NEF

A UNIT TRUST
(FONDS COMMUN DE PLACEMENT) UNDER THE LAWS OF THE GRAND DUCHY OF LUXEMBOURG

NORD EST ASSET MANAGEMENT S.A.

5, Allée Scheffer
L-2520 Luxembourg

PROSPECTUS

01 JULY 2024

The distribution of this prospectus is not authorised or permitted unless accompanied by the latest available annual report of *NEF* (the "Fund") containing its audited accounts, and by the latest available semi-annual report, if later than the annual report. These reports form an integral part of this prospectus which is hereby referred to as the "Prospectus". The Prospectus is not to be distributed in the United States of America.

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INTRODUCTORY STATEMENT

NEF (the "Fund") is a unit trust registered under Part I of the Luxembourg Law of December 17, 2010 on Collective Investment Undertakings (the "Law"). However, such registration does not require any Luxembourg authority to approve or disapprove either the adequacy or accuracy of the Prospectus. Any representations to the contrary are unauthorised and unlawful. The Management Regulations were approved on October 8, 1999 and published in the Recueil électronique des sociétés et associations (the “RESA”) on November 16, 1999. The Management Regulations were amended for the last time in 2023 and a notice of the deposit of the amendment to the Management Regulations and of the Consolidated Management Regulations at the Registre de Commerce et des Sociétés de Luxembourg was published in the RESA. Copies of the Consolidated Management Regulations and of the amendment(s) shall be available at the Registre de Commerce et des Sociétés de Luxembourg as well as at the registered office of the management company of the Fund (the “Management Company”).

The Fund is an undertaking for collective investment in transferable securities ("UCITS") for the purposes of the Council Directive 2009/65/EC ("UCITS Directive") and the Board of Directors of the Management Company (referred hereafter to as the "Board") proposes to market the Units in accordance with the UCITS Directive in the Member States of the European Union.

The Units are not being offered in the United States of America, and may be so offered only pursuant to an exemption from registration under the Securities Act of 1933, as amended (the "1933 Act"), and have not been registered with the Securities and Exchange Commission or any state securities commission nor has the Fund been registered under the United States Investment Company Act of 1940, as amended (the "1940 Act"). No transfer or sale of the Units shall be made in the US unless, among other things, such transfer or sale is exempt from the registration requirement of the 1933 Act and any applicable state securities laws or is made pursuant to an effective registration statement under the 1933 Act and such state securities laws and would not result in the Fund becoming subject to registration or regulation under the 1940 Act.

As provided for by the Law, the Fund is managed by a Management Company.

The Units represent undivided interests solely in the assets of the Fund. They do not represent interests in or obligations of, and are not guaranteed by, any Government, Investment Managers, Depositary, Management Company or any other person or entity.

The present Prospectus (referred hereafter to as the “Prospectus”) contains information about the Fund that a prospective Investor should consider before investing in the Fund and should be retained for future reference.

Neither delivery of this Prospectus nor anything stated herein should be taken to imply that any information contained herein is correct as of any time subsequent to the date hereof. However, the Directors of the Management Company accept responsibility for the information contained in this Prospectus as being accurate at the date of publication.

The Prospectus is susceptible to changes concerning the addition or suppression of Sub-Funds as well as other modifications. Therefore, it is advisable for subscribers to ask the Management Company for the most recent issue of the Prospectus.

This Prospectus does not constitute an offer to sell or a solicitation of an offer to buy any Units in any jurisdiction in which such offer, solicitation or sale would be unlawful or to any person to whom it is unlawful to make such offer in such jurisdiction.

No person is authorised to give any information which is not contained in the Prospectus or the documents mentioned therein and which are available for consultation by the general public. The Board is held responsible for all information set out in the Prospectus at the time of its publication.

Potential subscribers to the Fund should inform themselves on applicable laws and regulations (i.e. as to the possible tax requirements or foreign exchange controls) of the countries of their citizenship, residence or domicile, and which might be relevant to the subscription, purchase, holding, and redemption of Units.

There can be no assurance that the Fund will achieve its objective. The net asset value of Units and the income from them, if any, may go down as well as up.

Any reference to “EUR”, “USD”, “GBP” and “JPY” in the Prospectus, refers respectively to the lawful currency of the European Union Member States that adopt the Euro, the United States of America, the United Kingdom, and Japan.

In the context of money laundering prevention and in compliance with Luxembourg and international regulations applicable thereto, each new investor will be required to establish its identity to the Management Company or to the financial institution which collects its subscription. Such identification will require to be provided upon subscription in the manner described in the subscription form, failing which the subscription will be refused. Particularly, both the Depositary and the Management Company are, or will be, subject to Luxembourg legislation and regulations with respect to the laundering of funds coming from the drug trade or other illegal activities. They both undertake to take, or cause to be taken, all reasonable action for such legislation and regulations to be fully implemented.

The Management Company, in its sole discretion and in accordance with the applicable provisions of this Prospectus, the Management Regulations and any applicable legal provision, will refuse to register any transfer in the register of Unitholders or compulsorily redeem any Units acquired in contravention of the provisions of this Prospectus, the Management Regulations hereto attached or any legal provision.

The Management Regulations do not provide for meetings of Unitholders.

THE FUND

NEF is an open-ended undertaking for collective investment created for an indefinite duration. The Fund qualifies as a *"Fonds Commun de Placement"* (unit trust) pursuant to Part I of the Luxembourg Law of December 17, 2010 on Collective Investment Undertakings, as amended (the "Law").

The Fund is managed by the Management Company in compliance with a set of management regulations (the "Management Regulations").

The Fund is organised as an "umbrella fund". An "umbrella fund" is one single copropriatorship comprising several sub-funds (the "Sub-Fund(s)"). Each Sub-Fund constitutes a separate pool of assets (invested in accordance with the particular investment features applicable to this sub-fund) and liabilities. Each Sub-Fund operates like a single entity and therefore the value of a given unit will depend upon which Sub-Fund it relates or which corresponding category it belongs.

The assets of the Fund will thus be divided into several Sub-Funds belonging to all the holders of Units (the "Unitholders") of the relevant Sub-Fund. Unitholders of a given Sub-Fund have equal rights among themselves in this Class in proportion to their holding in this Sub-Fund. The particular investment policy and features of each of the available Sub-Funds and corresponding Sub-Funds are listed below in Section "Available Sub-Funds and investment policies" of the Prospectus.

Although the Fund represents a single copropriatorship, unless otherwise agreed to with the creditors and any commitments apply to any Sub-Fund of the Fund, the assets and liabilities of each Sub-Fund following from these commitments are attributed to separate Sub-Funds. The rights of unitholders and of creditors concerning a Sub-Fund or which have arisen in connection with the creation, operation or liquidation of a Sub-Fund are limited to the assets of that Sub-Fund. The assets of a Sub-Fund are exclusively available to satisfy the rights of investors in relation to that Sub-Fund and the rights of those creditors whose claims have arisen in connection with the creation, the operation or the liquidation of that Sub-Fund.

THE MANAGEMENT COMPANY

The Management Company of the Fund is *NORD EST ASSET MANAGEMENT*, also abbreviated to *NEAM*, a *"société anonyme"* (limited company) under the Luxembourg law of August 10, 1915 on Commercial Companies (as amended). It was incorporated on May 19, 1999 for an unlimited duration with the sole purpose of managing the affairs of the Fund. Its corporate capital currently amounts to EUR 3.000.000. The Management Company is governed by Chapter 15 of the Law.

Its articles of incorporation were published in the RESA on June 22, 1999.

The Management Company is registered with the Registre de Commerce et des Sociétés de Luxembourg under number B 69705.

In accordance with the UCITS Directive and the UCITS Rules, the Management Company has established and applies a remuneration policy and practices that are consistent with, and promote, sound and effective risk management and that does not encourage risk taking which is inconsistent with the risk profile and the Articles of Incorporation of the Company.

The Management Company's remuneration policy is in line with the business strategy, objectives, values and interests of the Management Company and the Fund and its investors and includes measures to avoid conflicts of interest.

The compensations paid by the Management Company may include only a fixed part or a fixed and a variable part.

The variable remuneration depends on the achievement of specific professional and technical objectives assigned to employees in a multi-year framework, to the extent applicable appropriate to the holding period recommended to the investors of the funds managed by the Management Company in order to ensure that the assessment process is based on the longer-term performance of the funds and their investment risks and that the payment of performance-based components of remuneration is spread over the same period. The variable remuneration is not linked to the performance of the Fund managed.

Fixed and variable components of total remuneration are appropriately balanced and the fixed remuneration component represents a sufficiently high proportion of the total remuneration to allow the operation of a fully flexible policy on variable components, including the possibility to pay no variable remuneration component.

The details of the Management Company's remuneration policy, including amongst other things, a description of how the remuneration and benefits are calculated, the identity of persons responsible for awarding the remuneration and benefit, are available on the following website http://neam.lu/document/remuneration-policy/. A paper copy of the remuneration policy will be made available free of charge to the investors of the Fund upon request to the Management Company.

In accordance with the UCITS Directive and the UCITS Rules, the Management Company is required to take all reasonable steps to identify and adequately manage conflicts of interest entailing a material risk of damage to the investors' interests. A conflict of interest policy is put in place with the purpose to identify the potential conflicts of interest and to take appropriate measures to prevent and manage such conflicts in an independent manner.

Cassa Centrale Banca – Credito Cooperativo Italiano S.p.A., in its role of distributor and paying agent, has a conflict of interest deriving by its ownership control on the Management Company and by the combined performance of above mentioned services.

The details of the Management Company's conflict of interest policy are available on the website www.neam.lu. A paper copy of the conflict of interest policy will be made available free of charge to the investors of the Fund upon request to the Management Company.

THE INVESTMENT MANAGERS

The Fund has appointed for each Sub-Fund the following Investment Managers by entering into the following investment management agreements (the "Investment Management Agreements"):

1. An Investment Management Agreement dated July 1, 2010 with Amundi (UK) Limited for an indefinite period of time. The Investment Management Agreement was amended and restated on 19 May 2022. Amundi (UK) Limited is organised under the laws of England and Wales and has its registered office at 77, Coleman Street, London, EC2R 5BJ, United Kingdom.

2. An Investment Management Agreement dated 5 April 2001 with BNP Paribas Asset Management Europe (previously named BNP Paribas Asset Management France) for an indefinite period of time. This Investment Management Agreement was amended and restated on 5 August 2020 with effect as from the same date. BNP Paribas Asset Management Europe is organised under the laws of France. The registered office of BNP Paribas Asset Management Europe is situated at 1, boulevard Haussmann - 75009 Paris, France.

3. An Investment Management Agreement originally dated July 1, 2010 with Fischer Francis Trees & Watts for an indefinite period of time. Fischer Francis Trees & Watts is organised under the laws of England and Wales and has its registered office in 2 Royal Exchange London EC3V 3RA, United Kingdom. Pursuant to a Novation Agreement dated February 25**,** 2011, the rights and obligations defined in the Investment Management Agreement dated July 1, 2010 have been transferred to Fischer Francis Trees & Watts UK Limited. Fischer Francis Trees & Watts UK Limited is organised under the laws of England and Wales and has its registered office in 5 Aldermanbury Square London EC2V 7BP, United Kingdom. Pursuant to a Novation Agreement dated July 20, 2015 the rights and obligations defined in the Investment Management Agreement dated July 1, 2010 and transferred on February 25, 2011, have been transferred to BNP PARIBAS Asset Management UK Ltd. The Investment Management Agreement with BNP PARIBAS Asset Management UK Ltd was amended and restated on 30 March 2020 with effect as from 2 April 2020. BNP PARIBAS Asset Management UK Ltd is organised under the laws of England and Wales and has its registered office at 5 Aldermanbury Square, London – England, EC2V 7BP, United Kingdom.

4. An Investment Management Agreement dated July 1st, 2008 with Raiffeisen Kapitalanlage-Gesellschaft m.b.H. for an indefinite period of time. Raiffeisen Kapitalanlage-Gesellschaft m.b.H. is organised under the laws of the Austria and has its registered office at Mooslackengasse 12, A-1190 Vienna, Austria. Addendums dated June 2015 and March 2016 of the relevant Investment Management Agreement dated July 1st, 2008 have been added to said Investment Management Agreement.

5. An Investment Management Agreement dated December 20, 2006 with Union Investment Luxembourg S.A. for an indefinite period of time. The Investment Management Agreement was amended and restated on 15 December 2021. The Investment Management Agreement was further amended on 13 September 2023 with effect as from 9 October 2023. Union Investment Luxembourg S.A., which is organised under the laws of the Grand Duchy of Luxembourg and has its registered office at 3, Heienhaff, L-1736 Senningerberg, Grand Duchy of Luxembourg.

6. An Investment Management Agreement originally dated January 20, 2003 with BlackRock Investment Management (UK) Limited (ex. Merrill Lynch Investment Managers Limited). The Investment Management Agreement with BlackRock Investment Management (UK) Limited was amended and restated on 20 July 2020. The Investment Management Agreement was further amended on 1 January 2023. BlackRock Investment Management (UK) Limited is organised under the laws of England and Wales and has its registered office at 12 Throgmorton Avenue, London, EC2N 2DL, United Kingdom.

