX N° 1</b>
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<b>CARNEGIE INVESTMENT FUND – Nordic Equity Fund</b>
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<p><b>Investment objective and policy</b></p>	<p>The objective of the Sub-Fund is to achieve long-term capital growth by investing in listed small, mid and large cap equities in Sweden, Norway, Denmark and Finland.</p> <p>The remaining part of the portfolio may be invested in cash or money market instruments for investment purposes.</p> <p>The Sub-Fund's investment objective is to create excess return via active management through a stock selection which is based on fundamental bottom up analysis and a thorough understanding of the business model and the thematic and strategic position of the underlying investments. The Sub-Fund will strive to have a relatively concentrated portfolio of approximately 30-50 single equities.</p> <p>The Sub-Fund will integrate environmental, social and corporate governance factors in the investment process and investment decisions and intends to promote environmental characteristics in accordance with article 8 of SFDR.</p> <p><b>For additional information on the environmental and social characteristics of the Sub-Fund, please refer to Appendix N°6 — Pre-contractual disclosures, in accordance with SFDR and Commission Delegated Regulation (EU) 2022/1288.</b></p> <p>The Sub-Fund may hold up to 20% of its net assets in ancillary liquid assets (deposits at sight).</p> <p>Under exceptionally unfavourable market conditions and if justified in the interest of the investors, the Sub-Fund may temporarily invest up to 100% of its net assets in cash and deposits at sight (such as cash held in current accounts).</p> <p>The Investment Manager will have the possibility to hedge the currency risk using forward foreign exchange transactions within the limits prescribed by the 2010 Law.</p> <p>The Sub-Fund may use securities lending where appropriate for efficient portfolio management purposes.</p>
<p><b>Exposure to securities lending</b></p>	<p>The Sub-Fund may enter into securities lending transactions in order to improve the Sub-Fund's performance and generate capital or additional income (for more detail, please consult "Techniques and Instruments – B. Efficient portfolio management techniques ("EMT") and to total return swaps, securities lending transactions, repurchase agreements and reverse repurchase agreements ("SFT Transactions")" of the main part of this prospectus).</p> <p>The expected level of exposure that can be subject to securities lending transactions amounts to 50% of the net assets.</p> <p>A maximum of 75% of the net assets of the Sub-Fund will be subject to securities lending transactions.</p>
<p><b>Reference currency</b></p>	<p>Swedish Krona (SEK).</p>



<b>Classes of shares</b>	<p>Class 1A, 2A and 3A</p> <p>The below table sets out the characteristics of each Share Class.</p> <table border="1" data-bbox="598 331 1310 544"> <thead> <tr> <th>Class</th> <th>Ref. Currency</th> <th>Initial Subscription Price</th> <th>Investor type</th> </tr> </thead> <tbody> <tr> <td>1A</td> <td>SEK</td> <td>SEK 100</td> <td>Retail</td> </tr> <tr> <td>2A</td> <td>SEK</td> <td>SEK 100</td> <td>Institutional</td> </tr> <tr> <td>3A</td> <td>EUR</td> <td>EUR 100</td> <td>Institutional</td> </tr> </tbody> </table>	Class	Ref. Currency	Initial Subscription Price	Investor type	1A	SEK	SEK 100	Retail	2A	SEK	SEK 100	Institutional	3A	EUR	EUR 100	Institutional
Class	Ref. Currency	Initial Subscription Price	Investor type														
1A	SEK	SEK 100	Retail														
2A	SEK	SEK 100	Institutional														
3A	EUR	EUR 100	Institutional														
<b>Valuation Date</b>	<p>Class 1A - Each banking day in Luxembourg</p>																
<b>Cut-off time for subscriptions/redemptions/conversions</b>	<p>Before 3.00 p.m. Luxembourg time on the applicable Valuation Date</p>																
<b>Launch Date</b>	<p>Class 1A – 1 January 2013 following the contribution in kind of Banque Carnegie Fund SICAV – Nordic Equity Fund</p>																
<b>Minimum initial subscription amount and minimum holding*</b>	<table border="1" data-bbox="598 857 1310 1070"> <thead> <tr> <th>Class</th> <th>Min. initial subscription amount</th> <th>Min. subsequent subscription amount</th> </tr> </thead> <tbody> <tr> <td>1A</td> <td>SEK 10,000.-</td> <td>1 Share</td> </tr> <tr> <td>2A</td> <td>SEK 100,000,000.-</td> <td>SEK 500,000.-</td> </tr> <tr> <td>3A</td> <td>EUR 75,000,000.-</td> <td>EUR 50,000.-</td> </tr> </tbody> </table> <p>*The Directors may waive in their discretion the minimum initial subscription amount and minimum subsequent subscription amount for each Class of Shares.</p>	Class	Min. initial subscription amount	Min. subsequent subscription amount	1A	SEK 10,000.-	1 Share	2A	SEK 100,000,000.-	SEK 500,000.-	3A	EUR 75,000,000.-	EUR 50,000.-				
Class	Min. initial subscription amount	Min. subsequent subscription amount															
1A	SEK 10,000.-	1 Share															
2A	SEK 100,000,000.-	SEK 500,000.-															
3A	EUR 75,000,000.-	EUR 50,000.-															
<b>Benchmark</b>	<p>The Sub-Fund is actively managed and will compare its returns against the VINX Benchmark Cap Net Index for performance measurement purposes only.</p> <p>The Sub-fund's portfolio will deviate significantly from the benchmark and the majority of the securities held in the Sub-Fund's portfolio are not components of the benchmark. The Investment Manager can take large positions in securities which are not components of the benchmark.</p>																
<b>Subscription Fee</b>	<p>Maximum 0.5%</p>																
<b>Redemption Fee</b>	<p>Maximum 0.5%</p>																
<b>Conversion Fee</b>	<p>Maximum 0.5%</p>																

<b>Core Management Company Fee</b>	<p>A fixed Core Management Company Fee of a maximum of 0,0275% p.a. calculated and accrued on each Valuation Date and payable monthly.</p> <p>A pro rata split of the fixed annual fee for domiciliation services of EUR 10,000 for the Company will also be payable to the Management Company by the Sub-Fund.</p> <p>Additional fees may apply for ancillary services provided to the Company and out of pocket expenses as detailed in the Management Company Agreement (or any related engagement letter).</p>									
<b>Investment Management Fee</b>	<table border="1" data-bbox="598 562 1236 768"> <thead> <tr> <th data-bbox="598 562 798 640">Class</th> <th data-bbox="798 562 1236 640">Fee (% of NAV per annum)</th> </tr> </thead> <tbody> <tr> <td data-bbox="598 640 798 689">1A</td> <td data-bbox="798 640 1236 689">1.30%</td> </tr> <tr> <td data-bbox="598 689 798 728">2A</td> <td data-bbox="798 689 1236 728">0.60%</td> </tr> <tr> <td data-bbox="598 728 798 768">3A</td> <td data-bbox="798 728 1236 768">0.60%</td> </tr> </tbody> </table>		Class	Fee (% of NAV per annum)	1A	1.30%	2A	0.60%	3A	0.60%
Class	Fee (% of NAV per annum)									
1A	1.30%									
2A	0.60%									
3A	0.60%									
<b>Central Administrative Agent, Registrar and Transfer Agent and Depository Fee</b>	<p>Variable fees up to a total of maximum 0.100% p.a. subject to an annual minimum fee of EUR 32,400 for accounting and depository bank services plus the Sub-Funds pro rata share of a minimum fee of EUR 24.000 for transfer agent services applicable for the Company (transactional and external charges not included).</p> <p>The Central Administrative Agent, Registrar and Transfer Agent and Depository Bank are also entitled to be reimbursed for reasonable disbursements and out of pocket expenses.</p>									
<b>Global Exposure Determination Methodology</b>	<p>Commitment approach</p>									
<p><b>Indicative risk profile of the Sub-Fund</b></p> <p>This Sub-Fund is suitable for the investor seeking a long-term investment strategy, therefore understanding that the investments and related return can deviate significantly from the reference index.</p> <p>The risks associated with equities result from the underlying dynamics as well as the changes in earnings expectations across the corresponding listed companies over the relevant business cycle. The general interest and inflation rate levels, as well as monetary and fiscal policies affect such earnings expectations. The openness of the Nordic economies also results in significantly exposing the revenues of Nordic companies to macro trends in export markets. Investing in Nordic listed equities gives furthermore exposure to cyclical sectors like oil and gas production, industrials and technology.</p> <p>Even if the Sub-Fund invests primarily in highly liquid stocks, the liquidity in the market can change time to time and have a negative impact on the Sub-Fund.</p> <p>The Sub-Fund can also be impacted by stock market fluctuations due to economic development and exogenous factors, as policy and regulatory changes in the countries where the issuing companies are active.</p> <p>The Sub-Fund invests in different currencies and is therefore subject to a risk of value fluctuations due to unexpected changes in exchange rates.</p>										

**Investor profile**

Private and Institutional Investors.

**APPENDIX N° 2**

**CARNEGIE INVESTMENT FUND – Svenska Aktier**

<p><b>Investment objective and policy</b></p>	<p>The objective of the Sub-Fund is to achieve long-term capital growth in line with or better than the Swedish equity market at a volatility level which is in line with or lower than the market.</p> <p>The Sub-Fund's aim is to provide investors with a convenient means of participating in a professionally managed portfolio of mainly Swedish equities, typically consisting of 20-60 positions. The Sub-Fund may, however, gain exposure to other equity-related investments, and details of such investments and the related restrictions, are described below.</p> <p>The Sub-Fund is seeking to create a return from both recurrent income and/or capital appreciation through the exposure of at least 80% of its net assets to Swedish equities.</p> <p>The Sub-Fund will integrate environmental, social and corporate governance factors in the investment process and investment decisions and intends to promote environmental characteristics in accordance with article 8 of SFDR.</p> <p><b>For additional information on the environmental and social characteristics of the Sub-Fund, please refer to Appendix N°7 – Pre-contractual disclosures, in accordance with SFDR and Commission Delegated Regulation (EU) 2022/1288.</b></p> <p>The Sub-Fund may also invest in other transferable securities such as convertible bonds (excluding contingent convertible bonds), preference shares, warrants and other equity-related instruments, UCIs targeting mainly Swedish equities (both actively and passively managed). The Sub-Fund may, use options and other derivatives, such as CFDs, and securities lending and other instruments and techniques where appropriate for the purpose of hedging, efficient portfolio management and/or for investment purposes.</p> <p>More specifically, investments include:</p> <ul style="list-style-type: none"> <li>• Transferable securities (including UCIs of closed-ended type) and money market instruments.</li> <li>• UCIs (both actively and passively managed) including exchange traded funds ("ETFs") and index funds.</li> <li>• index replicators, with or without leverage, whether in the form of UCIs or Total Return Swaps, and</li> <li>• other investments with equity-like characteristics relating to Swedish equities including structured products.</li> </ul> <p>The portfolio of the Sub-Fund will be actively managed. The above investment policies and objectives do not constitute a guarantee of performance.</p> <p>The remaining part of the portfolio may be invested in cash or money market instruments for investment purposes.</p> <p>The Sub-Fund may hold up to 20% of its net assets in ancillary liquid assets (deposits at sight).</p>
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	Under exceptionally unfavourable market conditions and if justified in the interest of the investors, the Sub-Fund may temporarily invest up to 100% of its net assets in cash and deposits at sight (such as cash held in current accounts).
<b>Global Exposure Determination Methodology</b>	Commitment approach
<b>Use of Derivatives</b>	<p>The Sub-Fund may, on an ancillary basis, use derivatives such as futures, options, swaps, CFDs, CDSs (Credit Default Swaps) and other derivatives both for hedging and investment purposes, i.e. their use need not be limited to hedging the Sub-Fund's assets; they may be used for efficient portfolio management and/or to generate gains, all within the limits of the general investment restrictions for the Company, and further to the Sub-Fund-specific restrictions.</p> <p>The Investment Manager will have the possibility to hedge the currency risk using forward foreign exchange transactions within the limits prescribed by the 2010 Law.</p>
<b>Exposure to total return swaps and securities lending</b>	<p>The Sub-Fund may enter into total return swaps and securities lending transactions in order to improve the Sub-Fund's performance and generate capital or additional income (for more detail, please consult "Techniques and Instruments – B. Efficient portfolio management techniques ("EMT") and to total return swaps, securities lending transactions, repurchase agreements and reverse repurchase agreements ("SFT Transactions")" of the main part of this prospectus).</p> <p>The expected level of exposure that can be subject to total return swaps amounts to 50% of the net assets.</p> <p>A maximum of 100% of the net assets of the Sub-Fund will be subject to total return swaps.</p> <p>The expected level of exposure that can be subject to securities lending transactions amounts to 50% of the net assets.</p> <p>A maximum of 75% of the net assets of the Sub-Fund will be subject to securities lending transactions.</p>
<b>Reference currency</b>	Swedish Krona (SEK).