7. An Investment Management Agreement dated January 20, 2003 with Vontobel Asset Management Inc. for an indefinite period of time. Vontobel Asset Management Inc., is organised under the laws of the State of New York and has its registered office at 66 Hudson Boulevard, 34th Floor New York, NY 10001.

8. An Investment Management Agreement dated July 1st, 2010 with DWS Investment GmbH for an indefinite period of time. This Investment Management Agreement was amended and restated on 11 April 2017. The Investment Management Agreement was further amended on 1 January 2023. DWS Investment GmbH is organized under the laws of Germany, having its registered office at Mainzer Landstraße 11-17, 60329 Frankfurt am Main, Germany.

9. An Investment Management Agreement dated September 2nd, 2013 with FIL Pensions Management, for an indefinite period of time. The Investment Management Agreement was amended and restated on 12 April 2021. FIL Pensions Management, is organised under the laws of England and Wales and has its registered office in Beech Gate, Millfield Lane, Lower Kingswood, Tadworth, Surrey KT20 6RP, United Kingdom.

10. An Investment Management Agreement dated June 11, 2015 with AMUNDI SGR S.p.A. for an indefinite period of time. The Investment Management Agreement was amended and restated on 4 November 2021. AMUNDI SGR S.p.A. is a joint stock company incorporated pursuant to the Italian law, having its registered office at Via Cernaia 8/10 20121 Milan, Italy.

11. An Investment Management Agreement dated June 28, 2017 with MFS International (U.K.) Limited. for an indefinite period of time. MFS International (U.K.) Limited, having its registered office in One Carter Lane, London, EC4V 5ER, United Kingdom.

12. An Investment Management Agreement dated July 3rd, 2017 with Eurizon Capital SGR SpA for an indefinite period of time. The Investment Management Agreement was amended and restated on 18 April 2023. Eurizon Capital SGR SpA, having its registered office in Piazzetta Giordano Dell'amore, 3, 20121 Milan, Italy.

13. An Investment Management Agreement originally dated March 16, 2018 with La Française Asset Management. The Investment Management Agreement with La Française Asset Management was amended and restated on 9 April 2020 with effect as from the same date. La Française Asset Management is organised under the laws of France, having its registered office in 128, boulevard Raspail, 75006, Paris, France. Pursuant to a Novation Agreement dated June 18, 2024, the rights and obligations defined in the Investment Management Agreement dated March 16, 2018, have been transferred to Crédit Mutuel Asset Management. Crédit Mutuel Asset Management is organized under the laws of France, registered with the Paris Trade and Companies Register under number 388 555 021, having its registered office at 4, rue Gaillon, 75002, Paris, France.

14. An Investment Management Agreement dated September 9, 2019 with Niche Asset Management LTD for an indefinite period of time. Niche Asset Management LTD is organised under the laws of England and Wales and has its registered office at 17 Lennox Gardens, London, SW1X 0DB United Kingdom.

15. An Investment Management Agreement dated 28 December 2020 with PIMCO Europe GmbH for an indefinite period of time. PIMCO Europe GmbH is organised under the laws of Germany and has its registered office at Seidlstraße 24-24a, 80335 Munich, Germany.

For the performance of their duties, the Investment Managers may decide, under their full responsibility and costs, to be assisted by one or several other investment adviser(s). Subject to the overall supervision, under the responsibility of the Management Company and in compliance with applicable Management Regulations, the Investment Managers have full authority to invest the assets placed under their discretionary management (but held in the name of the Fund) in accordance with the investment policies and objective contained in the Prospectus and as may be determined by the Management Company.

The Management Company will receive from the Fund a management fee at a rate specified under the Section "Available Sub-Funds and investment policies" and will remunerate from this management fee the Investment Managers.

THE DEPOSITARY, CENTRAL ADMINISTRATION AGENT AND REGISTRAR AND TRANSFER AGENT

CACEIS Bank, Luxembourg Branch, is the Luxembourg Branch of CACEIS Bank France, a public limited liability company (*société anonyme*) incorporated under the laws of France, having its registered office located at 89-91 rue Gabriel Péri – 92120 Montrouge, France, identified under number 692 024 722 RCS Paris and was appointed by the Management Company as Depositary through a depositary agreement dated as of September 5th, 2016, as amended from time to time (the "**Depositary Agreement**") and under the relevant provisions of the Law.

The Depositary is independent from the Management Company.

Investors may consult upon request at the registered office of the Management Company the Depositary Agreement to have 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 Sub-Funds' assets, and it shall fulfil the obligations and duties provided for by Part I of the Law. In particular, the Depositary shall ensure an effective and proper monitoring of the Fund' cash flows as well as SFTs and TRS.

In due compliance with the UCITS Rules the Depositary shall:

(i) ensure that the sale, issue, re-purchase, redemption and cancellation of units of the Fund are carried out in accordance with the applicable national law and the Law and the Fund Constitutive Documents;
(ii) ensure that the value of the Units is calculated in accordance with the Law, the Fund Constitutive Documents and the procedures laid down in the UCITS Directive;
(iii) carry out the instructions of the Management Company, unless they conflict with the Law or the Fund Constitutive Documents;
(iv) ensure that in transactions involving the Fund's assets any consideration is remitted to the Fund within the usual time limits;
(v) ensure that the Fund's income is applied in accordance with the Law and the Fund Constitutive Documents.

The Depositary may not delegate any of the obligations and duties set out in (i) to (v) above.

In compliance with the provisions of the UCITS Directive, 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 Law.

A list of these correspondents /third party custodians are available on the website of the Depositary (www.caceis.com section "veille réglementaire"). Such list may be updated from time to time. A complete list of all correspondents /third party custodians 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 a delegation are also made available to investors upon request.

The Management Company and the Depositary may terminate the Depositary agreement at any time by giving ninety (90) days' notice in writing. The Management Company may, however, dismiss the Depositary only if a new depositary is appointed within two months to take over the functions and responsibilities of the Depositary. After its dismissal, the Depositary must continue to carry out its functions and responsibilities until such time as the entire assets of the Sub-Funds have been transferred to the new depositary.

In order to address any situations of conflicts of interest, the Depositary has implemented and maintains a management of conflicts of interest policy, aiming namely at:
(a) identifying and analysing potential situations of conflicts of interest;
(b) recording, managing and monitoring the conflict of interest situations either in:
- relying on the permanent measures 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 preventive 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 Unitholders of the Fund, 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 Fund, notably, administrative agency and registrar agency services.

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

The fees and charges of the Depositary, in accordance with common practice in Luxembourg, are borne by the Fund and will not exceed 0,10% per annum of the respective Sub-fund's net assets.

Pursuant to an agreement made as of January 1st, 2014, CACEIS Bank, Luxembourg Branch has been appointed as the Fund's Central Administration Agent. The agreement is made for an unlimited duration and may be terminated by either party giving a 90 days' notice. CACEIS Bank, Luxembourg Branch is empowered to delegate, under its full responsibility, all or part of its duties as Central Administration Agent and Registrar and Transfer Agent to a third Luxembourg entity, with the prior consent of the Management Company.

As Central Administration Agent, CACEIS Bank, Luxembourg Branch is responsible for the processing of the issue (registration) and redemption of the units in the Fund and settlement arrangements thereof, the calculation of the Net Asset Value per unit, the maintenance of records and other general administrative functions.

RISK FACTORS

Investors should understand that all investments involve risk and there can be no guarantee against loss resulting from an investment in any Sub-Fund(s), nor can there be any assurance that the Sub-Fund(s) investment objectives will be attained. The Management Company does not guarantee the performance or any future return of the Fund or any of its Sub-Funds.

Investors' attention is drawn to the following risk factors. This does not purport to be an exhaustive list of the risk factors relating to investment in the Fund or any of its Sub-Funds.

Emerging Markets, less developed and New Markets:

These markets may be volatile and illiquid and investments in these markets may be considered speculative and subject to significant delays in settlement. The risk of significant fluctuations in the net asset value and of the suspension of redemptions in this Sub-Fund may be higher than for Sub-Funds investing in major world markets. In addition, there may be higher than usual risk of political, economic, social and religious instability and adverse changes in government regulations and laws in less developed or emerging markets. The assets of Sub-Funds investing in less developed, emerging markets or New Market, as well as the income derived from the Sub-Fund,

may also be affected unfavourably by fluctuations in currency rates and exchange control and tax regulations and consequently the net asset value of shares of these Sub-Funds may be subject to significant volatility. Some of these markets may not be subject to accounting, auditing and financial reporting standards and practices comparable to those of more developed countries and the securities markets of such markets may be subject to unexpected closure. In addition, there may be less government supervision, legal regulation and less well defined tax laws and procedures than in countries with more developed securities markets.

Prospective applicants should consult a professional adviser as to the suitability for them of an investment in this Sub-Fund as it is intended to invest in less developed or emerging markets. Application to such Sub-Fund should only be considered by investors who are aware of, and able to bear, the risks related to those and are prepared to invest on a long-term basis.

Investing in Latin America:

Investments in transferable securities of Latin American issuers involve special considerations and risk, including the risks associated with international investing generally. It is therefore recommended that investors look upon the Portfolio as a long-term investment. Investors should additionally regard this Portfolio as a high risk investment.

Investing in MENA countries (Middle East and North Africa):

MENA countries may have particularly high level of emerging market risk. Due to political and economic situation in the Middle East and North Africa, markets of MENA countries have a comparatively high risk of instability that may result from factors such as government or military intervention, or civil unrest. MENA markets may remain closed for days at a time (due to religious celebrations, for instance) and the exact dates of market closure may not be known in advance.

Investing in Mainland China:

Although investment in Chinese securities or securities economically tied to China does not constitute the principal investment focus of any Sub-Fund, rather it may constitute a sector in the investment discretion of certain Sub-Funds, the Sub-Funds may invest a portion of their assets in securities of issuers located in the People's Republic of China ("PRC"). Investing in the domestic (onshore) market of the PRC is subject to the risks of investing on an international basis and in emerging markets (as described above), and additionally, risks that are specific to the PRC market.

The legal rights of investors in China are uncertain, government intervention is common and unpredictable, and some of the major trading and custody systems are unproven. In PRC, it is uncertain whether a court would protect the fund's right to securities it may purchase, whether purchased via a local broker under the Stock Connect program, the Bond Connect program, or other methods. The structure of these schemes does not require full accountability of some of its component entities and leaves investors such as the fund with relatively little standing to take legal action in China. The regulations of these schemes may be subject to change.

In addition, Chinese security exchanges or authorities may tax or limit short-swing profits, recall eligible stocks, set or change quotas (maximum trading volumes, either at the investor level or at the market level) or otherwise block, limit, restrict or delay trading, hampering or preventing a fund from implementing its intended strategies.

China Interbank Bond Market (CIBM):

PRC prohibits outside lenders from extending credit directly to individuals or entities within China, however, foreign investors (such as the Fund) can, in compliance with applicable regulatory and legal requirements, buy Chinese corporate and government bonds. Currently, the majority of PRC bond trading activity takes place in the China Interbank Bond Market (CIBM), and the main products traded in this market include government bonds, central bank papers, policy bank bonds and corporate bonds. Because these bonds are denominated in RMB, whose value and liquidity is to some extent controlled by the government, currency risks (described below) may affect the liquidity and trading price of Chinese bonds.

To the extent permissible by the relevant PRC regulations or authorities, and as further outlined above in the section "Investment Policy and Objectives" of the relevant Sub-Fund, a Sub-Fund may also directly invest in bonds available in the CIBM in compliance with the applicable rules

and regulations. An onshore trading and settlement agent shall be engaged by the Investment Manager or a Sub-Investment Manager to make the filing on behalf of the Fund and conduct trading and settlement agency services for the Fund.

The CIBM is still in a stage of development and the market capitalization and trading volume may be lower than those of more developed markets. Market volatility and potential lack of liquidity due to low trading volume of certain debt securities may result in prices of debt securities traded on such market fluctuating significantly. Sub-Funds investing in such market are therefore subject to liquidity and volatility risks and may suffer losses in trading PRC bonds. The bid and offer spreads of the prices of the PRC bonds may be large, and the relevant Sub-Funds may therefore incur significant trading and realization costs and may even suffer losses when selling such investments.

Many of the same concerns about investor rights apply to Chinese bonds as well.

To the extent that a Sub-Fund transacts in the CIBM, that Sub-Fund may also be exposed to risks associated with settlement procedures and default of counterparties. The counterparty which has entered into a transaction with the Sub-Fund may default on its obligation to settle the transaction by delivery of the relevant security or by payment for value. In addition, since the relevant filings and account opening for investment in the CIBM have to be carried out via an onshore settlement agent, a Sub-Fund is subject to the risks of default or errors on the part of the onshore settlement agent.

The CIBM is also subject to regulatory risks. The CIBM rules are very new and have yet to be tested on the market. At this stage the CIBM rules are still subject to further clarification and/or changes, which may adversely affect a Sub-Fund's capability to invest in the CIBM. In the extreme circumstances where the relevant PRC authorities suspend account opening or trading on the CIBM, a Sub-Fund's ability to invest in the CIBM will be limited and a Sub-Fund may suffer substantial losses as a result.

Foreign investors may remit investment amounts in RMB or foreign currency into China for investing in the CIBM. For repatriation of funds out of China by the Sub-Fund, the ratio of RMB to foreign currency should generally match the original currency ratio when the investment principal was remitted into China, subject to maximum permissible deviations under applicable laws and regulations. Such requirements may change in the future which may have an adverse impact on a Sub-Fund's investment in the CIBM. The authorities and/or their agents may take certain administrative actions such as suspension of trading and mandatory exit against the Fund and/or the Investment Manager and/or the Sub-Investment Manager (as applicable) in the event of any non-compliance with the applicable laws and regulations.

Some of the debt securities held by a Sub-Fund may have been assigned a credit rating by a local Chinese credit rating agency. The rating criteria and methodology used by these agencies may be different from those adopted by most of the established international credit rating agencies (e.g. S&P, Moody's or Fitch). Therefore, the rating systems of these agencies may not provide an equivalent standard for comparison with securities rated by international credit rating agencies. In selecting a Sub-Fund's debt securities, the Investment Manager or the Sub-Investment Manager may refer to credit ratings assigned by local Chinese credit rating agencies but will primarily rely on its own internal analysis to evaluate each debt security independently.

Risks associated with Bond Connect:

Bond Connect is a mutual bond market access program between Hong Kong and the PRC through which eligible overseas investors can invest in fixed income securities traded on the CIBM. To the extent that a Sub-Fund's investments in China are made through Bond Connect, such investments may be subject, where applicable, to additional risk factors, similar to those described in section "Risks associated with Stock Connect" below.

Although Bond Connect removes CIBM's investment quota and the need for a bond settlement agent, investments made through Bond Connect may be subject to high price volatility and potential lack of liquidity due to low trading volume of certain debt securities. Large spreads between bid and offer prices, which make it harder to sell bonds at a profit, are also a risk, as it is counterparty risk. Furthermore, if the relevant authorities suspend account opening or trading via Bond Connect, the relevant Sub-Fund's ability to invest in CIBM will be limited, and the relevant

Sub-Fund may not be able to effectively pursue its investment strategy or it may have an adverse effect on the relevant Sub-Fund's performance.

Risks associated with Stock Connect:

Certain Sub-Funds may invest and have direct access to certain eligible China A Shares via the Shanghai-Hong Kong Stock Connect, a securities trading and clearing linked program which aims to achieve mutual stock market access between the Mainland China and Hong Kong. The Shanghai-Hong Kong Stock Connect comprises a "Northbound" Shanghai Trading Link and a "Southbound" Hong Kong Trading Link. Similarly, the Shenzhen-Hong Kong Stock Connect comprises a "Northbound" Shenzhen Trading Link and a "Southbound" Hong Kong Trading Link. Under the Northbound Shanghai Trading Link and Northbound Shenzhen Trading Link, Hong Kong and overseas investors through Hong Kong brokers may be able to trade certain eligible China A-Shares listed on the Shanghai Stock Exchange and Shenzhen Stock Exchange respectively.

Investments in China A-Shares through the Stock Connect Programmes are subject, among others, to regulatory change, quota limitations and also operational constraints which may result in increased counterparty risk.

To the extent a Sub-Fund invests in China A-Shares through the Stock Connect Programmes, in addition to the risks associated with investments in China, a Sub-Fund will be subject to the following additional risks:

Regulatory Risk:

Stock Connect is novel in nature, and is subject to regulations promulgated by regulatory authorities and implementation rules made by the stock exchanges and the clearing houses. Current rules and regulations (including in connection with operations and cross-border legal enforcement with respect to cross-border trades of China A-Shares under Stock Connect Programmes) may change, including, with potential retrospective effect. A Sub-Fund, which may invest in the PRC markets through Stock Connect, may be adversely affected as a result of such changes.

Nominee arrangements in holding China A-Shares:

China A-Shares purchased through the China-Hong Kong Stock Connect Programmes are held in an omnibus account by the Hong Kong Securities Clearing Company Limited ("HKSCC"). The China Securities Regulatory Commission ("CSRC") Stock Connect rules expressly provide that investors enjoy the rights and benefits of the securities acquired through Stock Connect in accordance with applicable laws. However, the courts in the PRC may consider that any nominee or custodian as registered holder of securities would have full ownership thereof, and that even if the concept of beneficial owner is recognised under PRC law those 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 cannot ensure that the Sub-Fund's ownership of these securities or title thereto is assured in all circumstances. Furthermore, HKSCC - as nominee holder - shall have no obligation to take any legal action or initiate court proceeding to enforce any rights on behalf of the investors in respect of the securities in the PRC or elsewhere. Therefore, although the relevant Sub-Fund's ownership may be ultimately recognised, the Sub-Fund may suffer difficulties or delays in enforcing their rights in China A-Shares.

Legal and beneficial ownership risks:

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 depositaries. As in other emerging markets, the only legislative framework is only beginning to develop the concept of legal/formal ownership and of beneficial ownership or interest in securities.

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 the Sub-Funds will have no legal relationship with HKSCC and no legal direct recourse against HKSCC in the event that the Sub-Funds suffer losses resulting from the performance or insolvency of HKSCC.

In the event of default, 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 through available legal channels. In this event, the Sub-Funds may not fully recover their losses or their China Hong-Kong Stock Connect Programmes securities and the process of recovery could also be delayed.

Quota Limitations:

Stock Connect programmes are subject to quota limitations. In particular, Stock Connect is subject to a daily quota measuring total purchases and sales of securities via Stock Connect (the "Daily Quota") which does not belong to the relevant Sub-Fund and can only be utilized on a first-come-first-serve basis. Once the Daily Quota is exceeded, buy orders will be rejected (although investors will be permitted to sell their cross-boundary securities regardless of the Daily Quota balance). Therefore, quota limitations may restrict the Sub-Fund's ability to invest in China A-Shares through Stock Connect on a timely basis, and the Sub-Fund may not be able to effectively pursue its investment strategies.

Participation in an Investor Compensation Scheme:

A Sub-Fund investments in China A-Shares through the Stock Connect program is not covered by the either Mainland and/or Hong Kong Investor Compensation scheme or any other investor compensation scheme.

Different in Trading Times:

Stock Connect will only operate on days when both the relevant Chinese markets and Hong Kong markets are open for trading and when banks in the relevant markets are open on the corresponding settlement days. So it is possible that there are occasions when it is a normal trading day for the relevant Chinese market but Hong Kong or overseas investors (such as a Sub-Fund) cannot carry out any China A-Share trading. A Sub-Fund may be subject to a risk of price fluctuations in China A-Shares during the time when Stock Connect is not trading as a result.

Suspension Risk:

Each of the stock exchanges involved with the Stock Connect Programmes may suspend trading if necessary to ensure an orderly and fair market and that risks are managed prudently. Where a suspension is effected, a Sub-Fund's ability to access the relevant China A-Share market will be adversely affected.

Operational Risk:

Stock Connect is premised on the functioning of the operational systems of the relevant market participants. Market participants are able to participate in Stock Connect subject to meeting certain information technology capability, risk management and other requirements as may be specified by the participants and/or the relevant clearing house.

The Sub-Funds may incur substantial losses if its counterparty fails to pay for securities the Sub-Fund has delivered, or for any reason fails to complete its contractual obligations owed to the Sub-Fund. On the other hand, significant delays in settlement may occur in certain markets in registering the transfer of securities. Such delays could result in substantial losses for the Sub-Fund if investment opportunities are missed or if the Sub-Funds is unable to acquire or dispose of a security as a result. As a consequence, the broker model involving Delivery Versus Payment settlement has been chosen in order to limit counterparty risk.

Segregation:

China A-Shares are held in a securities account in the name of HKSCC opened with ChinaClear, which is an omnibus account in which all securities of the investors of the Stock Connect are commingled. All these securities are beneficially owned by the investors and are segregated from HKSCC's own assets. In addition, the securities beneficially owned by particular investors will be segregated in the accounts opened with HKSCC by relevant sub-custodians, and in the accounts opened by the Depositary with the relevant sub-custodians.

Recall of Eligible Securities:

When a security is recalled from the scope of eligible securities for trading via Stock Connect, the security can only be sold but is restricted from being bought. This may affect the investment portfolio or strategies of a Sub-Fund, for example, when the Investment Manager or the Sub-Investment Manager wishes to purchase a security which is recalled from the scope of eligible securities.

Trading Costs:

In addition to paying trading fees and stamp duties (if any) in connection with China A-Share trading, a Sub-Fund may be subject to new portfolio fees, dividend withholding tax and tax concerned with income arising from stock transfers which are yet to be determined by the relevant authorities.

Trading in securities via Stock Connect may be subject to clearing and settlement risk.

PRC tax provision risk:

The Management Company reserves the right to provide for appropriate Chinese tax on gains of any Sub-Fund that invests in PRC securities thus impacting the valuation of the Sub-Fund.
With the uncertainty over whether and how certain gains on PRC securities are to be taxed, coupled with the possibility of the laws, regulations and practice in the PRC changing, and also the possibility of taxes being applied retrospectively, any provision for taxation made by the Management Company may be excessive or inadequate to meet final PRC tax liabilities on gains derived from the disposal of PRC securities. Consequently, investors may be advantaged or disadvantaged depending upon the final outcome of how such gains will be taxed, the level of provision and when they subscribed and/or redeemed their Units in/from the Sub-Funds.

Chinese Renminbi Currency and Conversion Risks:

Some Sub-Funds may invest in assets that are denominated in Chinese renminbi (RMB). The investment in RMB denominated assets are subject to the following risks.

Investors should be aware that the RMB is subject to a managed floating exchange rate based on market supply and demand with reference to a basket of currencies.

Currently, the RMB is traded on two markets – one in Mainland China and one outside Mainland China, primarily in Hong Kong. RMB traded in Mainland China, CNY, is not freely convertible and is subject to foreign exchange control policies and repatriation restrictions imposed by the PRC authorities. On the other hand, the RMB traded outside Mainland China, CNH, is freely tradeable but still subject to controls, limits and availability.

In general, the respective daily exchange rate of the RMB against other currencies is allowed to float within a range above or below the central parity rates published by the People's Bank of China ("PBOC") each day. Its exchange rate against other currencies, including e.g. USD or HKD, is therefore susceptible to movements based on external factors. There can be no assurance that such exchange rates will not fluctuate widely.

While CNY and CNH represent the same currency, they are traded on different and separate markets which operate independently. As such, the value of CNH could differ, perhaps significantly from that of CNY and the exchange rate of CNH and CNY may not move in the same direction due to a number of factors including, without limitation, the foreign exchange control policies and repatriation restrictions pursued by the PRC government from time-to time, as well as other external market forces. Any divergence between CNH and CNY may adversely impact investors.

There is no assurance that RMB will not be subject to devaluation, in which case the value of investors' investments in RMB assets will be adversely affected. Currently, the PRC government imposes certain restrictions on repatriation of RMB out of the PRC. Investors should note that such restrictions may limit the depth of the RMB market available outside of the PRC and thereby, may reduce the liquidity of a Sub-Fund.

A Sub-Fund may be subject to risk of not having sufficient RMB for currency conversion prior to investment.

The PRC government's policies on exchange controls and repatriation restrictions are subject to change, and Sub-Funds' and their investors' position may be adversely affected by such change.

Interest Rate Risk:

The Net Asset Value of the Fund will change in response to fluctuations in interest rates. Interest rate risk involves the risk that when interest rates decline, the market value of fixed-income securities tends to increase. Conversely, when interest rates increase, the market value of fixed-income securities tends to decline. Long-term fixed-income securities will normally have more price volatility than short-term securities because of a greater risk of fluctuation in interest rates. A rise in interest rates generally can be expected to depress the value of the Fund's investments.

The Fund shall be actively managed to mitigate market risk, but it is not guaranteed that the Fund will be able to achieve its objective at any given period.

Credit Risk:

Credit risk involves the risk that an issuer of fixed-income securities held by the Fund (which may it ratings) may default on its obligations to pay interest and repay principal, and the Fund will not recover its investment. The Credit Risk may be further affected by sustainability risks. The risk of default of a counterpart may therefore be negatively impacted or exacerbated in case of occurrence of a sustainability risk (e.g. ESG issues, climate change, natural disaster, pandemics, etc).

Market Risk:

The risk that the value of the relevant Sub-Fund's investments will fall as a result of movements in financial markets generally. The Market Risk may be further affected by sustainability risks. The value of the relevant Sub-Fund's investments may therefore be negatively impacted or exacerbated in case of occurrence of a sustainability risk (e.g. ESG issues, climate change, natural disaster, pandemics, etc).

Management Risk:

The risk that the relevant Sub-Fund's investment techniques will be unsuccessful and may cause the Sub-Fund to incur losses.

***Risk of global investments*:**

Investment in securities issued by companies and governments of different nations and denominated in different currencies involves certain risks. These risks include exchange rate fluctuations, international and regional political and economic developments and the possible imposition of exchange controls or other local governmental laws or restrictions applicable to such investments.

Liquidity Risk:

There is the risk that the Fund will not be able to pay repurchase proceeds within the time period stated in the Prospectus, because of unusual market conditions, an unusually high volume of repurchase requests, or other reasons. The Liquidity Risk may be further affected by sustainability risks. The liquidity of the Fund may therefore be negatively impacted or exacerbated in case of occurrence of a sustainability risk (e.g. ESG issues, climate change, natural disaster, pandemics, etc).