<b>Classes of shares</b>	<i>Class</i>	<i>investor</i>	<i>type</i>	<i>currency</i>
	IA0	Institutional	Accumulating	SEK
	ID0	Institutional	Distributing	SEK
	IA1	Institutional	Accumulating	SEK
	ID1	Institutional	Distributing	SEK
	IA2	Institutional	Accumulating	SEK
	ID2	Institutional	Distributing	SEK
	IA3	Institutional	Accumulating	SEK
	ID3	Institutional	Distributing	SEK
	IA4	Institutional	Accumulating	SEK
	ID4	Institutional	Distributing	SEK
	IA5	Institutional	Accumulating	SEK
	ID5	Institutional	Distributing	SEK
	RA1	Retail	Accumulating	SEK
	RA2	Retail	Accumulating	SEK
	RA3	Retail	Accumulating	SEK
	RA4	Retail	Accumulating	SEK
RA5	Retail	Accumulating	SEK	
<b>Valuation Date</b>	Each banking day in Luxembourg			
<b>Cut-off time for subscriptions/redemptions/conversions</b>	Before 3.00 p.m. Luxembourg time on the applicable Valuation Date			
<b>Launch Date</b>	31 March 2020 or any other date determined by the Board of Directors			

<b>Minimum initial subscription amount and minimum holding</b>	<table border="1"> <thead> <tr> <th data-bbox="703 237 778 264">Class</th> <th data-bbox="903 208 1334 264">Minimum initial subscription and minimum holding*</th> </tr> </thead> <tbody> <tr><td data-bbox="719 275 762 302">IA0</td><td data-bbox="1007 275 1169 302">SEK 100 000</td></tr> <tr><td data-bbox="719 309 762 336">ID0</td><td data-bbox="1007 309 1169 336">SEK 100 000</td></tr> <tr><td data-bbox="719 342 762 369">IA1</td><td data-bbox="1007 342 1169 369">SEK 100 000</td></tr> <tr><td data-bbox="719 376 762 403">ID1</td><td data-bbox="1007 376 1169 403">SEK 100 000</td></tr> <tr><td data-bbox="719 409 762 436">IA2</td><td data-bbox="1007 409 1169 436">SEK 100 000</td></tr> <tr><td data-bbox="719 443 762 470">ID2</td><td data-bbox="1007 443 1169 470">SEK 100 000</td></tr> <tr><td data-bbox="719 477 762 504">IA3</td><td data-bbox="1007 477 1169 504">SEK 100 000</td></tr> <tr><td data-bbox="719 510 762 537">ID3</td><td data-bbox="1007 510 1169 537">SEK 100 000</td></tr> <tr><td data-bbox="719 544 762 571">IA4</td><td data-bbox="1007 544 1169 571">SEK 100 000</td></tr> <tr><td data-bbox="719 577 762 604">ID4</td><td data-bbox="1007 577 1169 604">SEK 100 000</td></tr> <tr><td data-bbox="719 611 762 638">IA5</td><td data-bbox="1007 611 1169 638">SEK 100 000</td></tr> <tr><td data-bbox="719 645 762 672">ID5</td><td data-bbox="1007 645 1169 672">SEK 100 000</td></tr> <tr><td data-bbox="719 678 762 705">RA1</td><td data-bbox="1007 678 1169 705">SEK 10 000</td></tr> <tr><td data-bbox="719 712 762 739">RA2</td><td data-bbox="1007 712 1169 739">SEK 10 000</td></tr> <tr><td data-bbox="719 745 762 772">RA3</td><td data-bbox="1007 745 1169 772">SEK 10 000</td></tr> <tr><td data-bbox="719 779 762 806">RA4</td><td data-bbox="1007 779 1169 806">SEK 10 000</td></tr> <tr><td data-bbox="719 813 762 840">RA5</td><td data-bbox="1007 813 1169 840">SEK 10 000</td></tr> </tbody> </table> <p data-bbox="608 902 1374 1032">* The Directors may waive in their discretion the minimum investment, i.e. the minimum initial subscription amount and/or the minimum ongoing holding amount for each Class of Shares.</p>	Class	Minimum initial subscription and minimum holding*	IA0	SEK 100 000	ID0	SEK 100 000	IA1	SEK 100 000	ID1	SEK 100 000	IA2	SEK 100 000	ID2	SEK 100 000	IA3	SEK 100 000	ID3	SEK 100 000	IA4	SEK 100 000	ID4	SEK 100 000	IA5	SEK 100 000	ID5	SEK 100 000	RA1	SEK 10 000	RA2	SEK 10 000	RA3	SEK 10 000	RA4	SEK 10 000	RA5	SEK 10 000
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<b>Benchmark</b>	The Sub-Fund is actively managed without reference to a benchmark.																																				
<b>Subscription Fee</b>	Maximum 5%																																				
<b>Redemption Fee</b>	N/A																																				
<b>Conversion Fee</b>	Maximum 0.5%																																				
<b>Core Management Company Fee</b>	<p data-bbox="584 1384 1508 1451">A fixed Core Management Company Fee of a maximum of 0,0275% p.a. calculated and accrued on each Valuation Date and payable monthly.</p> <p data-bbox="584 1485 1508 1585">A pro rata split of the fixed annual fee for domiciliation services of EUR 10,000 for the Company will also be payable to the Management Company by the Sub-Fund.</p> <p data-bbox="584 1619 1508 1720">Additional fees may apply for ancillary services provided to the Company and out of pocket expenses as detailed in the Management Company Agreement (or any related engagement letter).</p>																																				



<b>Investment Management Fee</b>	<table border="1"> <thead> <tr> <th data-bbox="576 241 667 271">Class</th> <th data-bbox="715 215 1018 271">Fee (% of NAV per annum)*</th> </tr> </thead> <tbody> <tr><td data-bbox="608 286 651 309">IA0</td><td data-bbox="826 286 906 309">0.20%</td></tr> <tr><td data-bbox="608 327 651 349">ID0</td><td data-bbox="826 327 906 349">0.20%</td></tr> <tr><td data-bbox="608 367 651 389">IA1</td><td data-bbox="826 367 906 389">0.60%</td></tr> <tr><td data-bbox="608 407 651 430">ID1</td><td data-bbox="826 407 906 430">0.60%</td></tr> <tr><td data-bbox="608 448 651 470">IA2</td><td data-bbox="826 448 906 470">0.80%</td></tr> <tr><td data-bbox="608 488 651 510">ID2</td><td data-bbox="826 488 906 510">0.80%</td></tr> <tr><td data-bbox="608 528 651 551">IA3</td><td data-bbox="826 528 906 551">1.30%</td></tr> <tr><td data-bbox="608 568 651 591">ID3</td><td data-bbox="826 568 906 591">1.30%</td></tr> <tr><td data-bbox="608 609 651 631">IA4</td><td data-bbox="826 609 906 631">1.70%</td></tr> <tr><td data-bbox="608 649 651 672">ID4</td><td data-bbox="826 649 906 672">1.70%</td></tr> <tr><td data-bbox="608 689 651 712">IA5</td><td data-bbox="826 689 906 712">2.20%</td></tr> <tr><td data-bbox="608 730 651 752">ID5</td><td data-bbox="826 730 906 752">2.20%</td></tr> <tr><td data-bbox="608 770 651 792">RA1</td><td data-bbox="826 770 906 792">0.60%</td></tr> <tr><td data-bbox="608 810 651 833">RA2</td><td data-bbox="826 810 906 833">0.80%</td></tr> <tr><td data-bbox="608 851 651 873">RA3</td><td data-bbox="826 851 906 873">1.30%</td></tr> <tr><td data-bbox="608 891 651 913">RA4</td><td data-bbox="826 891 906 913">1.70%</td></tr> <tr><td data-bbox="608 931 651 954">RA5</td><td data-bbox="826 931 906 954">2.20%</td></tr> </tbody> </table> <p data-bbox="1046 958 1203 981" style="text-align: right;">*maximum fee</p>	Class	Fee (% of NAV per annum)*	IA0	0.20%	ID0	0.20%	IA1	0.60%	ID1	0.60%	IA2	0.80%	ID2	0.80%	IA3	1.30%	ID3	1.30%	IA4	1.70%	ID4	1.70%	IA5	2.20%	ID5	2.20%	RA1	0.60%	RA2	0.80%	RA3	1.30%	RA4	1.70%	RA5	2.20%
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<b>Central Administrative Agent, Registrar and Transfer Agent and Depository Fee</b>	<p data-bbox="584 1016 1509 1182">Variable fees up to a total of maximum 0.100% p.a. subject to an annual minimum fee of EUR 32,400 for accounting and depository bank services plus the Sub-Funds pro rata share of a minimum fee of EUR 24.000 for transfer agent services applicable for the Company (transactional and external charges not included).</p> <p data-bbox="584 1218 1509 1317">The Central Administrative Agent, Registrar and Transfer Agent and Depository Bank are also entitled to be reimbursed for reasonable disbursements and out of pocket expenses.</p>																																				

**Indicative risk profile of the Sub-Fund**

The Sub-Fund has an investment horizon of more than five (5) years and therefore the purchase of Shares of the Sub-Fund should be regarded as a long-term investment.

**Indicative risk profile of the Sub-Fund**

This Sub-Fund is suitable for the investor seeking a long-term investment strategy, therefore understanding that the investments and related return can be subject to significant change.

The risks associated with equities result from the underlying dynamics as well as the changes in earnings expectations across the corresponding listed companies over the relevant business cycle. The general interest and inflation rate levels, as well as monetary and fiscal policies affect such earnings expectations. The openness of the Swedish economy also results in significantly exposing the revenues of Swedish companies to macro trends in export markets. Investing in Swedish listed equities gives furthermore exposure to cyclical sectors like materials, industrials and technology.

Even if the Sub-Fund invests primarily in highly liquid stocks, the liquidity in the market can change from time to time and have a negative impact on the Sub-Fund.

The Sub-Fund can also be impacted by stock market fluctuations due to economic development and exogenous factors, as policy and regulatory changes in the countries where the issuing companies are active.

The Sub-Fund invests in different currencies and is therefore subject to a risk of value fluctuations due to unexpected changes in exchange rates.

**Investor profile**

Private and Institutional Investors.