Investing in Derivatives:

There are certain investment risks which apply in relation to techniques and instruments which the Investment Manager may employ for efficient portfolio management purposes including, but not limited to, those described below. However, should the Investment Manager's expectations in employing such techniques and instruments be incorrect, a Sub-Fund may suffer a substantial loss, having an adverse effect on the net asset value of the Units.

Financial and Derivatives Instruments and Hedging Strategies:

Investments of a compartment may be composed of securities with varying degree of volatility and may comprise, from time to time, financial derivative instruments. Since financial derivative instruments may be geared instruments, their use may result in greater fluctuations of the net asset value of the Sub-Fund concerned.

The Management Company, acting on behalf of a Sub-fund may use financial derivative instruments for efficient portfolio management or to attempt to hedge or reduce the overall risk of its investments or, if disclosed in relation to any Sub-Fund, may be used as part of the principal investment policies. The Management Company's ability to use the strategies on behalf of a Sub-Fund may be limited by market conditions, regulatory limits and tax considerations. Use of these strategies involve special risks, including:

1. dependence on the Management Company's or Investment Adviser's ability to predict movements in the price of securities being hedged and movements in interest rates;
2. imperfect correlation between the movements in securities or currency on which a derivatives contract is based and movements in the securities or currencies in the relevant Sub-Fund;
3. the absence of a liquid market for any particular instrument at any particular time;
4. the degree of leverage inherent in futures trading (i.e. the loan margin deposits normally required in future trading means that futures trading may be highly leveraged). Accordingly, a relatively small price movement in a futures contract may result in an immediate and substantial loss to a Sub-Fund;
5. possible impediments to efficient portfolio management or the ability to meet repurchase requests or other short-term obligations because of a percentage of a Sub-Fund's assets used to cover its obligations.

Counterparty Risk:

The Fund will be exposed to credit risk on the counterparties with which it trades in relation to financial derivative instrument contracts that are not traded on a recognised exchange. Such instruments are not afforded the same protections as may apply to participants trading financial derivative instruments on organised exchanges, such as the performance of guarantee of an exchange clearing house. The Fund will be subject to the possibility of insolvency, bankruptcy or default of a counter party with which the Management Company trades on behalf of the Fund. Such instruments, which could result in substantial loss to a Sub-Fund.

Credit Default Swaps:

When these transactions are used in order to eliminate a credit risk in respect of the issuer of a security, they imply that the Management Company, on behalf of the Fund, bears a counterparty risk in respect of the protection seller.

This risk is, however, mitigated by the fact that the Management Company will only enter into credit default swap transactions on behalf of the Fund with highly rated financial institutions.

Credit default swaps used for a purpose other than hedging, such as for efficient portfolio management purposes, may present a risk of liquidity if the position must be liquidated before its maturity for any reason. The Management Company, on behalf of the Fund, will mitigate this risk by limiting in an appropriate manner the use of this type of transaction.

Finally, the valuation of credit default swaps may give rise to difficulties which traditionally occur in connection with the valuation of OTC contracts.

Closed-ended real-estate funds and closed-ended hedge funds:

The investors must be aware that they may suffer a greater risk resulting from the investment in closed-ended real-estate funds and closed-ended hedge funds, these funds being themselves subject to specific risks relating to real-estate and alternative investments different from those inherent to investments in equity and fixed income securities.

Moreover, investment in the units of closed-ended real-estate funds and closed-ended hedge funds can conduct to pay twice the same kind of fees (as depositary fees or management fees) that may be charged both to the Sub-fund itself and to the closed-ended real-estate funds and closed-ended hedge funds in which it invests.

Securities lending and repurchase agreements risk:

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

The use of securities lending and repurchase transactions involves specific risks and may have an adverse impact on the performance of the Fund. If the counterparty defaults or fails to return the securities lent or does not return securities lent in a timely manner, the collateral provided may need to be sold and the lent securities repurchased at the prevailing price, which may lead to a loss in value of the Fund. Securities lending also carries operational risks such as the non-settlement of instructions associated with securities lending. To the extent that the Fund engages in securities lending, such operational risks are managed by the Management Company through proper means

Risks linked to SFTs and TRS:

Control and Monitoring:

Derivative products are highly specialised instruments that require investment techniques and risk analysis different from those associated with equity and fixed income securities. The use of derivative techniques requires an understanding not only of the underlying assets of the derivative but also of the derivative itself, without the benefit of observing the performance of the derivative under all possible market conditions. In particular, the use and complexity of derivatives require the maintenance of adequate controls to monitor the transactions entered into, the ability to assess the risk that a derivative adds to a company and the ability to forecast the relative price, interest rate or currency rate movements correctly.

Liquidity Risk:

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 Fund will only enter into OTC derivatives if it is allowed to liquidate such transactions at any time at fair value).

Counterparty Risk:

The Fund may enter into transactions in OTC markets, and the Sub-Funds may incur losses through their commitments vis-à-vis a counterparty on the techniques described above, in particular its swaps, total return swaps ("TRS"), forwards, in the event of the counterparty’s default or its inability to fulfil its contractual obligations. This will expose the Fund to the credit of its counterparties and their ability to satisfy the terms of such contracts. In the event of a bankruptcy or insolvency of a counterparty, the Fund could experience delays in liquidating the position and significant losses, including declines in the value of its investment during the period in which the Fund 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, supervening illegality or change in the tax or accounting laws relative to those at the time the agreement was originated.

Legal Risks:

There is a risk that legal agreements in respect of certain derivatives, instruments and 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 the applicable laws, in certain circumstances (for example insolvency proceedings) other legal systems may take priority which may affect the enforceability of existing transactions.

Securities Lending, Repurchase Agreements and Reverse Repurchase Transactions:

The principal risk when engaging in securities lending, repurchase or reverse repurchase transactions is the risk of default by a counterparty who has become insolvent or is otherwise unable or refuses to honour its obligations to return securities or cash to the Sub-Fund as required by the terms of the transaction. Counterparty risk is mitigated by the transfer or pledge of collateral in favour of the Sub-Fund. However, securities lending, repurchase or reverse repurchase transactions may not be fully collateralized. Fees and returns due to the Sub-Fund under securities lending, repurchase or reverse repurchase transactions may not be collateralized. In addition, the value of collateral may decline between collateral rebalancing dates or may be incorrectly determined or monitored. In such a case, if a counterparty defaults, the Sub-Fund may need to sell non-cash collateral received at prevailing market prices, thereby resulting in a loss to the respective Sub-Fund.

A Sub-Fund may also incur a loss in reinvesting cash collateral received. Such a loss may arise due to a decline in the value of the investments made. A decline in the value of such investments would reduce the amount of collateral available to be returned by the Sub-Fund to the counterparty as required by the terms of the transaction. The Sub-Fund would be required to cover the difference in value between the collateral originally received and the amount available to be returned to the counterparty, thereby resulting in a loss to the Sub-Fund.

Securities lending, repurchase or reverse repurchase transactions also entail operational risks such as the non-settlement or delay in settlement of instructions and legal risks related to the documentation used in respect of such transactions.

The Fund may enter into securities lending, repurchase or reverse repurchase transactions with other companies. Affiliated counterparties, if any, will perform their obligations under any securities lending, repurchase or reverse repurchase transactions concluded with the Fund in a commercially reasonable manner. In addition, the Investment Manager will select counterparties and enter into transactions in accordance with best execution and at all times in the best interests of the respective Sub-Fund and its Unitholders. However, Unitholder should be aware that the Investment Manager may face conflicts between its role and its own interests or that of affiliated counterparties.

Other Risks:

Other risks in using derivatives include the risk of differing valuations of derivatives arising out of different permitted valuation methods and the inability of derivatives to correlate perfectly with underlying securities, rates and indices. Many derivatives, in particular OTC derivatives, are complex and often valued subjectively and the valuation can only be provided by a limited number of market professionals which may act as counterparties to the transaction to be valued. Inaccurate valuations can result in increased cash payment requirements to counterparties or a loss of value to the Fund.

However, this risk is limited as the valuation method used to value OTC derivatives must be verifiable by an independent auditor.

Derivatives do not always perfectly or even highly correlate or track the value of the securities, rates or indices they are designed to track. Consequently, the Fund's use of derivative techniques may not always be an effective means of, and sometimes could be counterproductive to, following the Fund's investment objective.

If the investors are in any doubt about the risk factors relevant to an investment, they should consult their stockbroker, bank manager, solicitor, accountant or other financial adviser.

Depositary Risk:

The Depositary's liability only extends to its own negligence and wilful default and to that caused by the negligence or wilful misconduct of its local agent, and does not extend to losses due to the liquidation, bankruptcy, negligence or wilful default of any registrar. In the event of such losses, the Fund will have to pursue its rights against the issuer and/or the appointed registrar of the securities.

Securities held with a local correspondent or clearing / settlement system or securities correspondent ("Securities System") may not be as well protected as those held within Luxembourg. In particular, losses may be incurred as a consequence of the insolvency of the local

correspondent or Securities System. In some markets, the segregation or separate identification of a beneficial owner's securities may not be possible or the practices of segregation or separate identification may differ from practices in more developed markets.

Sustainability risk:

A sustainability risk is an environmental, social or governance (ESG) event or condition that, if it occurs, could cause an actual or a potential material negative impact on the value of the investment.

Miscellaneous:

The Board of Directors of the Management Company may adapt the investment policy of each Sub-Fund according to political, economic, financial and monetary circumstances.

The Fund's assets value will fluctuate according to market conditions and there can be no assurance that the Management Company will be able to achieve the Fund's investment objective and that the amounts invested can be returned to the investor upon redemption of the Units.

All these risks are correctly identified, monitored and mitigated according to CSSF's Circulars 11/512 and 14/592.

U.S. Foreign account Tax Compliance Requirements

FATCA Rules being particularly complex, the Fund cannot accurately assess the extent of the requirements that FATCA provisions will place upon it.

Although the Fund will attempt to satisfy any obligations imposed on it to avoid the imposition of the 30% withholding tax, no assurance can be given that the Fund will be able to satisfy these obligations. If the Fund becomes subject to a withholding tax as a result of FATCA, the value of Shares held by all Shareholders may be materially affected.

INVESTMENT OBJECTIVES

Pursuant to the Article 41 of the Law, the investments of the Fund will consist mainly of transferable securities. The objectives of the Fund are to achieve capital appreciation and, as regards a certain number of Sub-Funds, as the case may be, income. The selected Investment Managers will maintain a prudent risk level that emphasises growth but considers the need to preserve capital and accumulated income.

The Fund may, subject to the limitations set out below, (1) undertake, for the purpose of efficient portfolio management, transactions relating to options, financial futures and related options, securities lending and *"réméré"*, and (2) use financial techniques and instruments, as described under the Section "Investment Restrictions and Financial Techniques and Instruments". Unitholders are informed that market dealing with forward contracts and options are extremely volatile and highly risky.

Furthermore, with a view to maintaining adequate liquidity, the fund may hold ancillary liquid assets.

AVAILABLE SUB-FUNDS AND INVESTMENT POLICIES

The available Sub-Funds are listed hereafter. Unless otherwise provided for thereunder, the general provisions of the Prospectus are applicable to each of the following Sub-Funds.

Sub-Fund 1: **NEF Global Equity**	
Investment policy and objectives	The Sub-Fund's investment objective is to seek an attractive long term rate of return, measured in Euros, through investment primarily in equity securities of companies listed on the world's stock exchanges. Investments will be sought primarily in equity securities of companies domiciled in developed countries, but limited investment may be made in the securities of companies in developing countries as well. Assets of the portfolio may be invested in equity related securities, such as convertible bonds. Financial techniques and instruments for hedging and/or non hedging purposes may be used. Such financial techniques and instruments shall be used only to the extent they do not hinder the quality of the investment policy of the Sub-Fund. The Sub-Fund may invest up to 10% in other UCITS or UCIs. The Sub-Fund may hold, up to 20% of its net assets, ancillary liquid assets which consist of bank deposits at sight such as cash held in current accounts with a bank accessible at any time. **It is specifically drawn to the attention of the investors that they should refer to the Section "Risk Factors", as described in the Prospectus, while investing in this Sub-Fund.**
Disclosure related to the sustainability risk integration and taxonomy	Sustainability risks are integrated into the Sub-Fund's investment management process in compliance with the provisions of Article 6 of SFDR. In accordance with article 7 (1) of SFDR, the principal adverse impacts on sustainability factors are not considered as the investment strategy does not pursue environmental or social characteristics and does not have sustainable investments as its investment objective. The investments underlying this financial product do not take into account the EU criteria for environmentally sustainable economic activities. Further information is available under Section "Sustainability-related disclosures regulation" of the Prospectus.
Benchmark	The Sub-Fund is managed actively in reference to the benchmark *MSCI World Net Total Return Index* (EUR unhedged). The benchmark is not replicated; it merely serves as a starting point for investment decisions. The Investment Manager seeks to outperform the benchmark. The composition of the fund and its performance may positively or negatively deviate significantly from the benchmark. ***Index disclaimer*** Source: MSCI. Neither MSCI nor any other party involved in or related to compiling, computing or creating the MSCI data makes any express or implied warranties or representations with respect to such data (or the results to be obtained by the use thereof), and all such parties hereby expressly disclaim all warranties of originality, accuracy, completeness, merchantability or fitness for a particular purpose with respect to any of such data. Without limiting any of the foregoing, in no event shall MSCI, any of its affiliates or any third party involved in or related to compiling, computing or creating the data have any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of the possibility of such damages. No further distribution or dissemination of the MSCI data is permitted without MSCI's express written consent.

Investor Profile	This Sub-Fund is suitable for investors with a good knowledge of the international capital and foreign exchange markets. It is also suitable for expert investors who wish to pursue well-defined investment objectives in geographical areas and sectors. The investor must have a high understanding of the risk, estimate the possible high volatility of the transferable securities in portfolio, and be able to withstand temporary losses of considerable proportions; The investment objective of the Sub-Fund lies in the accumulation of capital.
Risk Profile	The value of the Sub-Fund's portfolio is determined daily on the basis of the market value of each of the equities contained therein. The Sub-Fund pursues a primary investment in shares of companies listed on the main stock exchanges worldwide. The main objective of the investment lies in shares issued by companies which operate in industrialised countries. Investments in this Sub-Fund are subject not only to effects of negative corporate performance, but also to fluctuations of exchange rates.
Investment Manager	DWS Investment GmbH
Global exposure calculation	The method used to calculate the Global Exposure is the commitment approach.
Units	This Sub-Fund will currently issue 3 Categories of Units defined in the Section "Units" of the Prospectus: - Category R - Category I - Category C The Sub-Fund will issue accumulation Units. If the amount subscribed does not correspond to a whole number of Units, the appropriate number of Units including any fraction of Unit calculated to the three decimal places will be issued.
Valuation currency and Valuation Day	The valuation currency of this Sub-Fund will be the EUR. The Net Asset Value will be valued daily (Valuation Day). If this day is not a bank Business Day in Luxembourg, the next following bank Business Day will be the Valuation Day.
Subscriptions, Conversions & Redemptions	The initial subscription period for Category R and I Units took place on October 8, 1999, with payment by no later than October 14, 1999. The initial subscription period for Category C Units took place from March 27 to April 7 with payment by no later than April 10, 2017. Category R and I Units were issued at the initial price of EUR 10 including subscription fee. Category C Units were issued on May 13, 2019 at an initial price equal to the last available Net Asset Value per Units of Category R plus the applicable subscription fee. Should no subscriptions to units of a category occur during the respective initial subscription period, the first subscription to such units will take place at the last available Net Asset Value per Unit of Category R plus the applicable subscription fee. Any subsequent subscription will be made at a price corresponding to the Net Asset Value per Unit plus the applicable subscription fee. Reminder: - the minimum amount of the first investment in the Fund for Category R and I Units is set at EUR 500. - the minimum amount of the first investment in the Fund for Category C Units is set at EUR 50 000.

	Unitholders' attention is drawn to the fact that they may only convert to Categories in respect of which they meet the definition.
Fees and expenses	No conversion or redemption fees will be levied. Subscription fee: - Category R: up to 3% - Category I: none - Category C: up to 3% Management fee: the Fund shall pay monthly a management fee to the Management Company at an annual rate defined hereunder calculated on the Sub-Fund's average Net Asset Value of each month. - The annual rate for Category R: of maximum 1,65% - The annual rate for Category I: of maximum 0,60% - The annual rate for Category C: of maximum 0,80%
Listing	Units of this Sub-Fund will not be listed on the Luxembourg Stock Exchange.
Securities Financing Transactions (SFTs)	Proportion of assets under management that will be subject to SFTs and TRS: - Securities lending: Expected from 0% to 25%, Max 30% - Securities borrowing 0% - Repurchase agreements 0% - TRS 0%

Sub-Fund 2: **NEF Euro Equity**	
Investment policy and objectives	The principal investment objective of the Sub-Fund is to provide the Unitholders with mid-term capital appreciation through investment primarily in transferable securities listed on the Euroland stock exchanges. Assets of the portfolio may be invested in equity related securities, such as convertible bonds. Financial techniques and instruments for hedging and/or non hedging purposes may be used. Such financial techniques and instruments shall be used only to the extent they do not hinder the quality of the investment policy of the Sub-Fund. The Sub-Fund may invest up to 10% in other UCITS or UCIs. The Sub-Fund may hold, up to 20% of its net assets, ancillary liquid assets which consist of bank deposits at sight such as cash held in current accounts with a bank accessible at any time. **It is specifically drawn to the attention of the investors that they should refer to the Section "Risk Factors", as described in the Prospectus, while investing in this Sub-Fund.**
Disclosure related to the sustainability risk integration and taxonomy	Sustainability risks are integrated into the Sub-Fund's investment management process in compliance with the provisions of Article 6 of SFDR. In accordance with article 7 (1) of SFDR, the principal adverse impacts on sustainability factors are not considered as the investment strategy does not pursue environmental or social characteristics and does not have sustainable investments as its investment objective. The investments underlying this financial product do not take into account the EU criteria for environmentally sustainable economic activities. Further information is available under Section "Sustainability-related disclosures regulation" of the Prospectus.
Benchmark	The Sub-Fund is managed actively in reference to the benchmark *MSCI Emu Net Total Return Index* (EUR unhedged). The benchmark is not replicated; it merely serves as a starting point for investment decisions. The Investment Manager seeks to outperform the benchmark. The composition of the fund and its performance may positively or negatively deviate significantly from the benchmark. ***Index disclaimer*** Source: MSCI. Neither MSCI nor any other party involved in or related to compiling, computing or creating the MSCI data makes any express or implied warranties or representations with respect to such data (or the results to be obtained by the use thereof), and all such parties hereby expressly disclaim all warranties of originality, accuracy, completeness, merchantability or fitness for a particular purpose with respect to any of such data. Without limiting any of the foregoing, in no event shall MSCI, any of its affiliates or any third party involved in or related to compiling, computing or creating the data have any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of the possibility of such damages. No further distribution or dissemination of the MSCI data is permitted without MSCI's express written consent.
Investor Profile	This Sub-Fund is suitable for investors who consider the funds to be an appropriate vehicle to participate in developments of the capital markets. It is also suitable for expert investors wishing to pursue well-defined

	investment objectives. The investor must be familiar with “volatile” products and be able to withstand temporary losses of considerable proportions. The investment objective consists in the accumulation of capital. For investors who hold a securities portfolio, this Sub-Fund can take a key role.
Risk Profile	The value of the Sub-Fund's portfolio is determined daily on the basis of the market value of each of the equities contained therein, which are characterised by having on average a high market liquidity. The Sub Fund invests mainly in transferable securities quoted on Euroland stock exchanges. It is possible to use financial techniques and instruments for hedging and/or other purposes, although only insofar as they are not detrimental to the quality of the Sub-Fund's investment policy.
Investment Manager	BlackRock Investment Management (UK) Limited
Global exposure calculation	The method used to calculate the Global Exposure is the commitment approach.
Units	This Sub-Fund will currently issue 3 Categories of Units defined in the Section “Units” of the Prospectus: - Category R - Category I - Category C The Sub-Fund will issue accumulation Units. If the amount subscribed does not correspond to a whole number of Units, the appropriate number of Units including any fraction of Unit calculated to the three decimal places will be issued.
Valuation currency and Valuation Day	The valuation currency of this Sub-Fund will be the EUR. The Net Asset Value will be valued daily (Valuation Day). If this day is not a bank Business Day in Luxembourg, the next following bank Business Day will be the Valuation Day.
Subscriptions, Conversions & Redemptions	The initial subscription period for Category R and I Units took place on October 8, 1999, with payment by no later than October 14, 1999. The initial subscription period for Category C Units took place from March 27 to April 7 with payment by no later than April 10, 2017. Category R and I Units were issued at the initial price of EUR 10 including subscription fee. Category C Units were issued on February 15, 2018 at an initial price equal to the last available Net Asset Value per Units of Category R plus the applicable subscription fee. Should no subscriptions to units of a category occur during the respective initial subscription period, the first subscription to such units will take place at the last available Net Asset Value per Unit of Category R plus the applicable subscription fee. Any subsequent subscription will be made at a price corresponding to the Net Asset Value per Unit plus the applicable subscription fee. Reminder: - the minimum amount of the first investment in the Fund for Category R and I Units is set at EUR 500. - the minimum amount of the first investment in the Fund for Category C Units is set at EUR 50 000.

	Unitholders' attention is drawn to the fact that they may only convert to Categories in respect of which they meet the definition.
Fees and expenses	No conversion or redemption fees will be levied. Subscription fee: - Category R: up to 3% - Category I: none - Category C: up to 3% Management fee: the Fund shall pay monthly a management fee to the Management Company at an annual rate defined hereunder calculated on the Sub-Fund's average Net Asset Value of each month. - The annual rate for Category R: of maximum 1,65% - The annual rate for Category I: of maximum 0,65% - The annual rate for Category C: of maximum 0,85%
Listing	Units of this Sub-Fund will not be listed on the Luxembourg Stock Exchange.
Securities Financing Transactions (SFTs)	Proportion of assets under management that will be subject to SFTs and TRS: - Securities lending: Expected from 0% to 25%, Max 30% - Securities borrowing 0% - Repurchase agreements 0% - TRS 0%

Sub-Fund 3: **NEF Emerging Market Equity**	
Investment policy and objectives	The objective of this Sub-Fund is to achieve long term capital appreciation by investing primarily in a diversified portfolio of emerging market equities. The Sub-Fund is an equity-oriented Sub-Fund. Assets of the portfolio may be invested in equity related securities, such as convertible bonds. Financial techniques and instruments for hedging and/or non-hedging purposes may be used. Such financial techniques and instruments shall be used only to the extent they do not hinder the quality of the investment policy of the Sub-Fund. These equities will be dealt on stock markets that qualify either as stock exchanges or as regulated markets which operate regularly and are recognised and open to the public as defined in Article 41.1 of the Law. The stocks which are not dealt on stock exchanges or regulated markets as described here above are subject to Article 41.2 of the Law. The Sub-Fund may invest up to 10% in other UCITS or UCIs. The Sub-Fund may invest in China A-Shares via the China-Hong Kong Stock Connect Programmes. The Sub-Fund may hold, up to 20% of its net assets, ancillary liquid assets which consist of bank deposits at sight such as cash held in current accounts with a bank accessible at any time. Investors are advised that subscription in this Sub-Fund shall be considered as a long-term investment. **This Sub-Fund invests in less developed or emerging markets. In this context it is specifically drawn to the attention of the investors that they should refer to the Section "Risk Factors", including the risk factors related to investments in China, as described in the Prospectus, while investing in this Sub-Fund.**
Disclosure related to the sustainability risk integration and taxonomy	Sustainability risks are integrated into the Sub-Fund's investment management process in compliance with the provisions of Article 6 of SFDR. In accordance with article 7 (1) of SFDR, the principal adverse impacts on sustainability factors are not considered as the investment strategy does not pursue environmental or social characteristics and does not have sustainable investments as its investment objective. The investments underlying this financial product do not take into account the EU criteria for environmentally sustainable economic activities. Further information is available under Section "Sustainability-related disclosures regulation" of the Prospectus.
Benchmark	The Sub-Fund is managed actively in reference to the benchmark *MSCI Emerging Markets Net Total Return USD Index* (EUR unhedged). The benchmark is not replicated; it merely serves as a starting point for investment decisions. The Investment Manager seeks to outperform the benchmark. The composition of the fund and its performance may positively or negatively deviate significantly from the benchmark. ***Index disclaimer*** Source: MSCI. Neither MSCI nor any other party involved in or related to compiling, computing or creating the MSCI data makes any express or implied warranties or representations with respect to such data (or the

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Investor Profile	The Sub-Fund is suitable for investors who are very interested in specialized capital markets and aware of the opportunities and risks they will be facing. The investor must be familiar with "volatile" products and be able to handle temporary losses of considerable proportions. The investment objective consists in taking the opportunities offered by the market. In a vastly diversified portfolio, the Sub-Fund can be suitable for a combination of investment.
Risk Profile	The value of the Sub-Fund's portfolio is determined daily on the basis of the market value of each of the equities contained therein, issued by companies which operate in national markets with a rapid growth, but not yet fully developed. The market value is influenced by the expectations of operators of the capital market in relation to the economic development of the issuing companies, expectations which depend, among others, on political risks in the issuing countries and on the exchange rates of the legal currencies in such countries. Given the level of market concentration, the possibilities of diversification of the Sub-Fund's portfolio may be somewhat reduced. The stock market liquidity can be low and show considerable volatility. The manager can stipulate forward exchange contracts, selling USD against EUR (the Sub-Fund's reference currency) and take advantage of the US Dollar as a proxy hedge for all the currencies in portfolio, with the exception of Eastern European currencies.
Currency Hedging	For the realisation of its objectives, this Sub-Fund will be able to deal forward exchange contracts for hedging purposes by selling USD against EUR (the reference currency of the Sub-Fund) and use the currency USD as a proxy hedge for all the currencies in the portfolio, except for Eastern European currencies. The implementation of this program requires a big correlation between the USD and the emerging markets currencies and the level of assets hedged by this technique will be 100% of the Sub-Fund's portfolio. This hedging technique can only be used, if there is a sufficient and close correlation between the USD and the currencies concerned and that the resort to a direct hedging is not possible or that the costs related to that currency hedging are less higher than those incurred by a direct hedging transaction.
Investment Manager	Vontobel Asset Management Inc.
Global exposure calculation	The method used to calculate the Global Exposure is the commitment approach.
Units	This Sub-Fund will currently issue 3 Categories of Units defined in the Section "Units" of the Prospectus: - Category R - Category I - Category C The Sub-Fund will issue accumulation Units. If the amount subscribed does not correspond to a whole number of Units, the appropriate number of Units including any fraction of Unit calculated to the three decimal places will be issued.