**APPENDIX N° 3**

**CARNEGIE INVESTMENT FUND – Nordic Equity Fund Screened**

<p><b>Investment objective and policy</b></p>	<p>The objective of the Sub-Fund is to achieve long-term capital growth by investing in listed small, mid and large cap equities in Sweden, Norway, Denmark and Finland.</p> <p>The Sub-Fund’s investment principles are to create excess return via active management through a stock selection which is based on fundamental bottom up analysis and a thorough understanding of the business model and the thematic and strategic position of the underlying investments. The Sub-Fund will strive to have a relatively concentrated portfolio of approximately 30-50 single equities.</p> <p>The Sub-Fund will integrate environmental, social and corporate governance factors in the investment process and investment decisions and intends to promote environmental characteristics in accordance with article 8 of SFDR.</p> <p><b>For additional information on the environmental and social characteristics of the Sub-Fund, please refer to Appendix N°8 — Pre-contractual disclosures, in accordance with SFDR and Commission Delegated Regulation (EU) 2022/1288.</b></p> <p>The Sub-Fund may hold up to 20% of its net assets in ancillary liquid assets (deposits at sight).</p> <p>Under exceptionally unfavourable market conditions and if justified in the interest of the investors, the Sub-Fund may temporarily invest up to 100% of its net assets in cash and deposits at sight (such as cash held in current accounts).</p> <p>The Investment Manager will have the possibility to hedge the currency risk using forward foreign exchange transactions within the limits prescribed by the 2010 Law.</p> <p>The Sub-Fund may use securities lending where appropriate for efficient portfolio management purposes.</p>
<p><b>Exposure to securities lending</b></p>	<p>The Sub-Fund may enter into securities lending transactions in order to improve the Sub-Fund’s performance and generate capital or additional income (for more detail, please consult "Techniques and Instruments – B. Efficient portfolio management techniques ("EMT") and to total return swaps, securities lending transactions, repurchase agreements and reverse repurchase agreements ("SFT Transactions")" of the main part of this prospectus).</p> <p>The expected level of exposure that can be subject to securities lending transactions amounts to 50% of the net assets.</p> <p>A maximum of 75% of the net assets of the Sub-Fund will be subject to securities lending transactions.</p>

<b>Reference currency</b>	Swedish Krona (SEK).																							
<b>Classes of shares</b>	<p>Class 1D, 2D and 3D</p> <p>The below table sets out the characteristics of each Share Class.</p> <table border="1"> <thead> <tr> <th><b>Class</b></th> <th><b>Ref. Currency</b></th> <th><b>Initial Subscription Price</b></th> <th><b>Type</b></th> <th><b>Investor type</b></th> </tr> </thead> <tbody> <tr> <td>1D</td> <td>SEK</td> <td>SEK 100</td> <td>Distr.</td> <td>Retail</td> </tr> <tr> <td>2D</td> <td>SEK</td> <td>SEK 100</td> <td>Distr.</td> <td>Institutional</td> </tr> <tr> <td>3D</td> <td>SEK</td> <td>SEK 100</td> <td>Distr.</td> <td>Institutional</td> </tr> </tbody> </table>				<b>Class</b>	<b>Ref. Currency</b>	<b>Initial Subscription Price</b>	<b>Type</b>	<b>Investor type</b>	1D	SEK	SEK 100	Distr.	Retail	2D	SEK	SEK 100	Distr.	Institutional	3D	SEK	SEK 100	Distr.	Institutional
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3D	SEK	SEK 100	Distr.	Institutional																				
<b>Valuation Date</b>	Each banking day in Luxembourg																							
<b>Cut-off time for subscriptions/redemptions/conversions</b>	Before 3.00 p.m. Luxembourg time on the applicable Valuation Date																							
<b>Launch Date</b>	16 August 2021 or any other date determined by the Board of Directors																							
<b>Minimum initial subscription amount and minimum holding*</b>	<table border="1"> <thead> <tr> <th><b>Class</b></th> <th><b>Min. initial subscription amount</b></th> <th><b>Min. subsequent subscription amount</b></th> </tr> </thead> <tbody> <tr> <td>1D</td> <td>SEK 10,000.-</td> <td>1 Share</td> </tr> <tr> <td>2D</td> <td>SEK 10,000,000.-</td> <td>SEK 250,000.-</td> </tr> <tr> <td>3D</td> <td>SEK 20,000,000.-</td> <td>SEK 500,000.-</td> </tr> </tbody> </table>	<b>Class</b>	<b>Min. initial subscription amount</b>	<b>Min. subsequent subscription amount</b>	1D	SEK 10,000.-	1 Share	2D	SEK 10,000,000.-	SEK 250,000.-	3D	SEK 20,000,000.-	SEK 500,000.-	<p>*The Directors may waive in their discretion the minimum initial subscription amount and minimum subsequent subscription amount for each Class of Shares.</p>										
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3D	SEK 20,000,000.-	SEK 500,000.-																						
<b>Benchmark</b>	<p>The Sub-Fund is actively managed and will compare its returns against the VINX Nordic Benchmark Cap Net Index for performance measurement purposes only.</p> <p>The Sub-fund's portfolio will deviate significantly from the benchmark and the majority of the securities held in the Sub-Fund's portfolio are not components of the benchmark. The Investment Manager can take large positions in securities which are not components of the benchmark.</p>																							
<b>Subscription Fee</b>	Maximum 0.5%																							
<b>Redemption Fee</b>	Maximum 0.5%																							
<b>Conversion Fee</b>	Maximum 0.5%																							
<b>Core Management Company Fee</b>	<p>A fixed Core Management Company Fee of a maximum of 0,0275% p.a. calculated and accrued on each Valuation Date and payable monthly. A pro rata split of the fixed annual fee for domiciliation services of EUR 10,000 for the Company will also be payable to the Management Company by the Sub-Fund.</p> <p>Additional fees may apply for ancillary services provided to the Company and out of pocket expenses as detailed in the Management Company Agreement (or any related engagement letter).</p>																							

<b>Investment Management Fee</b>	<b>Class</b>	<b>Fee (% of NAV per annum)</b>	
	1D	1.49%	
	2D	1.09%	
	3D	0.59%	
<b>Central Administrative Agent, Registrar and Transfer Agent and Depositary Fee</b>	<p>Variable fees up to a total of maximum 0.100% p.a. subject to an annual minimum fee of EUR 32,400 for accounting and depositary bank services plus the Sub-Funds pro rata share of a minimum fee of EUR 24.000 for transfer agent services applicable for the Company (transactional and external charges not included)</p> <p>The Central Administrative Agent, Registrar and Transfer Agent and Depositary Bank are also entitled to be reimbursed for reasonable disbursements and out of pocket expenses.</p>		
<b>Global Exposure Determination Methodology</b>	Commitment approach		
<b>Indicative risk profile of the Sub-Fund</b>			
<p>This Sub-Fund is suitable for the investor seeking a long-term investment strategy, which incorporates an exclusions strategy, who understand that the investments and related return can deviate significantly from the reference index.</p> <p>The risks associated with equities result from the underlying dynamics as well as the changes in earnings expectations across the corresponding listed companies over the relevant business cycle. The general interest and inflation rate levels, as well as monetary and fiscal policies affect such earnings expectations. The openness of the Nordic economies also results in significantly exposing the revenues of Nordic companies to macro trends in export markets. Investing in Nordic listed equities gives furthermore exposure to cyclical sectors like oil and gas production, industrials and technology.</p> <p>Even if the Sub-Fund invests primarily in highly liquid stocks, the liquidity in the market can change time to time and have a negative impact on the Sub-Fund.</p> <p>The Sub-Fund can also be impacted by stock market fluctuations due to economic development and exogenous factors, as policy and regulatory changes in the countries were the issuing companies are active.</p> <p>The Sub-Fund invests in different currencies and is therefore subject to a risk of value fluctuations due to unexpected changes in exchange rates.</p>			
<b>Investor profile</b>			
Private and Institutional Investors.			

**APPENDIX N° 4**

**CARNEGIE INVESTMENT FUND – Global Stock Picking Fund**

<p><b>Investment objective and policy</b></p>	<p>The objective of the Sub-Fund is to achieve long-term capital growth in line with or better than global equity markets. In order to achieve this, the Sub-Fund will mainly invest in a portfolio of global, including emerging markets, equities and equity related instruments.</p> <p>The Sub-Fund will integrate environmental, social and corporate governance factors in the investment process and investment decisions and intends to promote environmental characteristics in accordance with article 8 of SFDR.</p> <p>The Sub-Fund will focus on investments in companies enabling the transition towards sustainable transports, industrial processes, buildings, food value chains as well as energy production and systems. Over time this is expected to lead to lower emissions of greenhouse gases for society. The Sub-Fund may however invest in other companies as well. The companies invested in will either contribute actively, with new products and/or technologies, to the transition parameters mentioned, benefit from the transition as demand for their products and solutions grows as a consequence of it or companies which are considered as leaders of the transition themselves.</p> <p><b>For additional information on the environmental and social characteristics of the Sub-Fund, please refer to Appendix N°5 — Pre-contractual disclosures, in accordance with SFDR and Commission Delegated Regulation (EU) 2022/1288.</b></p> <p>The Sub-Fund may also invest in other transferable securities such as preference shares, warrants and other equity related instruments, UCIs (both actively and passively managed). More specifically investments may include:</p> <ul style="list-style-type: none"> <li>• UCIs of closed-ended type and money market instruments.</li> <li>• On a temporary basis to avoid large cash positions when evaluating potential investments cases/scenarios, up to 10% of the net assets in either actively managed UCIs with an investment policy similar to that of the Sub-Fund or in passively managed UCIs and ETFs to gain exposure to index or sector exposure.</li> <li>• Only in order to profit from certain market opportunities, and in any case up to 10% of the net assets in index replicators, with or without leverage, whether in the form of UCIs or Total Return Swaps,</li> <li>• Other investments with equity-like characteristics relating to global equities including structured products.</li> </ul>
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	<p>The Sub-Fund may hold up to 20% of its net assets in ancillary liquid assets (deposits at sight). Under exceptionally unfavorable market conditions and if justified in the interest of the investors, the Sub-Fund may temporarily invest up to 100% of its net assets in cash and deposits at sight (such as cash held in current accounts).</p> <p>The portfolio of the Sub-Fund will be actively managed. The above investment policy and objective does not constitute a guarantee for performance.</p>
<b>Global Exposure Determination Methodology</b>	Commitment approach
<b>Use of Derivatives</b>	<p>The Sub-Fund may, on an ancillary basis, use derivatives such as futures, options, swaps, CFDs, CDSs (Credit Default Swaps) and other derivatives both for hedging and investment purposes, i.e. their use need not be limited to hedging the Sub-Fund's assets; they may be used for efficient portfolio management and/or to generate gains, all within the limits of the general investment restrictions for the Company, and further to the Sub-Fund-specific restrictions.</p> <p>The Investment Manager will have the possibility to hedge the currency risk using forward foreign exchange transactions within the limits prescribed by the 2010 Law.</p>
<b>Exposure to total return swaps and securities lending</b>	<p>The Sub-Fund may enter into total return swaps and securities lending transactions in order to improve the Sub-Fund's performance and generate capital or additional income (for more detail, please consult "Techniques and Instruments – B. Efficient portfolio management techniques ("EMT") and to total return swaps, securities lending transactions, repurchase agreements and reverse repurchase agreements ("SFT Transactions")" of the main part of this prospectus).</p> <p>The expected level of exposure that can be subject to total return swaps amounts to 50% of the net assets.</p> <p>A maximum of 100% of the net assets of the Sub-Fund will be subject to total return swaps.</p> <p>The expected level of exposure that can be subject to securities lending transactions amounts to 50% of the net assets.</p> <p>A maximum of 75% of the net assets of the Sub-Fund will be subject to securities lending transactions.</p>
<b>Reference currency</b>	Swedish Krona (SEK).



<b>Classes of shares</b>	<table border="1"> <thead> <tr> <th><i>Class</i></th> <th><i>Investor</i></th> <th><i>type</i></th> <th><i>currency</i></th> </tr> </thead> <tbody> <tr><td>IA0</td><td>Institutional</td><td>Accumulating</td><td>SEK</td></tr> <tr><td>ID0</td><td>Institutional</td><td>Distributing</td><td>SEK</td></tr> <tr><td>IA1</td><td>Institutional</td><td>Accumulating</td><td>SEK</td></tr> <tr><td>ID1</td><td>Institutional</td><td>Distributing</td><td>SEK</td></tr> <tr><td>IA2</td><td>Institutional</td><td>Accumulating</td><td>SEK</td></tr> <tr><td>ID2</td><td>Institutional</td><td>Distributing</td><td>SEK</td></tr> <tr><td>IA3</td><td>Institutional</td><td>Accumulating</td><td>SEK</td></tr> <tr><td>ID3</td><td>Institutional</td><td>Distributing</td><td>SEK</td></tr> <tr><td>IA4</td><td>Institutional</td><td>Accumulating</td><td>SEK</td></tr> <tr><td>ID4</td><td>Institutional</td><td>Distributing</td><td>SEK</td></tr> <tr><td>IA5</td><td>Institutional</td><td>Accumulating</td><td>SEK</td></tr> <tr><td>ID5</td><td>Institutional</td><td>Distributing</td><td>SEK</td></tr> <tr><td>RA1</td><td>Retail</td><td>Accumulating</td><td>SEK</td></tr> <tr><td>RA2</td><td>Retail</td><td>Accumulating</td><td>SEK</td></tr> <tr><td>RA3</td><td>Retail</td><td>Accumulating</td><td>SEK</td></tr> <tr><td>RA4</td><td>Retail</td><td>Accumulating</td><td>SEK</td></tr> <tr><td>RA5</td><td>Retail</td><td>Accumulating</td><td>SEK</td></tr> </tbody> </table> <p><i>The Sub-Fund may issue shares in the classes listed in the table above as the Board of Directors may decide from time to time. Please refer to <a href="https://www.carnegie.se/private-banking/dokument-och-underlag/fonder-och-portfoljer/">https://www.carnegie.se/private-banking/dokument-och-underlag/fonder-och-portfoljer/</a> for a complete list of available Classes.</i></p>	<i>Class</i>	<i>Investor</i>	<i>type</i>	<i>currency</i>	IA0	Institutional	Accumulating	SEK	ID0	Institutional	Distributing	SEK	IA1	Institutional	Accumulating	SEK	ID1	Institutional	Distributing	SEK	IA2	Institutional	Accumulating	SEK	ID2	Institutional	Distributing	SEK	IA3	Institutional	Accumulating	SEK	ID3	Institutional	Distributing	SEK	IA4	Institutional	Accumulating	SEK	ID4	Institutional	Distributing	SEK	IA5	Institutional	Accumulating	SEK	ID5	Institutional	Distributing	SEK	RA1	Retail	Accumulating	SEK	RA2	Retail	Accumulating	SEK	RA3	Retail	Accumulating	SEK	RA4	Retail	Accumulating	SEK	RA5	Retail	Accumulating	SEK
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RA3	SEK 10 000																																				
RA4	SEK 10 000																																				
RA5	SEK 10 000																																				
<b>Benchmark</b>	The Sub-Fund is actively managed without reference to a benchmark.																																				
<b>Subscription Fee</b>	Maximum 5%																																				
<b>Redemption Fee</b>	N/A																																				
<b>Conversion Fee</b>	Maximum 0.5%																																				
<b>Core Management Company Fee</b>	<p data-bbox="584 1350 1544 1417">A fixed Core Management Company Fee of a maximum of 0,0275% p.a. calculated and accrued on each Valuation Date and payable monthly.</p> <p data-bbox="584 1451 1544 1552">A pro rata split of the fixed annual fee for domiciliation services of EUR 10,000 for the Company will also be payable to the Management Company by the Sub-Fund.</p> <p data-bbox="584 1585 1544 1686">Additional fees may apply for ancillary services provided to the Company and out of pocket expenses as detailed in the Management Company Agreement (or any related engagement letter).</p>																																				

<b>Investment Management Fee</b>	<table border="1"> <thead> <tr> <th data-bbox="576 237 667 271">Class</th> <th data-bbox="715 215 1018 271">Fee (% of NAV per annum)*</th> </tr> </thead> <tbody> <tr><td data-bbox="608 282 651 309">IA0</td><td data-bbox="826 282 903 309">0.20%</td></tr> <tr><td data-bbox="608 320 651 347">ID0</td><td data-bbox="826 320 903 347">0.20%</td></tr> <tr><td data-bbox="608 358 651 385">IA1</td><td data-bbox="826 358 903 385">0.60%</td></tr> <tr><td data-bbox="608 396 651 423">ID1</td><td data-bbox="826 396 903 423">0.60%</td></tr> <tr><td data-bbox="608 434 651 461">IA2</td><td data-bbox="826 434 903 461">0.80%</td></tr> <tr><td data-bbox="608 472 651 499">ID2</td><td data-bbox="826 472 903 499">0.80%</td></tr> <tr><td data-bbox="608 510 651 537">IA3</td><td data-bbox="826 510 903 537">1.30%</td></tr> <tr><td data-bbox="608 548 651 575">ID3</td><td data-bbox="826 548 903 575">1.30%</td></tr> <tr><td data-bbox="608 586 651 613">IA4</td><td data-bbox="826 586 903 613">1.70%</td></tr> <tr><td data-bbox="608 624 651 651">ID4</td><td data-bbox="826 624 903 651">1.70%</td></tr> <tr><td data-bbox="608 663 651 689">IA5</td><td data-bbox="826 663 903 689">2.20%</td></tr> <tr><td data-bbox="608 701 651 728">ID5</td><td data-bbox="826 701 903 728">2.20%</td></tr> <tr><td data-bbox="608 739 651 766">RA1</td><td data-bbox="826 739 903 766">0.60%</td></tr> <tr><td data-bbox="608 777 651 804">RA2</td><td data-bbox="826 777 903 804">0.80%</td></tr> <tr><td data-bbox="608 815 651 842">RA3</td><td data-bbox="826 815 903 842">1.30%</td></tr> <tr><td data-bbox="608 853 651 880">RA4</td><td data-bbox="826 853 903 880">1.70%</td></tr> <tr><td data-bbox="608 891 651 918">RA5</td><td data-bbox="826 891 903 918">2.20%</td></tr> </tbody> </table> <p data-bbox="1038 954 1190 981" style="text-align: right;"><i>*maximum fee</i></p>	Class	Fee (% of NAV per annum)*	IA0	0.20%	ID0	0.20%	IA1	0.60%	ID1	0.60%	IA2	0.80%	ID2	0.80%	IA3	1.30%	ID3	1.30%	IA4	1.70%	ID4	1.70%	IA5	2.20%	ID5	2.20%	RA1	0.60%	RA2	0.80%	RA3	1.30%	RA4	1.70%	RA5	2.20%
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RA2	0.80%																																				
RA3	1.30%																																				
RA4	1.70%																																				
RA5	2.20%																																				
<b>Central Administrative Agent, Registrar and Transfer Agent and Depositary Fee</b>	<p data-bbox="576 1021 1551 1182">Variable fees up to a total of maximum 0.150% p.a. subject to an annual minimum fee of EUR 32,400 for accounting and depositary bank services plus the Sub-Funds pro rata share of a minimum fee of EUR 24.000 for transfer agent services applicable for the Company (transactional and external charges not included).</p> <p data-bbox="576 1218 1551 1317">The Central Administrative Agent, Registrar and Transfer Agent and Depositary Bank are also entitled to be reimbursed for reasonable disbursements and out of pocket expenses.</p>																																				

**Indicative risk profile of the Sub-Fund**

The Sub-Fund has an investment horizon of more than five (5) years and therefore the purchase of Shares of the Sub-Fund should be regarded as a long-term investment.

This Sub-Fund is suitable for the investor seeking a long-term investment strategy, therefore understanding that the investments and related return can be subject to significant change.

The risks associated with equities result from the underlying dynamics as well as the changes in earnings expectations across the corresponding listed companies over the relevant business cycle. The general interest and inflation rate levels, as well as monetary, fiscal, trade and regulatory policies affect such earnings expectations.

Even if the Sub-Fund invests primarily in highly liquid stocks, the liquidity in the market can change from time to time and have a negative impact on the Sub-Fund.

The Sub-Fund can also be impacted by stock market fluctuations due to economic development and exogenous factors, as policy and regulatory changes in the countries where the issuing companies are active.

The Sub-Fund invests in different currencies and is therefore subject to a risk of value fluctuations due to unexpected changes in exchange rates.

**Investor profile**

Private and Institutional Investors.

**APPENDIX N° 5**

**PRE-CONTRACTUAL DISCLOSURES**

Information relating to the environmental and social characteristics or sustainable investment objectives of the sub-funds is provided in the following Appendix in accordance with SFDR and Commission Delegated Regulation (EU) 2022/1288, as amended.

Pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

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

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

**Product name:** Carnegie Investment Fund – Nordic Equity Fund (the “Sub-Fund”)  
**Legal entity identifier:** 549300BNNMKWTF5SD940

## Environmental and/or social characteristics

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

**Yes**

**No**

It will make a minimum of **sustainable investments with an environmental objective:** \_\_\_%

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

in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

It will make a minimum of **sustainable investments with a social objective:** \_\_\_%

It **promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of \_ of sustainable investments

with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy

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

with a social objective

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



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

The Sub-Fund integrates environmental, social and corporate governance factors (ESG) into the investment process. This is done with the the help of the Investment Manager’s sustainability screening process which is a part of the general due dilligence promoted before the Investment Manager invests in a company. The Sub-Fund invests in companies with a strong and robust sustainability profile, as well as companies that demonstrate considerations for the environment. The Sub-Fund therefore strives for a lower CO2

emission than the return benchmark VINX Benchmark Cap Net Index (the “**Return Benchmark**”).

Furthermore, the Sub-Fund’s investments are subject to selection criteria resulting from norm-based and activity-based screening, leading to various exclusions. Norm-based screening ensures that the Sub-Fund’s investments are aligned with existing conventions and principles, including the UN Global Compact for human rights, labour rights, climate and environment, and anti-corruption. Activity-based screening aims to exclude companies whose primary activities (constituting more than 5% of revenue) involve tobacco, conventional weapons, palm oil, pesticides, thermal coal, or oil from oil sands and there is a 0% tolerance for companies with activities in controversial weapons.

The Sub-Fund does not use a benchmark that is aligned with the Sub-Fund’s E/S characteristics.

Details on the sustainability screening process are available on <https://www.carnegie.dk/carnegie-investment-fund/>

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

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

To promote environmental and social characteristics, the Sub-Fund aims for a lower CO2 emissions level compared to the Return Benchmark.

The Sub-Fund also employs exclusions based on both norm-based and activity-based screenings as sustainability indicators. This means that the strategy’s sustainability indicators measure how the environmental or social characteristics promoted by the Sub-Fund are achieved.

The strategy excludes investments in companies that do not meet the selection criteria of the strategy due to their activities or business operations.

To measure whether the environmental and social characteristics are attained, the Sub-Fund applies the following indicators:

- CO2 emissions level compared to Return Benchmark. CO2 emission level is measured as the Financed Carbon Emissions (tones CO2e / \$EUR invested).
- Number of companies in the investment portfolio which do not comply with the activity-based screening as a percentage of total investments.
- Number of companies in the investment portfolio that violates UN’s Global Compact initiative as a percentage of total investments.

● ***What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?***

The Sub-Fund does not have sustainable investments as its objective.

● ***How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?***

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

Not applicable

*The EU Taxonomy sets out a “do not significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.*

The “do no significant harm” principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

*Any other sustainable investments must also not significantly harm any environmental or social objectives.*



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

Yes, ...