Valuation currency and Valuation Day	The valuation currency of this Sub-Fund will be the EUR. The Net Asset Value will be valued daily (Valuation Day). If this day is not a bank Business Day in Luxembourg, the next following bank Business Day will be the Valuation Day.
Subscriptions, Conversions & Redemptions	The initial subscription period for Category R and I Units took place on October 8, 1999, with payment by no later than October 14, 1999. The initial subscription period for Category C Units took place from March 27 to April 7 with payment by no later than April 10, 2017. Category R and I Units were issued at the initial price of EUR 10 including subscription fee. Category C Units were issued on March 9, 2018 at an initial price equal to the last available Net Asset Value per Units of Category R plus the applicable subscription fee. Should no subscriptions to units of a category occur during the respective initial subscription period, the first subscription to such units will take place at the last available Net Asset Value per Unit of Category R plus the applicable subscription fee. Any subsequent subscription will be made at a price corresponding to the Net Asset Value per Unit plus the applicable subscription fee. Reminder: - the minimum amount of the first investment in the Fund for Category R and I Units is set at EUR 500. - the minimum amount of the first investment in the Fund for Category C Units is set at EUR 50 000. Unitholders' attention is drawn to the fact that they may only convert to Categories in respect of which they meet the definition.
Fees and expenses	No conversion or redemption fees will be levied. <u>Subscription fee</u>: - Category R: up to 3% - Category I: none - Category C: up to 3% <u>Management fee</u>: the Fund shall pay monthly a management fee to the Management Company at an annual rate defined hereunder calculated on the Sub-Fund's average Net Asset Value of each month. - The annual rate for Category R: of maximum 1,85% - The annual rate for Category I: of maximum 0,75% - The annual rate for Category C: of maximum 0,95%
Listing	Units of this Sub-Fund will not be listed on the Luxembourg Stock Exchange.
Securities Financing Transactions (SFTs)	Proportion of assets under management that will be subject to SFTs and TRS: - Securities lending: Expected from 0% to 25%, Max 30% - Securities borrowing 0% - Repurchase agreements 0% - TRS 0%

<table>
<tr><th colspan="2">Sub-Fund 4: NEF Global Bond</th></tr>
<tr><td>Investment policy
and objectives</td><td>The objective of this Sub-Fund is to achieve capital appreciation by investing mainly in a diversified portfolio of mid and long term bonds (including convertible bonds, warrants on transferable securities and zero coupon bonds), issued by corporates or by national governments, government agencies and supranational organisations.

The Sub-Fund may also invest up to 20% of its assets into ABS or MBS.

The sub-fund may invest up to 10% in other UCITS or UCIs.

Financial techniques and instruments for hedging and/or non-hedging purposes may be used. Such financial techniques and instruments shall be used only to the extent they do not hinder the quality of the investment policy of the Sub-Fund.

The Sub-Fund may be exposed, on an ancillary basis, to money market instruments and/or money market funds in order to achieve its investment objectives, for treasury purposes and/or in case of unfavourable market conditions.

The Sub-Fund may hold, up to 20% of its net assets, ancillary liquid assets which consist of bank deposits at sight such as cash held in current accounts with a bank accessible at any time.

It is specifically drawn to the attention of the investors that they should refer to the Section “Risk Factors”, as described in the Prospectus, while investing in this Sub-Fund.</td></tr>
<tr><td>Disclosure related to the sustainability risk integration and taxonomy</td><td>Sustainability risks are integrated into the Sub-Fund’s investment management process in compliance with the provisions of Article 6 of SFDR.

In accordance with article 7 (1) of SFDR, the principal adverse impacts on sustainability factors are not considered as the investment strategy does not pursue environmental or social characteristics and does not have sustainable investments as its investment objective.

The investments underlying this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Further information is available under Section “Sustainability-related disclosures regulation” of the Prospectus.</td></tr>
<tr><td>Benchmark</td><td>The Sub-Fund is managed actively in reference to the benchmark ICE BofAML Global Government Index (EUR unhedged).

For the construction of the portfolio, the benchmark serves as reference in terms of overall exposure to risk factors including country, interest rate, credit and currency position.

Amplitude of deviations from the benchmark varies depending on the degree of conviction of the investment manager.

Index disclaimer

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</table>

	with respect to the adequacy, accuracy, timeliness or completeness of the indices or the index data or any component thereof, and the indices and index data and all components thereof are provided on an "as is" basis and your use is at your own risk. ICE DATA, its affiliates and their respective third party suppliers do not sponsor, endorse, or recommend NEAM (Nord Est Asset Management S.A.), or any of its products or services.
Investor Profile	This Sub-Fund is suitable for an investor interested in, and expert on the capital market, who wishes to invest in a bonds basket diversified by issuing body, rating, geographical area, and currency. Investors must consider the possibility of temporary losses of medium importance, which are also a consequence of exchange rate fluctuations.
Risk Profile	The value of the Sub-Fund's portfolio is determined daily on the basis of the price/market value of each of the bonds contained in the Sub-Fund. These bonds have a medium/long-term maturity (including convertible bonds, warrants on financial instruments, and zero coupon bonds) and are issued by companies or national governments, public and supranational organisations. It is possible to use financial techniques and instruments for hedging and/or other purposes, although only insofar as they are not detrimental to the quality of the Sub- Fund's investment policy. The securities in portfolio may also be denominated in currencies other than the Euro, and currency hedging of the portfolio is not one of the Sub-Fund's principal objectives. The market value of the securities in portfolio is influenced by variations both in interest and in exchange rates, and investors therefore cannot be guaranteed a return on their investment at any specific date.
Investment Manager	Amundi (UK) Limited
Global exposure calculation	The method used to calculate the Global Exposure is the absolute Value at Risk approach with a 20% limit.
Leverage	The leverage achieved in the Sub-Fund through the use of financial derivative instruments is calculated via the sum of the notional approach. The expected level of leverage will be 500% of the Net Asset Value of the Sub-Fund. Under certain circumstances the level of leverage might exceed the before mentioned range.
Units	This Sub-Fund will currently issue 4 Categories of Units defined in the Section "Units" of the Prospectus: - Category R - Category I - Category D - Category C The Sub-Fund will issue accumulation Units and distribution Units. If the amount subscribed does not correspond to a whole number of Units, the appropriate number of Units including any fraction of Unit calculated to the three decimal places will be issued. As far as the distribution policy is concerned please note the following: - accumulation units (Category R, I and C): do not pay any dividend - distribution units (Category D): pay dividends on a semi-annual basis. The ex dividend date is the fifteenth day of January and July (or the first following Business Day) and for the first time was in July 2018. The Management Company expects to distribute the investment income amount received by the Sub-Fund over the previous period. In order to

	maintain a reasonable level of dividend payment per Unit over the years, capital could also be distributed provided that the Sub-Fund is not affected by such distribution over the long term. The Management Company draws the Unitholders' attention on the fact that the dividend is not guaranteed.
Valuation currency and Valuation Day	The valuation currency of this Sub-Fund will be the EUR. The Net Asset Value will be valued daily (Valuation Day). If this day is not a bank Business Day in Luxembourg, the next following bank Business Day will be the Valuation Day.
Subscriptions, Conversions & Redemptions	The initial subscription period for Category R and I Units took place on October 8, 1999, with payment by no later than October 14, 1999. The initial subscription period for Category C Units took place from March 27 to April 7 with payment by no later than April 10, 2017. The initial subscription period for Category D Units took place from March 28, 2018 to March 30, 2018 with payment by no later than April 05, 2018. Category R and I Units were issued at the initial price of EUR 10 including subscription fee. Category C Units were issued on November 29, 2018 at an initial price equal to the last available Net Asset Value per Units of Category R plus the applicable subscription fee. Category D Units were issued at the initial price equal to the price of the Net Asset Value per Units of Category R as of April 03, 2018 plus the applicable subscription fee. Should no subscriptions to units of a category occur during the respective initial subscription period, the first subscription to such units will take place at the last available Net Asset Value per Unit of Category R plus the applicable subscription fee. Any subsequent subscription will be made at a price corresponding to the Net Asset Value per Unit plus the applicable subscription fee. Reminder: - the minimum amount of the first investment in the Fund for Category R, D and I Units is set at EUR 500. - the minimum amount of the first investment in the Fund for Category C Units is set at EUR 50 000. Unitholders' attention is drawn to the fact that they may only convert to Categories in respect of which they meet the definition.
Fees and expenses	No conversion or redemption fees will be levied. <u>Subscription fee</u>: - Category R: up to 1% - Category I: none - Category D: up to 1% - Category C: up to 1% <u>Management fee</u>: the Fund shall pay monthly a management fee to the Management Company at an annual rate defined hereunder calculated on the Sub-Fund's average Net Asset Value of each month. - The annual rate for Category R: of maximum 1,00%

	- The annual rate for Category I: of maximum 0,40% - The annual rate for Category D: of maximum 1,00% - The annual rate for Category C: of maximum 0,55%
Listing	Units of this Sub-Fund will not be listed on the Luxembourg Stock Exchange.
Securities Financing Transactions (SFTs)	Proportion of assets under management that will be subject to SFTs and TRS: - Securities lending: Expected from 0% to 25%, Max 30% - Securities borrowing 0% - Repurchase agreements 0% - TRS 0%

Sub-Fund 5: **NEF Ethical Bond - Euro**	
Investment policy and objectives	The objective of this Sub-Fund is to achieve capital appreciation by investing two third of its assets in mid and long term investment grade bonds, traded on the Euroland financial markets, and issued by corporates or by European national governments, European governments agencies and supranational organisations located in Europe. The Sub-Fund will not invest in ABS or MBS. Bonds denominated in EUR and issued by non-Euroland issuers are as well permitted. The remaining portion of the assets may be invested in other type of bonds than the ones mentioned above (such as, but not limited to convertible bonds, warrant on financial instruments, zero coupon bonds). The Sub-Fund seeks to invest mainly in bonds with a good Environmental, Social and Governance criteria ("ESG") profile, "green bonds" and "social bond", based on the Investment Manager's in-house research and/or third party ESG ratings. The Sub-Fund promotes, amongst others, some ESG characteristics in compliance with Article 8 of SFDR but does not have sustainable investment as its objective, as further described in section "APPENDIX I – PRECONTRACTUAL DOCUMENTS". The Sub-Fund may be exposed, on an ancillary basis, to money market instruments and/or money market funds in order to achieve its investment objectives, for treasury purposes and/or in case of unfavourable market conditions. The Sub-Fund may invest up to 10% in other UCITS or UCIs. Financial techniques and instruments for hedging and/or non-hedging purposes may be used. Such financial techniques and instruments shall be used only to the extent they do not hinder the quality of the investment policy of the Sub-Fund. The Sub-Fund may hold, up to 20% of its net assets, ancillary liquid assets which consist of bank deposits at sight such as cash held in current accounts with a bank accessible at any time. **It is specifically drawn to the attention of the investors that they should refer to the Section "Risk Factors", as described in the Prospectus, while investing in this Sub-Fund.**
Benchmark	The Sub-Fund is managed actively in reference to the benchmark *ICE BofAML Euro Broad Market Index* (EUR unhedged). For the construction of the portfolio, the benchmark serves as reference in terms of overall exposure to risk factors including country, interest rate and credit position. Amplitude of deviations from the benchmark varies depending on the degree of conviction of the investment manager. ***Index disclaimer*** Source ICE Data Indices, LLC ("ICE DATA"), is used with permission. ICE DATA, its affiliates and their respective third party suppliers disclaim any and all warranties and representations, express and/or implied, including any warranties of merchantability or fitness for a particular purpose or use, including the indices, index data and any data included in, related to, or derived therefrom. neither ice data, its affiliates nor their respective third party suppliers shall be subject to any damages or liability with respect to the adequacy, accuracy, timeliness or completeness of the indices or the index data or any component thereof, and the indices and index data and all components thereof are provided on an "as is" basis and

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Investor Profile	This Sub-Fund is suitable for every type of relatively expert investors who wish to pursue well-defined investment objectives. No special experience is required in matters of capital market products. Investors must be able to face temporary losses of limited proportions.
Risk Profile	The value of the Sub-Fund's portfolio is determined daily on the basis of the price/market value of each of the Euro bonds contained in the Sub-Fund, which are issued by national governments, public or supranational European bodies, as well as by first-class companies, and which have a medium/long-term maturity. It is possible to use financial techniques and instruments for hedging and/or other purposes. Such financial techniques and instruments will only be used if they are not detrimental to the quality of the Sub-Fund's investment policy. The market value of the securities in portfolio is influenced by variations in interest rates, and investors can therefore not be guaranteed a return on their investment at any specific date.
Investment Manager	BNP Paribas Asset Management Europe
Global exposure calculation	The method used to calculate the Global Exposure is the commitment approach.
Units	This Sub-Fund will currently issue 5 Categories of Units defined in the Section “Units” of the Prospectus: - Category R - Category I - Category D - Category C - Category ID The Sub-Fund will issue accumulation and distribution Units. If the amount subscribed does not correspond to a whole number of Units, the appropriate number of Units including any fraction of Unit calculated to the three decimal places will be issued. As far as the distribution policy is concerned please note the following: - accumulation units (Category R, I and C): do not pay any dividend - distribution units (Category D and ID): Category D units pay dividends on a semi-annual basis and Category ID units pay dividends on an annual basis. The ex dividend date is the fifteenth day of January and July (or the first following Business Day) for Category D units (for the first time in July 2018) and the fifteenth day of November (or the first following Business Day) for Category ID units, provided that the Management Company may decide, at its absolute discretion, whether to pay the relevant dividend in respect of Category ID units or not. The Management Company expects to distribute the investment income amount received by the Sub-Fund over the previous period. In order to maintain a reasonable level of dividend payment per Unit over the years, capital could also be distributed provided that the Sub-Fund is not affected by such distribution over the long term. The Management Company draws the Unitholders’ attention on the fact that the dividend is not guaranteed.
Valuation currency and Valuation Day	The valuation currency of this Sub-Fund will be the EUR.

	The Net Asset Value will be valued daily (Valuation Day). If this day is not a bank Business Day in Luxembourg, the next following bank Business Day will be the Valuation Day.
Subscriptions, Conversions & Redemptions	The initial subscription period for Category R and I Units took place on October 8, 1999, with payment by no later than October 14, 1999. The initial subscription period for Category C Units took place from March 27 to April 7 with payment by no later than April 10, 2017. The initial subscription period for Category D Units took place from March 28, 2018, to March 30, 2018 with payment by no later than April 05, 2018. The initial subscription period for Category ID Units took place from May 2, 2023 to May 5, 2023 with payment by no later than May 10, 2023. Category R and I Units were issued at the initial price of EUR 10 including subscription fee. Category C Units were issued on August 10, 2022 at an initial price equal to the last available Net Asset Value per Units of Category R plus the applicable subscription fee. Category D Units were issued at the initial price equal to the price of the Net Asset Value per Units of Category R as of April 03, 2018 plus the applicable subscription fee. Category ID Units were issued at the initial price equal to the last available Net Asset Value per Units of Category I as of May 24, 2023. Should no subscriptions to units of a category occur during the respective initial subscription period, the first subscription to such units will take place at the last available Net Asset Value per Unit of Category R plus the applicable subscription fee. Any subsequent subscription will be made at a price corresponding to the Net Asset Value per Unit plus the applicable subscription fee. Reminder: - the minimum amount of the first investment in the Fund for Category R, I, ID and D Units is set at EUR 500. - the minimum amount of the first investment in the Fund for Category C Units is set at EUR 50 000. Unitholders' attention is drawn to the fact that they may only convert to Categories in respect of which they meet the definition.
Fees and expenses	No conversion or redemption fees will be levied. <u>Subscription fee</u>: - Category R: up to 1% - Category I: none - Category D: up to 1% - Category C: up to 1% - Category ID: none <u>Management fee</u>: the Fund shall pay monthly a management fee to the Management Company at an annual rate defined hereunder calculated on the Sub-Fund's average Net Asset Value of each month. - The annual rate for Category R: of maximum 0,80%

	- The annual rate for Category I and ID: of maximum 0,30% - The annual rate for Category D: of maximum 0,80% - The annual rate for Category C: of maximum 0,40%
Listing	Units of this Sub-Fund will not be listed on the Luxembourg Stock Exchange.
Securities Financing Transactions (SFTs)	Proportion of assets under management that will be subject to SFTs and TRS: - Securities lending: Expected from 0% to 25%, Max 30% - Securities borrowing 0% - Repurchase agreements 0% - TRS 0%

Sub-Fund 6: **NEF Emerging Market Bond**	
Investment policy and objectives	The objective of this Sub-Fund is to achieve capital appreciation by investing mainly in a diversified portfolio of mid and long term bonds (including convertible bonds, warrants on transferable securities, zero coupon bonds and Treasury bonds) issued by or guaranteed by national governments or governments agencies from non G-7 States (G-7 consists of Canada, France, Germany, United States, United-Kingdom, Italy and Japan), dealt on regulated markets which operate regularly and are recognised and open to the public as defined in Article 41.1 of the Law. Transferable securities which are not dealt on regulated markets as described here above are subject to Article 41.2 of the Law. Emphasis is placed on bonds issued in the following currency: EUR, JPY, GBP, USD. The Sub-Fund may invest up to 10% in other UCITS or UCIs. The Sub-Fund may invest in credit default swaps (as stipulated under “Financial Techniques and Instruments” in Prospectus). Financial techniques and instruments for hedging and/or non hedging purposes may be used. Such financial techniques and instruments shall be used only to the extent they do not hinder the quality of the investment policy of the Sub-Fund. The Sub-Fund may be exposed, on an ancillary basis, to money market instruments and/or money market funds for treasury purposes and/or in case of unfavourable market conditions. The Sub-Fund may hold, up to 20% of its net assets, ancillary liquid assets which consist of bank deposits at sight such as cash held in current accounts with a bank accessible at any time. Investors are advised that subscription in this Sub-Fund shall be considered as a long-term investment. **This Sub-Fund invests in less developed or emerging markets. In this context it is specifically drawn to the attention of the investors that they should refer to the Section “Risk Factors”, as described in the Prospectus, while investing in this Sub-Fund.**
Disclosure related to the sustainability risk integration and taxonomy	Sustainability risks are integrated into the Sub-Fund’s investment management process in compliance with the provisions of Article 6 of SFDR. In accordance with article 7 (1) of SFDR, the principal adverse impacts on sustainability factors are not considered as the investment strategy does not pursue environmental or social characteristics and does not have sustainable investments as its investment objective. The investments underlying this financial product do not take into account the EU criteria for environmentally sustainable economic activities. Further information is available under Section “Sustainability-related disclosures regulation” of the Prospectus.
Benchmark	The Sub-Fund is managed actively in reference to the benchmark *80% J.P. Morgan EMBI Global Diversified* (EUR hedged), *20% J.P. Morgan EMBI Global Diversified Composite* (EUR unhedged).

	For the construction of the portfolio, the benchmark serves as reference in terms of overall exposure to risk factors including country, interest rate, credit and currency position. Amplitude of deviations from the benchmark vary depending on the degree of conviction of the investment manager. ***Index disclaimer*** Information has been obtained from sources believed to be reliable but J.P. Morgan does not warrant its completeness or accuracy. The Index is used with permission. The Index may not be copied, used, or distributed without J.P. Morgan's prior written approval. Copyright 201[9], J.P. Morgan Chase & Co. All rights reserved.
Investor Profile	The Sub-Fund is suitable for investors with a good knowledge of capital markets and of the possible evolution of interest and exchange rates. Therefore, it is suitable for investors able to withstand a temporary immobilization of their capital. It should be considered by investors wishing to diversify their asset allocation portfolio.
Risk Profile	The value of the portfolio is determined daily on the basis of the price/market value of each of the equities contained in the Sub-Fund. The Sub-Fund operates on a basket of international bonds of medium/long term maturity, diversified by currency and issued by governments and companies of the so called "emerging countries", i.e. governments and government bodies not belonging to the G7. It is pointed out to the subscribers that "emerging markets" can be subject to strong variations, lack of liquidities, and that investments in such markets may be considered as speculative and subject to considerable delays in settlements. Moreover, on the less developed or emerging markets there may exist higher than average risks of political, economic, social, religious instability and negative changes in the government regulations and laws. Moreover, such markets may be influenced negatively by fluctuations in exchange rates and by monetary and fiscal regulations, and consequently the Net Asset Value of such Sub-Fund may be subject to strong variations. Currency hedging is not one of the principal objectives of the Sub-Fund.
Investment Manager	BNP Paribas Asset Management UK Limited
Global exposure calculation	The method used to calculate the Global Exposure is the relative VaR where the Sub-Fund's VaR cannot be greater than twice the reference portfolio VaR.
Leverage	The leverage achieved in the Sub-Fund through the use of financial derivative instruments is calculated via the sum of the notional approach. The expected level of leverage will be 150% of the Net Asset Value of the Sub-Fund. Under certain circumstances the level of leverage might exceed the before mentioned range.
Units	This Sub-Fund will currently issue 4 Categories of Units defined in the Section "Units" of the Prospectus: - Category R - Category I - Category D - Category C The Sub-Fund will issue accumulation and distribution Units. If the amount subscribed does not correspond to a whole number of Units, the appropriate number of Units including any fraction of Unit calculated to the three decimal places will be issued. As far as the distribution policy is concerned please note the following: - accumulation units (Category R, I and C): do not pay any dividend - distribution units (Category D): pay dividends on a semi-annual basis. The ex dividend date is the fifteenth day of January and July

	(or the first following Business Day) and for the first time was in July 2018.
	The Management Company expects to distribute the investment income amount received by the Sub-Fund over the previous period. In order to maintain a reasonable level of dividend payment per Unit over the years, capital could also be distributed provided that the Sub-Fund is not affected by such distribution over the long term. The Management Company draws the Unitholders' attention on the fact that the dividend is not guaranteed.
Valuation currency and Valuation Day	The valuation currency of this Sub-Fund will be the EUR. The Net Asset Value will be valued daily (Valuation Day). If this day is not a bank Business Day in Luxembourg, the next following bank Business Day will be the Valuation Day.
Subscriptions, Conversions & Redemptions	The initial subscription period for Category R and I Units took place on October 8, 1999, with payment by no later than October 14, 1999. The initial subscription period for Category C Units took place from March 27 to April 7 with payment by no later than April 10, 2017. The initial subscription period for Category D Units took place from March 28, 2018 to March 30, 2018 with payment by no later than April 05, 2018. Category R and I Units were issued at the initial price of EUR 10 including subscription fee. Category C Units were issued on February 8, 2019 at an initial price equal to the last available Net Asset Value per Units of Category R plus the applicable subscription fee. Category D Units were issued at the initial price equal to the price of the Net Asset Value per Units of Category R as of April 03, 2018 plus the applicable subscription fee. Should no subscriptions to units of a category occur during the respective initial subscription period, the first subscription to such units will take place at the last available Net Asset Value per Unit of Category R plus the applicable subscription fee. Any subsequent subscription will be made at a price corresponding to the Net Asset Value per Unit plus the applicable subscription fee. Reminder: - the minimum amount of the first investment in the Fund for Category R, D and I Units is set at EUR 500. - the minimum amount of the first investment in the Fund for Category C Units is set at EUR 50 000. Unitholders' attention is drawn to the fact that they may only convert to Categories in respect of which they meet the definition.
Fees and expenses	No conversion or redemption fees will be levied. <u>Subscription fee</u>: - Category R: up to 1% - Category I: none - Category D: up to 1% - Category C: up to 1%

	Management fee: the Fund shall pay monthly a management fee to the Management Company at an annual rate defined hereunder calculated on the Sub-Fund's average Net Asset Value of each month. - The annual rate for Category R: of maximum 1,40% - The annual rate for Category I: of maximum 0,50% - The annual rate for Category D: of maximum 1,40% - The annual rate for Category C: of maximum 0,65%
Listing	Units of this Sub-Fund will not be listed on the Luxembourg Stock Exchange.
Securities Financing Transactions (SFTs)	Proportion of assets under management that will be subject to SFTs and TRS: - Securities lending: Expected from 0% to 25%, Max 30% - Securities borrowing 0% - Repurchase agreements 0% - TRS 0%