No

**What investment strategy does this financial product follow?**

The Sub-Fund has an active investment strategy. The Sub-Fund invests mainly in listed small, mid and large cap equities in Sweden, Norway, Denmark and Finland. The Sub-Fund will strive to have a relatively concentrated portfolio of approximately 30-50 single equities. The stock selection is based on a fundamental bottom-up process with a strong focus on quality companies with stable profit growth, sound balance sheets and ability to generate free cash flows.

Investments are diversified across companies and sectors that meet the selection criteria.

The analysis will be based on internal as well as external research and advisory services.

The Sub-Fund will apply exclusion criteria to determine the investment universe. The Sub-Fund has restrictions against investing in companies of the following sectors: tobacco, weapons, palm oil, pesticides, thermal coal, or oil from oil sands.

Potential investments are also screened against companies with confirmed violations of the UN Global Compact Principles for responsible investments.

Screening will be performed before initial investment in a company and existing holdings will be screened on a daily basis.



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



- ***What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?***

The following binding elements are used:

- Activity-based exclusions (based on a maximum percentage of 5% of revenue from the excluded activities at the level of each underlying investment) prevent investments into activities that are inappropriate for the strategy. The activity-based exclusions include thresholds for exposure to conventional weapons, tobacco, palm oil, pesticides, thermal coal, and oil from oil sand activities and there is a 0% tolerance for companies with activities in controversial weapons.
- Norm-based screening against violations of the UN Global Compact Principles having a negative impact on the environment, human rights, labor rights and business ethics is done. If violations are suspected in relation to sustainable practices, the Investment Manager will analyze the investment further and without sufficient progress preparation is made to exit the investment.

Resources independent from the Investment Manager are used in the the ESG analysis. The portfolio of the Sub-Fund will, on a regular basis, be screened using a leading screening service.

Investments that do not comply with the activity and normbased screenings will be divested, in an orderly manner, considering the best interests of the shareholders.

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

Not applicable.

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

Good governance practices of investee companies are addressed in several layers of the equity selection process. Governance safeguards are inherent in the norms-based screening both before and during the lifespan of an investment, i.e. the Investment Manager monitors that the investments are in line with the UN Global Compact Principles which includes sound management structures, employee relations, remuneration of staff and tax compliance. If an investment fails to meet the activity and/or normbased screening criterias, the Investment Manager carries out an investigation and if there is no acceptable reason, the investment will be divested.

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



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

### Asset allocation

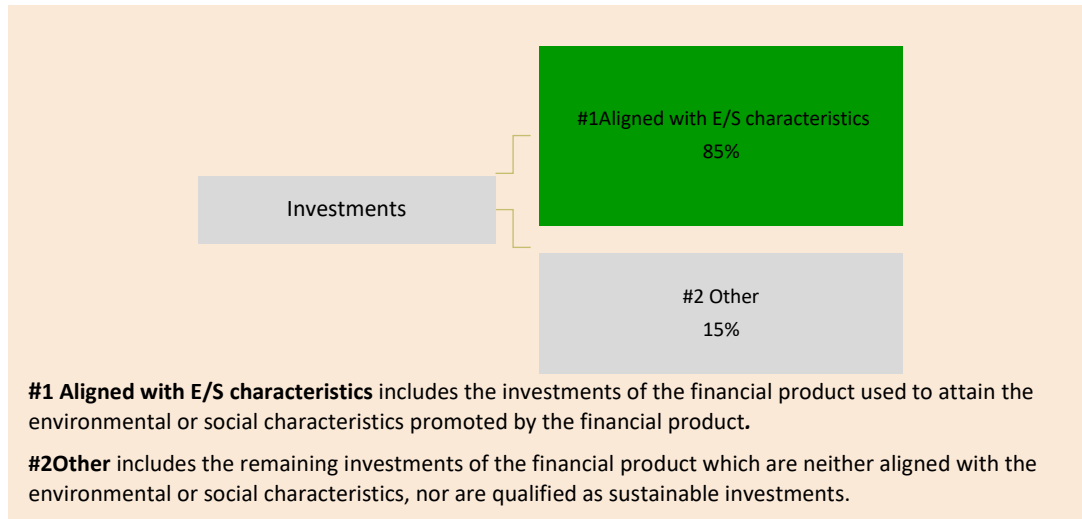
describes the share of investments in specific assets.

Taxonomy-aligned activities are expressed as a share of:

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

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

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



**#1 Aligned with E/S characteristics** The Sub-Fund's investments will primarily be aligned with the environmental and social characteristics it promotes through the Sub-Fund's norm-based and activity-based screening. The minimum share of environmental and social aligned investments is 85%.

**#2 Other** Includes cash, cash equivalents to facilitate the liquidity of the Sub-Fund.

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

The Sub-Fund will not use derivatives to achieve the environmental and social characteristics.



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

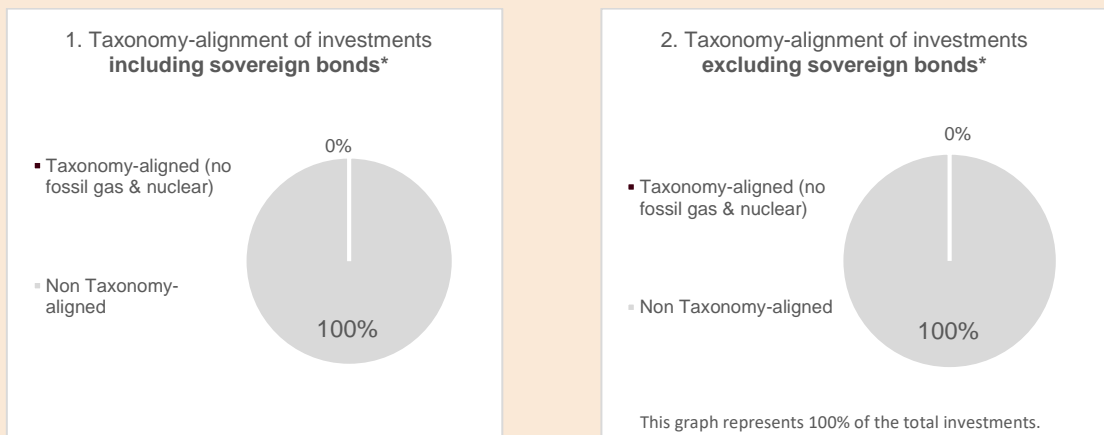
The Sub-Fund does not currently intend to invest in sustainable investments that are aligned with the EU Taxonomy and the minimum share of taxonomy-aligned investments (including transitional and enabling activities) is therefore assessed to be 0%.

● Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy<sup>1</sup>?

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules. **Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective. **Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

Yes  
 In fossil gas    In nuclear energy  
 No

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



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

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

Not applicable



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

Not applicable



What is the minimum share of socially sustainable investments?

Not applicable



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

The Sub-Fund may hold cash, cash equivalents to facilitate the liquidity of the Sub-Fund. There are no minimum environmental or social safeguards on these instrument types.

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

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



Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

Not applicable

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

Not applicable

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

Not applicable

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

Not applicable

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

Not applicable

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



Where can I find more product specific information online?

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

<https://www.carnegie.dk/carnegie-investment-fund/>

**Pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852**

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

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

**Product name:** Carnegie Investment Fund – Svenska Aktier (the “Sub-Fund”)  
**Legal entity identifier:** 549300YV4SBF1ZL3MM40

## Environmental and/or social characteristics

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

**Yes**

  **No**

<input type="checkbox"/> It will make a minimum of <b>sustainable investments with an environmental objective: ___%</b> <ul style="list-style-type: none"> <li><input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy</li> <li><input type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</li> </ul> <input type="checkbox"/> It will make a minimum of <b>sustainable investments with a social objective: ___%</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 checked="" type="checkbox"/> It promotes E/S characteristics, but <b>will not make any sustainable investments</b>
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**What environmental and/or social characteristics are promoted by this financial product?**

The Sub-Fund integrates environmental, social and corporate governance factors (ESG) into the investment process with the help of the Investment Manager’s sustainability screening process, which considers underlying companies’ ability to manage sustainability risks and opportunities. Managing ESG risks is a vital part of what makes an investment attractive, together with the traditional financial metrics. Sustainability with regard to social and governance aspects is accomplished through screening and exclusions.

Exclusion filters are applied in the portfolio construction to restrict investments in companies with more than 5% of their revenues from the following activities including conventional weapons, tobacco, alcohol, adult entertainment, gambling and fossil fuel. Furthermore, the portfolio excludes companies that have any confirmed violations against the UN Global Compact and there is a 0% tolerance for companies with activities in controversial weapons.

The Sub-Fund does not use a benchmark that is aligned with the Sub-Fund's E/S characteristics.

Details on the exclusions are available on <https://www.carnegie.se/private-banking/dokument-och-underlag/fonder-och-portfoljer/sustainability-related-disclosures-svenska-aktier/>

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

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

To measure the attainment of each of the environmental or social characteristics promoted by the Sub-Fund, the following indicators are used:

- Number of companies in the investment portfolio that violate UN's Global Compact initiative as a percentage of total investments.
- Exclusion of companies which derive more than 5% of their revenue from conventional weapons, tobacco, alcohol, adult entertainment, gambling and fossil fuel and a 0% tolerance for companies with activities in controversial weapons.

● ***What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?***

The Sub-Fund does not have sustainable investments as its objective.

● ***How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?***

Not applicable

*The EU Taxonomy sets out a "do not significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.*

The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

*Any other sustainable investments must also not significantly harm any environmental or social objectives.*

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.



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

Yes, ...

No



**What investment strategy does this financial product follow?**

The Sub-Fund invests mainly in Swedish equities. The portfolio normally consists of 20-30 core holdings; quality companies with stable profit growth, high returns and sound balance sheets. In addition to this, the Sub-Fund invests in equities of a more opportunistic character, for example revaluation cases or growth companies that the market has not caught up with yet; as well as opportunistic positions. The investments are selected using a bottoms up fundamental approach. The Investment Manager strives to achieve sector diversification as sound risk management is important.

The analysis will be based on internal and as well as external research and advisory services.

The Sub-Fund will apply exclusion criteria to determine the investment universe. The Sub-Fund has restrictions against investing in companies of the following sectors: alcohol, tobacco, gambling, conventional weapons, adult entertainment and fossil fuels and a 0% tolerance for companies with activities in controversial weapons.

Potential investments are also screened against companies with confirmed violations against the UN Global Compact Principles for responsible investments.

Screening will be performed before initial investment in a company and existing holdings will be screened quarterly.

- ***What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?***

The following binding elements are used:

- Sector-based exclusions (based on a maximum percentage of 5% of revenue from the excluded sectors at the level of each underlying investment) prevent investments into activities that are inappropriate for the strategy. The sector-based exclusions include thresholds for exposure to conventional weapons, tobacco companies, alcohol, adult entertainment, gambling and fossil fuel and a 0% tolerance for companies with activities in controversial weapons.
- Norm-based screening against violations of the UN Global Compact Principles having a negative impact on the environment, human rights, labor rights and business ethics is done. If violations are suspected in relation to sustainable

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

practices, the Investment Manager will analyze the investment further and without sufficient progress preparation is made to exit the investment.

Resources independent from the Investment Manager are used in the the ESG analysis. The portfolio of the Sub-Fund will, on a regular basis, be screened using a leading screening service. The cost of such services will be borne by the Investment Manager.

Investments that do not comply with the requirements will be divested, in an orderly manner, considering the best interests of the shareholders.

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

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

Not applicable

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

Good governance practices of investee companies are addressed in several layers of the equity selection process. Governance safeguards are inherent in the norms-based screening both before and during the lifespan of an investment, i.e. the Investment Manager monitors that the investments are in line with the UN Global Compact Principles which includes sound management structures, employee relations, remuneration of staff and tax compliance. If an investment fails to meet the requirements, the Investment Manager carries out an investigation and if there is no acceptable reason, the investment will be divested.

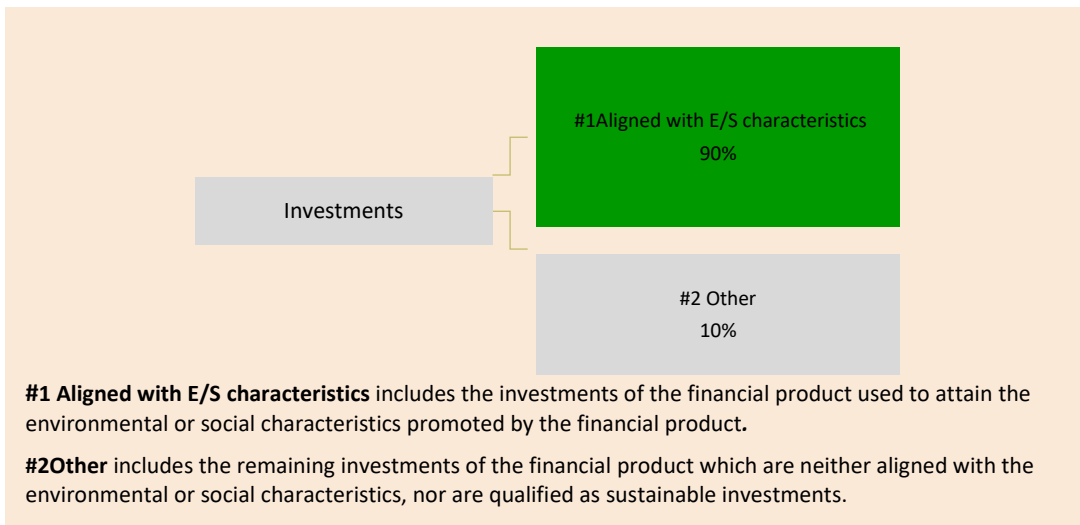


**What is the asset allocation planned for this financial product?**

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

Taxonomy-aligned activities are expressed as a share of:

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



**#1 Aligned with E/S characteristics** The Sub-Fund is expected to dedicate at least 90% of its NAV to investments that are aligned with its E/S characteristics, i.e. meet the criterias for:

- Sector based exclusions of alcohol, tobacco, gambling, conventional weapons, adult entertainment and fossil fuels.
- Norm-based screening against violations of the UN Global Compact Principles.



To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules. **Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective. **Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

**#2 Other** Includes cash, cash equivalents to facilitate the liquidity of the Sub-Fund, as well as financial derivative instruments used for the purposes of efficient portfolio management and/or to generate gains.

The asset allocation may change over time and percentages should be seen as a minimum average over an extended period of time.

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

The Sub-Fund may use derivatives to gain exposure to companies meeting the promoted environmental and / or social characteristics. The same exclusion criteria apply as for direct investments.



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

The Sub-Fund does not currently intend to invest in sustainable investments that are aligned with the EU Taxonomy and the minimum share of taxonomy-aligned investments (including transitional and enabling activities) is therefore assessed to be 0%.

● **Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy<sup>2</sup>?**

Yes

In fossil gas

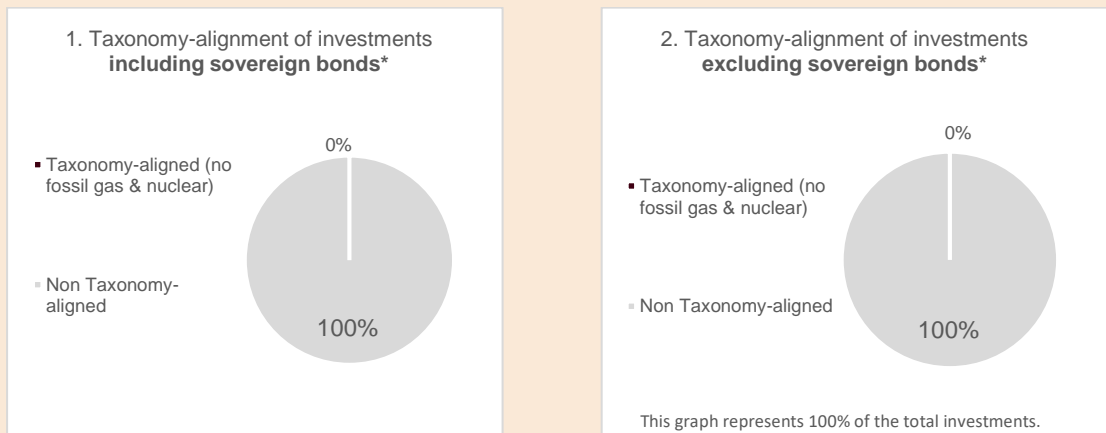
In nuclear energy



No

<sup>2</sup> Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change (“climate change mitigation”) and do not significantly harm any EU Taxonomy objective – see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

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



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

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

Not applicable



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

Not applicable



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


Not applicable



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

The Sub-Fund may hold cash, cash equivalents to facilitate the liquidity of the Sub-Fund, and financial derivative instruments used for the purposes of efficient portfolio management and/or to generate gains.

There are no minimum environmental or social safeguards on these instrument types.

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



Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

Not applicable

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

Not applicable

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

Not applicable

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

Not applicable

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

Not applicable



Where can I find more product specific information online?

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

<https://www.carnegie.se/private-banking/dokument-och-underlag/fonder-och-portfoljer/>

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

**Pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852**

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

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

**Product name:** Carnegie Investment Fund - Global Stock Picking Fund (the "Sub-Fund")  
**Legal entity identifier:** 529900BEFRRJ3LJD5434

## Environmental and/or social characteristics

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

<p><input checked="" type="radio"/> <input type="radio"/> <b>Yes</b></p> <p><input type="checkbox"/> It will make a minimum of <b>sustainable investments with an environmental objective: ___%</b></p> <ul style="list-style-type: none"> <li><input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy</li> <li><input type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</li> </ul> <p><input type="checkbox"/> It will make a minimum of <b>sustainable investments with a social objective: ___%</b></p>	<p><input type="radio"/> <input checked="" type="radio"/> <b>No</b></p> <p><input checked="" 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 15% of sustainable investments</p> <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy</li> <li><input checked="" type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</li> <li><input checked="" type="checkbox"/> with a social objective</li> </ul> <p><input type="checkbox"/> It promotes E/S characteristics, but <b>will not make any sustainable investments</b></p>
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### What environmental and/or social characteristics are promoted by this financial product?

The E/S characteristics of this Sub-Fund include:

ESG Strategy

The Sub-Fund’s overarching ESG strategy is to invest in listed equities of enablers of the transition towards sustainable transports, industrial processes, buildings, food value chains as well as energy production and systems. Over time this is expected to lead to lower emissions of greenhouse gases.

### ESG Methodology

The Sub-Fund integrates environmental, social and corporate governance factors (ESG) into the investment process with the help of the Investment Manager's sustainability screening and selection model, which assesses underlying companies' ability to manage sustainability risks and opportunities. The Sub-Fund primarily promotes environmental characteristics and the ESG analysis is an entirely integrated part of the investment process. Advantages in ESG, especially related to environmental aspects, are vital parts of what makes an investment attractive, together with the traditional financial metrics. Sustainability with regard to social and governance aspects is primarily accomplished through screening and exclusions.

### Minimum proportion of sustainable investments

The Sub-Fund partly invests in sustainable investments, which means companies involved in activities that contribute to an environmental or social objective together with Do no Significant Harm criteria as defined in SFDR article 2 (17).

### Sector- and norm-based exclusions

Exclusion filters are applied in the portfolio construction to restrict investments in companies with significant exposure to certain activities deemed to be detrimental to the environment or the society at large, including weapons, tobacco companies and fossil fuel companies amongst others. Furthermore, the portfolio excludes companies that have confirmed violation against UN Global Compact. Details on the exclusions are available on <https://www.carnegie.se/private-banking/dokument-och-underlag/fonder-och-portfoljer/sustainability-related-disclosures-global-stock-picking/>

### Principal Adverse Impact (PAI)

The negative impact of investments on sustainability factors is taken into consideration as an integrated part of the investment process.

The Sub-Fund does not use a benchmark that is aligned with the Sub-Fund's E/S characteristics.

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

To measure the attainment of the environmental characteristics, the Investment Manager will use mainly climate and other environmental indicators to the extent that relevant data is available. The analysis will use many independent sources of information.

- To find the most relevant investments for the Sub-Fund's strategy, the Investment Manager will consider activity/sector specific indicators before and during the lifespan of the investments. This consideration demands information from different sources, including from MSCI ESG RESEARCH ("MSCI ESG").
- Furthermore, the Investment Manager will work with exclusion criterias based on revenue for alcohol, tobacco, gambling, conventional weapons, fossil fuels including coal, oil and gas based on independent data from the renowned

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

screening provider MSCI ESG as a first step to determine the investment universe.

- The Investment Manager will screen against norm-based violations of UN Global Compact Principles using tools provided by MSCI ESG which are presented as Pass/Fail for the investments. This screening includes all three pillars (environment, social and governance) included in sustainability.
- The Investment Manager will prioritize investments that classifies as sustainable investments according to MSCI ESG.
- The Investment Manager will strive to hold stable or increase the Taxonomy revenue alignment on portfolio level according to MSCI ESG.
- The Investment manager will strive to hold stable or decrease the PAI indicators on portfolio level with focus on the PAI indicators 1-6 according to MSCI ESG.

MSCI ESG has developed a screening factor “EU Sustainable Investment” that combines a series of screening criteria (good governance practices, do no significant harm (DNSH) principle, and positive contribution to a social or environmental objective) to identify eligible investments. This factor signals if the targeted company meets all the criteria to be considered a sustainable investment under SFDR Article 2(17), based on MSCI ESG’s interpretation of the three building blocks: good governance practices, do no significant harm, and positive contribution to an environmental or social objective.

Exclusion of companies with business models and products that negatively affect the climate, society or stakeholders is one important part to promote the sustainability characteristics of the Sub-Fund, alongside the integrated sustainability analysis, which affects investment decisions.

● ***What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?***

The sustainable investments are aligned to its environmental and social characteristics, where the inclusion of investments is focusing primarily on the environment and secondary on social consideration. The objective is to over long-time maintain or increase the sustainable investments in line with the SFDR article 2 (17) definition of sustainable investments. Over time this is expected to lead to lower emissions of greenhouse gases for society through promoting businesses that are acting within this field and therefore contribute to climate change mitigation. It is also expected that the Sub-Fund will contribute to better social standards as the Sub-Fund will partly make sustainable investments that includes all of the three pillars (E, S and G).

● ***How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?***

The sustainable investments have passed a test determining that they do not significantly harm any other social or environmental objectives (DNSH test). The test is done via an acknowledged external data providers' tool, currently that provider is MSCI ESG.

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

All mandatory PAI indicators are assessed in the Investment Manager's screening process and the results over time are evaluated as an integrated part of the ESG strategy. Focus is on the PAI indicators related to greenhouse gas emissions which should not over time increase.

The Investment Manager will also, within the sustainable investment part of the portfolio, consider the remaining non-mandatory PAI indicators (list and definitions can be found in Commission Delegated Regulation (EU) 2022/1288, Annex 1).

The Investment Manager consider PAI by screening both investments and external fund managers, where applicable, continuously for excluding sectors. More information, together with Policy for Sustainable Investments, is available on <https://www.carnegie.se/om-carnegie/hallbarhe/hallbarhet-i-kapitalforvaltning/>.

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

Alignment with the UN Global Compact Principles are tested and assured as a part of the investment process through an internal screening using information from an external data provider for ESG data. If any investment fails to follow these principles, the Investment Manager questions further and without sufficient progress, preparation is made to exit the investment.

The portfolio is not screened for the OECD Guidelines for Multinational Enterprises.

*The EU Taxonomy sets out a "do not significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.*

The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

*Any other sustainable investments must also not significantly harm any environmental or social objectives.*

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.



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

- Yes, the Investment Manager is within the investment process internally assessing primarily the PAI indicators for greenhouse gas emission using quantitative PAI data on company level from an external well-known data provider, MSCI ESG, to find sustainable investments. These include the following PAI indicators as defined in the Commission Delegated Regulation (EU) 2022/1288:

PAI 1	GHG emissions (Scope 1-3 GHG emissions)
PAI 2	Carbon footprint
PAI 3	GHG intensity of investee companies
PAI 4	Exposure to companies active in the fossil fuel sector
PAI 5	Share of non-renewable energy consumption and production
PAI 6	Energy consumption intensity per high impact climate sector

Furthermore, on portfolio level, the Investment Manager will track the PAI indicators over time, in order to produce a trend of decreasing or stable risk.

The specific PAI indicators that are taken into consideration are subject to data availability and may evolve with improving data quality and availability.

Information on PAI on sustainability factors will be made available in the annual report to be disclosed pursuant to SFDR Article 11(2).

- No



## What investment strategy does this financial product follow?

The Sub-Fund's overarching strategy is to invest in listed equities of enablers of the transition towards sustainable transports, industrial processes, buildings, food value chains as well as energy production and systems. Over time this is expected to lead to lower emissions of greenhouse gases for society.

The Investment Manager will closely monitor the companies' management of sustainability risks, and strategies concerning climate are analyzed, as well as the sustainability of business models in the form of effects of the companies' products and services on society and the environment.

The analysis will be based on internal and as well as external research and advisers. Exclusion of companies with business models and products that negatively affect the climate, society or stakeholders is one important part to promote the sustainability characteristics of the Sub-Fund, alongside the integrated sustainability analysis, which affects investment decisions.

As a first step, an exclusion criteria will apply for the Sub-Fund to determine the investment universe. The Sub-Fund has restrictions for the following sectors: Alcohol, Tobacco, Gambling, Weapons, Adult entertainment and Fossil fuels (Coal, Oil and Gas have individual restrictions). Further details can be found on the website <https://www.carnegie.se/private-banking/dokument-och-underlag/fonder-och-portfoljer/sustainability-related-disclosures-global-stock-picking/>.



The investments are screened for violation against the UN Global Compact Principles for responsible investments.

The Investment Manager will screen the investments monthly.

- ***What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?***

The following binding elements are used:

- Proportion of sustainable investments as calculated by external well known data provider MSCI ESG that defines sustainable investments based on E, S and G components together with Do No Significant Harm criteria as of SFDR article 2 (17). The method for calculating the proportion integrates a Pass/Fail measurement as calculated by MSCI ESG. A minimum proportion of 20% of the turnover of the company should come from economic activities that actively contribute to a sustainable objective
- Sector-based exclusions (based on maximal percentage of revenue at the level of each underlying investments) prevent investments into activities that are inappropriate for the strategy. More information on the exclusion policy is available in the sustainability-related website information in accordance with SFDR article 10 (<https://www.carnegie.se/private-banking/dokument-och-underlag/fonder-och-portfoljer/sustainability-related-disclosures-global-stock-picking/>).
- The sector-based exclusions include thresholds for exposure to fossil fuel production, distribution, power generation and services. Investments can be made in transition companies if they meet certain criteria related to credible transition targets and transition capex. The investments should not be involved in non-traditional oil exploration or production (e.g. oil sands, shale arctic areas).
- Norm-based screening against violations of UN Global Compact Principles having a negative impact on the environment, human rights, labor rights and business ethics is done. If flaws are suspected in sustainable practices, the Investment Manager question further and without sufficient progress preparation is made to exit the investment.
- The Investment Manager will consider activity/sector specific indicators before, and during the lifespan of the investment, including the current situation as well as communicated targets and commitments. This approach is predominantly qualitative where the Investment Manager assesses relevant sustainable KPI's within each sector. This is further described in the sustainability-related information on the website <https://www.carnegie.se/private-banking/dokument-och-underlag/fonder-och-portfoljer/sustainability-related-disclosures-global-stock-picking/>.
- The Investment Manager monitors the EU Taxonomy revenue alignment on portfolio level and ensures that the alignment is stable or increasing over time.

- Also, the Investment Manager monitors the PAI indicators for greenhouse gas emission on portfolio level and ensures that the alignment is stable or decreasing over time.

Resources that are separated from the Investment Manager oversees the ESG analysis. The Sub-Fund will on a regular basis be screened via a leading screening service. The costs of that provider will be borne by the Investment Manager.

Investments that do not comply with the requirements will be divested, in an orderly manner, considering the interests of the shareholders.

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

Not applicable as the Sub-Fund does not make any commitment in this respect.

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

Good governance practices of investee companies are addressed in several layers of the security selection process. Governance safeguards are inherent in the norms-based screening both before and during the lifespan of the investment, i.e. the Investment Manager monitors that the investments are in line with the UN Global Compact Principles which includes sound management structures, employee relations, remuneration of staff and tax compliance. If an investment fails, the Investment Manager questions further and without sufficient progress, preparation is made to exit the investment.

Furthermore, the Investment Manager monitors the proportion of sustainable investments and ensures that the proportion is not significantly decreasing over time, when doing this the good governance is ensured indirectly through the criteria Do No Significant Harm which is included in that definition.

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



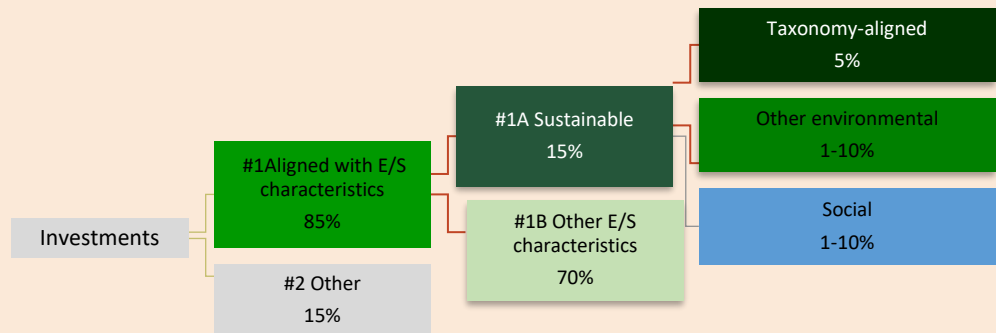
## What is the asset allocation planned for this financial product?

### Asset allocation

describes the share of investments in specific assets.

Taxonomy-aligned activities are expressed as a share of:

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



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

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

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

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

**#1 Aligned with E/S characteristics** The Sub-Fund is expected to dedicate at least 85% of its NAV to investments that are aligned with its E/S characteristics, i.e. meet the criterias for:

- invest in listed equities of enablers of the transition towards sustainable transports, industrial processes, buildings, food value chains as well as energy production and systems screened through the activity/sector specific indicators,
- sector based exclusions including fossil fuel,
- norm-based screening,

of the environmental characteristics promoted by the Sub-Fund in accordance with the binding elements of the investment strategy, including the minimum proportion of sustainable investments of the Sub-Fund.

**#1A Sustainable** The Sub-Fund is expected to dedicate at least 15% of its NAV to sustainable investments with environmental and social objectives, including Do No Significant Harm criteria. This implies that the investment meets all the binding elements in the investment strategy for sustainable investments and that the data provider is reporting the data.

**Taxonomy-aligned** The Sub-Fund is expected to dedicate at least 5% of its NAV to taxonomy-aligned investments. This implies that the data provider is reporting data. The taxonomy-aligned revenue trend should be stable or increasing over time. Taxonomy-alignment is measured by turnover.

**Other environmental and Social** Includes investments that are sustainable as of SFDR article 2 (17) with an environmental or social objective in economic activities that do not necessary qualify as environmentally sustainable under the EU Taxonomy. There is no

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

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

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

targeted allocation between “Other environmental” and “Social”, but all investments fits at least one of them, explaining the interval 0-10%.

**#1B Other E/S characteristics** Remaining investments are aligned with the E/S characteristics but do not qualify as sustainable investments.

**#2 Other** Includes cash, cash equivalents to facilitate the liquidity in the Sub-Fund, and financial derivative instruments may also be used for the purposes of efficient portfolio management and/or to generate gains. The Sub-Fund may enter into total return swaps in order to improve the Sub-Fund’s performance and generate capital or additional income as well as invest in other investments for which there are insufficient data.

The asset allocation may change over time and percentages should be seen as an minimum average over an extended period of time.

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

The Sub-Fund may use derivatives to gain exposures to companies meeting the E/S characteristics promoted by the financial product.



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

The measure of sustainable investments aligned with the EU Taxonomy is provided by third party data vendor MSCI ESG. No assurance by auditor or other third party is done. The Sub-Fund will not, under normal circumstances, have any sovereign exposure.

Sufficiently reliable data on Taxonomy alignment is scarce and the data coverage remains low, which implies a low commitment to a minimum proportion of Taxonomy-aligned investments of 5% in this Sub-Fund. Disclosures and reporting on taxonomy alignment will develop as the EU framework evolves and data is made available by companies. Taxonomy-alignment is hence measured by company reported turnover or latest available third party valuations

The valuation is based on data derived from various tools and sources by MSCI ESG, including company websites, company annual reports and regulatory filings, government financial agencies and disclosures, financial data providers, media and periodicals, non-governmental organization reports and websites. The initial company research and analysis is followed by a rigorous quality assurance process. Data accuracy and company profiles are peer-reviewed by a second analyst, then sent to content leads for final approval.

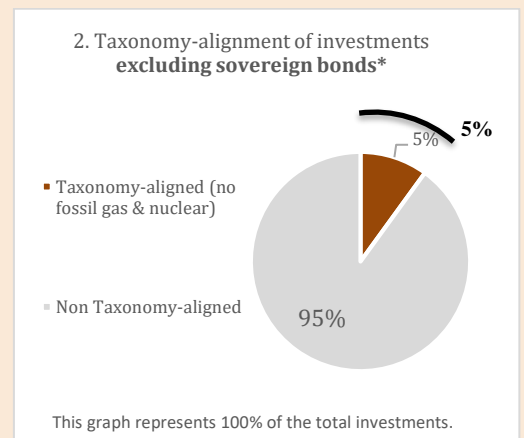
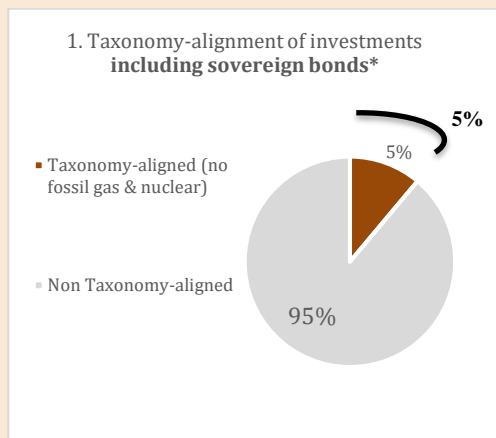
The methodology identifies issuers that meet the minimum criteria (i.e., potential alignment) of the EU Taxonomy: Substantial Contribution to Environmental Objectives, Do No Significant Harm and Minimum Safeguards. The taxonomy-aligned turnover should derive from products or services that address one or more of the six environmental objectives within the EU Taxonomy.

Where information from underlying investments is not available (either through companies’ own reporting, or by MSCI ESG estimation of numbers) those investments will be considered as not taxonomy aligned, i.e., included in other asset classes.

● **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 gas In  nuclear energy
- No

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



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

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

Not applicable. These activities are included in the ESG strategy but not possible to calculate in a sufficiently accurate way.



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

The minimum share of sustainable investments with an environmental objective that are not aligned with the EU taxonomy is 1%.



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

The minimum share of sustainable investments with a social objective is 1%.



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

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under 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 objective – see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

The Sub-Fund may hold cash, cash equivalents to facilitate the liquidity in the Sub-Fund, and financial derivative instruments may also be used for the purposes of efficient portfolio management and/or to generate gains. The Sub-Fund may enter into total return swaps in order to improve the Sub-Fund's performance and generate capital or additional income as well as invest in other investments for which there are insufficient data.

There are no minimum environmental or social safeguards on these instrument types.



**Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?**

Not applicable

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

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

Not applicable

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

Not applicable

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

Not applicable

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

Not applicable



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

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

<https://www.carnegie.se/private-banking/dokument-och-underlag/fonder-och-portfoljer/sustainability-related-disclosures-global-stock-picking/>

Pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

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

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

**Product name:** Carnegie Investment Fund – Nordic Equity Fund Screened (the “Sub-Fund”)  
**Legal entity identifier:** 529900BR5NZNQZEVQ417

## Environmental and/or social characteristics

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

**Yes**
  **No**

<input type="checkbox"/> It will make a minimum of <b>sustainable investments with an environmental objective: ___%</b> <ul style="list-style-type: none"> <li><input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy</li> <li><input type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</li> </ul> <input type="checkbox"/> It will make a minimum of <b>sustainable investments with a social objective: ___%</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 checked="" type="checkbox"/> It promotes E/S characteristics, but <b>will not make any sustainable investments</b>
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**What environmental and/or social characteristics are promoted by this financial product?**

The Sub-Fund integrates environmental, social and corporate governance factors (ESG) into the investment process. This is done with the the help of the Investment Manager’s sustainability screening process which is a part of the general due dilligence promoted before the Investment Manager invests in a company. The Sub-Fund invests in companies with a strong and robust sustainability profile, as well as companies that demonstrate considerations for the environment. The Sub-Fund therefore strives for a lower CO2 emission

than the return benchmark VINX Nordic Benchmark Cap Net Index (the “**Return Benchmark**”).

Furthermore, the Sub-Fund’s investments are subject to selection criteria resulting from norm-based and activity-based screening, leading to various exclusions. Norm-based screening ensures that the Sub-Fund’s investments are aligned with existing conventions and principles, including the UN Global Compact for human rights, labour rights, climate and environment, and anti-corruption. Activity-based screening aims to exclude companies whose primary activities (constituting more than 5% of revenue) involve alcohol, conventional weapons, palm oil, pesticides, fossil fuel, gambling or pornography and there is a 0% tolerance for companies with activities in controversial weapons.

The Sub-Fund does not use a benchmark that is aligned with the Sub-Fund’s environmental and /or social characteristics.

Details on the sustainability screening process are available on <https://www.carnegie.se/private-banking/dokument-och-underlag/fonder-och-portfoljer/sustainability-related-disclosures-nordic-equity-fund-screended/>

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

To promote environmental and social characteristics, the Sub-Fund aims for a lower CO2 emissions level compared to the Return Benchmark. The Sub-Fund also employs exclusions based on both norm-based and activity-based screenings as sustainability indicators. This means that the strategy's sustainability indicators measure how the environmental or social characteristics promoted by this Sub-Fund are achieved.

The strategy excludes investments in companies that do not meet the selection criteria of the strategy due to their activities or business operations.

To measure whether the environmental and social characteristics are attained, the Sub-Fund applies the following indicators:

- CO2 emissions level compared to Return Benchmark. CO2 emission level is measured as the Financed Carbon Emissions (tones CO2e / \$EUR invested).
- Number of companies in the investment portfolio which do not comply with the activity-based screening as a percentage of total investments.
- Number of companies in the investment portfolio that violates UN’s Global Compact initiative as a percentage of total investments.

● ***What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?***

The sub-fund does not have sustainable investments as its objective.

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



**How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?**

Not applicable

*The EU Taxonomy sets out a “do not significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.*

The “do no significant harm” principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

*Any other sustainable investments must also not significantly harm any environmental or social objectives.*

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.



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

Yes, ...

No



**What investment strategy does this financial product follow?**

The Sub-Fund has an active investment strategy. The Sub-Fund invests mainly in listed small, mid and large cap equities in Sweden, Norway, Denmark and Finland. The Sub-Fund will strive to have a relatively concentrated portfolio of approximately 30-50 single equities. The stock selection is based on a fundamental bottom-up process with a strong focus on quality companies with stable profit growth, sound balance sheets and ability to generate free cash flows.

Investments are diversified across companies and sectors that meet the selection criteria.

The analysis will be based on internal as well as external research and advisory services.

The sub-fund will apply exclusion criteria to determine the investment universe. The Sub-Fund has restrictions against investing in companies of the following activities: tobacco, alcohol, controversial and conventional weapons, palm oil, pesticides, fossil fuel, gambling or pornography.

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

Potential investments are also screened against companies with confirmed violations of the UN Global Compact Principles for responsible investments.

Screening will be performed before initial investment in a company and existing holdings will be screened on a daily basis.

● ***What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?***

The following binding elements are used:

- Activity-based exclusions (based on a maximum percentage of 5% of revenue from the excluded activities at the level of each underlying investment) prevent investments into activities that are inappropriate for the strategy. The activity-based exclusions include thresholds for exposure to conventional weapons, tobacco, palm oil, pesticides, alcohol, gambling, pornography or fossil fuel activities and there is a 0% tolerance for companies with activities in controversial weapons.
- Norm-based screening against violations of the UN Global Compact Principles having a negative impact on the environment, human rights, labor rights and business ethics is done. If violations are suspected in relation to sustainable practices, the Investment Manager will analyze the investment further and without sufficient progress preparation is made to exit the investment.

Resources independent from the Investment Manager are used in the the ESG analysis. The portfolio of the Sub-Fund will, on a regular basis, be screened using a leading screening service.

Investments that do not comply with the activity and normbased screenings will be divested, in an orderly manner, considering the best interests of the shareholders.

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

Not applicable.

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

Good governance practices of investee companies are addressed in several layers of the equity selection process. Governance safeguards are inherent in the norms-based screening both before and during the lifespan of an investment, i.e. the Investment Manager monitors that the investments are in line with the UN Global Compact Principles which includes sound management structures, employee relations, remuneration of staff and tax compliance. If an investment fails to meet the activity and/or normbased screening criterias, the Investment Manager carries out an investigation and if there is no acceptable reason, the investment will be divested.

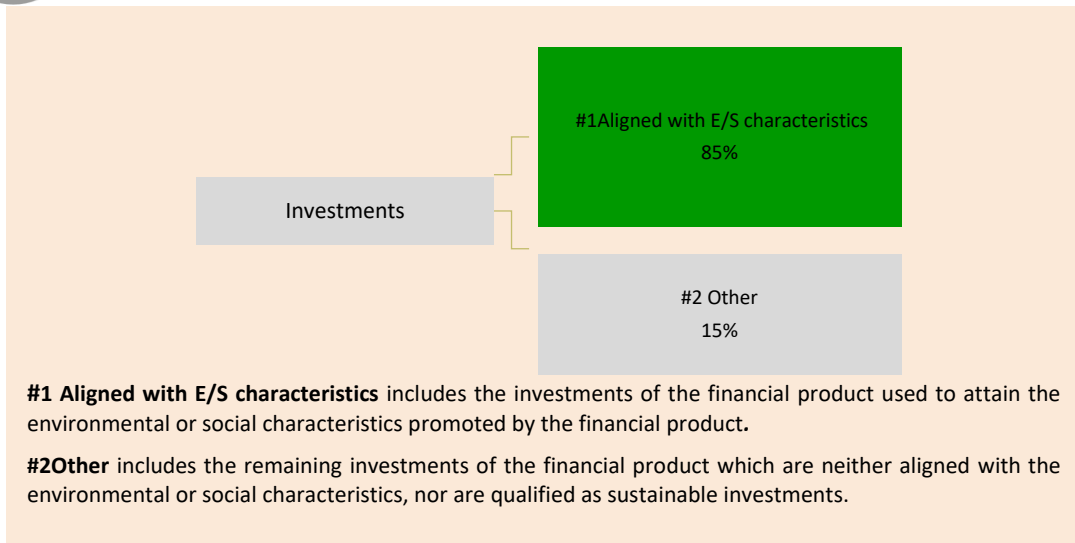
**Good governance** practices include sound management structures, employee relations, remuneration of staff and tax compliance.



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

**Asset allocation** describes the share of investments in specific assets. Taxonomy-aligned activities are expressed as a share of:

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



**#1 Aligned with E/S characteristics** The Sub-Fund’s investments will primarily be aligned with the environmental and social characteristics it promotes through the Sub-Fund’s norm-based and activity-based screening. The minimum share of environmental and social aligned investments is 85%.

**#2 Other** Includes cash, cash equivalents to facilitate the liquidity of the Sub-Fund.

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

The Sub-Fund will not use derivatives to achieve the environmental and social characteristics.



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

The Sub-Fund does not currently intend to invest in sustainable investments that are aligned with the EU Taxonomy and the minimum share of taxonomy-aligned investments (including transitional and enabling activities) is therefore assessed to be 0%.

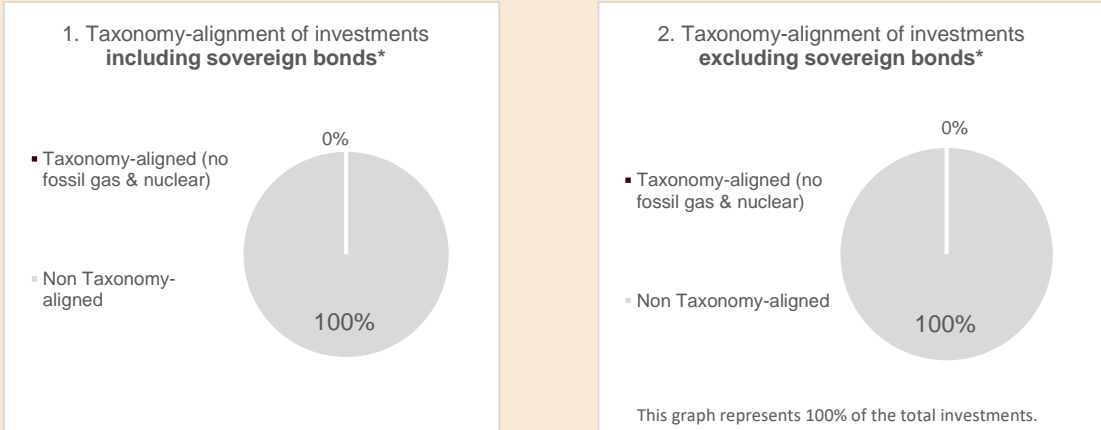
● **Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy<sup>4</sup>?**

<sup>4</sup> Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change (“climate change mitigation”) and do not significantly harm any EU Taxonomy objective – see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.


To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules. **Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective. **Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

- Yes
- In fossil gas
- In nuclear energy
- No

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



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

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

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


Not applicable

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

Not applicable

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

Not applicable

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

The Sub-Fund may hold cash, cash equivalents to facilitate the liquidity of the sub-fund. There are no minimum environmental or social safeguards on these instrument types.



Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

Not applicable

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

Not applicable

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

Not applicable

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

Not applicable

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

Not applicable



Where can I find more product specific information online?

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

<https://www.carnegie.se/private-banking/dokument-och-underlag/fonder-och-portfoljer/>

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