Sub-Fund 7: **NEF Ethical Short Term Bond - Euro**	
Investment policy and objectives	This Sub-Fund seeks to achieve short term performance through investing mainly in bond denominated in EUR, with a good Environmental, Social and Governance criteria ("ESG") profile, "green bonds" and "social bond", based on the Investment Manager's in-house research and/or third party ESG ratings. The Sub-Fund promotes, amongst others, some ESG characteristics in compliance with Article 8 of SFDR but does not have sustainable investment as its objective, as further described in section "APPENDIX I – PRECONTRACTUAL DOCUMENTS". The portfolio will be invested predominantly in securities with an average time to maturity not exceeding three years, taking into account the financial instruments connected therewith, or governed by terms and conditions that provide that the interest rate applicable thereto is adjusted at least annually on the basis of the market conditions. The Sub-Fund will be invested mainly in transferable securities dealt on regulated markets which operate regularly and are recognised and open to the public as defined in Article 41.1 of the Law. Transferable securities which are not dealt on regulated markets as described here above are subject to Article 41.2 of the Law. The Sub-Fund's portfolio will not be invested in equity. The Sub-Fund may invest up to 10% in other UCITS or UCIs. Financial techniques and instruments for hedging and/or non-hedging purposes may be used. Such financial techniques and instruments shall be used only to the extent they do not hinder the quality of the investment policy of the Sub-Fund. The Sub-Fund may be exposed, on an ancillary basis, to money market instruments and/or money market funds in order to achieve its investment objectives. The Sub-Fund may hold, up to 20% of its net assets, ancillary liquid assets which consist of bank deposits at sight such as cash held in current accounts with a bank accessible at any time. **It is specifically drawn to the attention of the investors that they should refer to the Section "Risk Factors", as described in the Prospectus, while investing in this Sub-Fund.**
Benchmark	The Sub-Fund is managed actively in reference to the benchmark *ICE BofAML 1-3 Year Euro Large Cap Index* (EUR unhedged). For the construction of the portfolio, the benchmark serves as reference in terms of overall exposure to risk factors including country, interest rate and credit position. Amplitude of deviations from the benchmark varies depending on the degree of conviction of the investment manager. ***Index disclaimer*** Source ICE Data Indices, LLC ("ICE DATA"), is used with permission. ICE DATA, its affiliates and their respective third party suppliers disclaim any and all warranties and representations, express and/or implied, including any warranties of merchantability or fitness for a particular purpose or use, including the indices, index data and any data included in, related to, or derived therefrom. neither ice data, its affiliates nor their respective third party suppliers shall be subject to any damages or liability

	with respect to the adequacy, accuracy, timeliness or completeness of the indices or the index data or any component thereof, and the indices and index data and all components thereof are provided on an “as is” basis and your use is at your own risk. ICE DATA, its affiliates and their respective third party suppliers do not sponsor, endorse, or recommend NEAM (Nord Est Asset Management S.A.), or any of its products or services.
Investor Profile	The Sub-Fund is suitable for investors who have a modest knowledge of capital markets, and who consider investment funds to be an appropriate form of “savings”. This type of Sub-Fund is also suitable for more knowledgeable investors who wish to pursue well-defined investment objectives. No special experience is required in matters of capital market products.
Risk Profile	The value of the Sub-Fund's portfolio is determined daily on the basis of the price/market value of each of the Euro bonds contained in the Sub-Fund and which are issued by first-class public and private institutions. These bonds generally have an average residual maturity not exceeding three years, or alternatively are regulated by terms and conditions which allow, on the basis of market conditions, for at least an annual adjustment of the corresponding interest rates. The market value of the securities in portfolio is influenced by variations in interest rates, and investors can therefore not be guaranteed a return on their investment at any specific date.
Investment Manager	Union Investment Luxembourg S.A.
Sub-Investment Manager	Union Investment Privatfonds GmbH
Global exposure calculation	The method used to calculate the Global Exposure is the commitment approach.
Units	This Sub-Fund will currently issue 4 Categories of Units defined in the Section “Units” of the Prospectus: - Category R - Category I - Category D - Category C The Sub-Fund will issue accumulation and distribution Units. If the amount subscribed does not correspond to a whole number of Units, the appropriate number of Units including any fraction of Unit calculated to the three decimal places will be issued. As far as the distribution policy is concerned please note the following: - accumulation units (Category R, I and C): do not pay any dividend - distribution units (Category D): do pay dividends on an annual basis. The ex-dividend date is the fifteenth day of January (or the first following Business Day) and for the first time was in January 2017. The Management Company expects to distribute the investment income amount received by the Sub-Fund over the previous period. In order to maintain a reasonable level of dividend payment per Unit over the years, capital could also be distributed provided that the Sub-Fund is not affected by such distribution over the long term. The Management Company draws the Unitholders’ attention on the fact that the dividend is not guaranteed.
Valuation currency and Valuation Day	The valuation currency of this Sub-Fund will be the EUR.

	The Net Asset Value will be valued daily (Valuation Day). If this day is not a bank Business Day in Luxembourg, the next following bank Business Day will be the Valuation Day.
Subscriptions, Conversions & Redemptions	The initial subscription period for Category R and I Units took place on October 8, 1999, with payment by no later than October 14, 1999. The initial subscription period for Category D took place from September 19, 2016 to September 23rd, 2016, with payment by September 29, 2016. The initial subscription period for Category C Units took place from March 27 to April 7 with payment by no later than April 10, 2017. Category R and I Units were issued at the initial price of EUR 10 including subscription fee. Category D units were issued at the initial price equal to the price of the Net Asset Value per Units of class R as of September 26, 2016 plus the applicable subscription fee. Category C Units were issued on December 5, 2017 at an initial price equal to the last available Net Asset Value per Units of Category R plus the applicable subscription fee. Should no subscriptions to units of a category occur during the respective initial subscription period, the first subscription to such units will take place at the last available Net Asset Value per Unit of Category R plus the applicable subscription fee. Any subsequent subscription will be made at a price corresponding to the Net Asset Value per Unit plus the applicable subscription fee. Reminder: - the minimum amount of the first investment in the Fund for Category R, I and D Units is set at EUR 500. - the minimum amount of the first investment in the Fund for Category C Units is set at EUR 50 000. Unitholders' attention is drawn to the fact that they may only convert to Categories in respect of which they meet the definition.
Fees and expenses	No conversion or redemption fees will be levied. <u>Subscription fee</u>: - Category R: up to 1% - Category I: none - Category D: up to 1% - Category C: up to 1% <u>Management fee</u>: the Fund shall pay monthly a management fee to the Management Company at an annual rate defined hereunder calculated on the Sub-Fund's average Net Asset Value of each month. - The annual rate for Category R: of maximum 0,55% - The annual rate for Category I: of maximum 0,25% - The annual rate for Category D: of maximum 0,55% - The annual rate for Category C: of maximum 0,30% <u>Sub-Investment Manager fee</u>: the Sub-Investment Manager will be remunerated for its services by the Investment Manager out of its Investment Manager's fee.
Listing	Units of this Sub-Fund will not be listed on the Luxembourg Stock Exchange.

Securities Financing Transactions (SFTs)	Proportion of assets under management that will be subject to SFTs and TRS: - Securities lending: Expected from 0% to 25%, Max 30% - Securities borrowing 0% - Repurchase agreements 0% - TRS 0%

Sub-Fund 8: **NEF Risparmio Italia**	
Investment policy and objectives	The Sub-Fund is included among eligible investments that could be held in a “Piano di Risparmio a lungo termine" (PIR) under the Italian 2017 Budget Law (“Law No 232 of 11 December 2016”) and the Italian Law No 157 of 19 December 2019. The Sub-Fund shall invest, in each calendar year, directly or indirectly, at least 70% of the net assets in financial instruments, issued by, or entered into with companies, which are resident in Italy (pursuant to art. 73 of “Testo Unico delle Imposte sui Redditi”, Decree of the President of Republic n. 917 of 22 December 1986), or in an European Union or European Economic Area Member State and have a permanent establishment in Italy. It being understood that: (a) at least 25% of the above-mentioned financial instruments, which corresponds to 17.5% of the Sub-Fund’s net assets, shall be issued by companies which are not listed in the FTSE MIB index of Borsa Italiana or in any other equivalent indices of other regulated markets; and (b) at least an additional 5% of the above-mentioned financial instruments, which corresponds to 3,5% of the Sub-Fund’s net assets, shall be issued by companies which are not listed in the FTSE MIB and FTSE Italia MID Cap index of Borsa Italiana or in any other equivalent indices of other regulated markets. The above limits shall be fulfilled, in each calendar year, for at least 2/3 of the year. The Sub-Fund’s net assets will be invested in transferable securities of a monetary, bond or equity nature (equity from 20% to 40% of its assets). Transferable securities of a bond nature and money market instruments will be issued mainly by corporate issuers. The Sub-Fund will be invested mainly in transferable securities dealt on regulated markets which operate regularly and are recognised and open to the public as defined in Article 41.1 of the Law. Transferable securities which are not dealt on regulated markets as described here above are subject to Article 41.2 of the Law and may not altogether exceed 10% of the Sub-Fund's net assets. The Sub-Fund’s net assets may be invested in: • debt and debt-related instruments of any kind, including for example bonds and money market instruments, issued by non-Italian’s issuers with a rating below Investment Grade or unrated, at issue or issuer level, up to 30%. There is no rating limit with regard to Italian issuers and unrated issuances from Italian issuers will not exceed 10% of the Sub-Fund’s net assets. Issuances from Italian issuers may have a rating below Investment Grade which may exceed 50% of the Sub-Fund’s net assets. • in parts of UCITS and/or others UCIs compatible with the investment policy of the Sub-Fund, up to 10%. • money market instruments and/or money market funds up to 15% of the net assets in order to achieve its investment objectives and/or in case of unfavourable market conditions. The Sub-Fund may hold, up to 10% of its net assets, ancillary liquid assets which consist of bank deposits at sight such as cash held in current accounts with a bank accessible at any time. The Sub-Fund may hold, up to 10% of its net assets, deposits and certificates of deposit other than ancillary liquid assets in order to achieve

	its investment objectives and/or in case of unfavourable market conditions. The Sub-Fund cannot invest more than 10% of the net assets in financial instruments (including deposits and certificates of deposit) issued by, or entered into with the same company, or companies belonging to the same group. The Sub-Fund cannot invest in financial instruments issued by companies which are not resident in countries that allow an adequate exchange of information with Italy. The Sub-Fund will not invest in distressed or defaulted securities. The base currency of the Sub-Fund is Euro. The exposure to currencies other than Euro will not exceed 30% of the Sub-Fund's net assets. The Sub-Fund duration is less than 5 years. Financial techniques and instruments for hedging purposes may be used. Such financial techniques and instruments shall be used only to the extent they do not hinder the quality of the investment policy of the Sub-Fund. The Sub-Fund may invest in financial derivative instruments only for risk hedging purposes associated with the main investment, in accordance with the provisions of the PIR legislation. **It is specifically drawn to the attention of the investors that they should refer to the Section "Risk Factors", as described in the Prospectus, while investing in this Sub-Fund.**
Disclosure related to the sustainability risk integration and taxonomy	Sustainability risks are integrated into the Sub-Fund's investment management process in compliance with the provisions of Article 6 of SFDR. In accordance with article 7 (1) of SFDR, the principal adverse impacts on sustainability factors are not considered as the investment strategy does not pursue environmental or social characteristics and does not have sustainable investments as its investment objective. The investments underlying this financial product do not take into account the EU criteria for environmentally sustainable economic activities. Further information is available under Section "Sustainability-related disclosures regulation" of the Prospectus.
Benchmark	The Sub-Fund is managed actively in line with the investment policy and objective. It is not managed in reference to a benchmark.
Investor profile	This Sub-Fund is suitable for an investor with a good knowledge of stock and bond markets.
Risk Profile	The value of the portfolio is determined daily on the basis of the price/market value of each security, issued worldwide by international companies included in the Sub-Fund. It is possible to use financial techniques and instruments for hedging and/or other purposes, although only insofar as they are not detrimental to the quality of the Sub-Fund's investment policy. The market value of the securities in portfolio is influenced by corporate performance, variations in interest and exchange rates, and therefore investors cannot be guaranteed a return of their investment at any specific date.
Investment Manager	Eurizon Capital SGR SpA
Global exposure calculation	The method used to calculate the Global Exposure is the commitment approach.
Units	This Sub-Fund will currently issue 4 Categories of Units defined in the Section "Units" of the Prospectus:

	- Category R - Category I - Category C - Category PIR The Sub-Fund will issue accumulation Units. If the amount subscribed does not correspond to a whole number of Units, the appropriate number of Units including any fraction of Unit calculated to the three decimal places will be issued.
Valuation currency and Valuation Day	The valuation currency of this Sub-Fund will be the EUR. The Net Asset Value will be valued daily (Valuation Day). If this day is not a bank Business Day in Luxembourg, the next following bank Business Day will be the Valuation Day.
Subscriptions, Conversions & Redemptions	The initial subscription period for Category I and R Units took place from January 14, 2002 to January 18, 2002 with payment by January 21, 2002. Category R and I Units were issued at the initial price of EUR 10 including subscription fee. The initial subscription period for Category PIR took place from August 8, 2017 until August 11, 2017 with payment by no later than August 11, 2017. Category PIR Units were issued at the initial price corresponding to the Net Asset Value per Unit of Category R Units as of August 11, 2017. The initial subscription period for Category C Units took place from March 28, 2018 to March 30, 2018 with payment by no later than April 05, 2018. Category C Units will be issued at an initial price equal to the last available Net Asset Value per Units of Category R plus the applicable subscription fee. Should no subscriptions to units of a category occur during the respective initial subscription period, the first subscription to such units will take place at the last available Net Asset Value per Unit of Category R plus the applicable subscription fee Any subsequent subscription will be made at a price corresponding to the Net Asset Value per Unit plus the applicable subscription fee. Reminder: - the minimum amount of the first investment in the Fund for the R, and I Units is set at EUR 500. - the minimum amount of the first investment in the Fund for Category C Units is set at EUR 50 000. - the minimum amount of the first investment in the Fund for the PIR Units is set at EUR 500. The maximum amount of the investment in Category PIR per investor is set in accordance with the applicable Italian legal provisions. Unitholders' attention is drawn to the fact that amounts exceeding the above thresholds shall be converted in Category R Units. Unitholders' attention is drawn to the fact that they may only convert to Categories in respect of which they meet the definition.
Fees and expenses	No conversion or redemption fees will be levied.

	Subscription fee: - Category R: up to 1% - Category I: none - Category PIR: up to 1% - Category C: up to 1% Management fee: the Sub-Fund shall pay monthly a management fee to the Management Company at an annual rate defined hereunder calculated on the Sub-Fund's average Net Asset Value of each month. - The annual rate for Category R: of maximum 1,30% - The annual rate for Category I: of maximum 0,50% - The annual rate for Category PIR: of maximum 1,30% - The annual rate for Category C: of maximum 0,65%
Listing	Units of this Sub-Fund will not be listed on the Luxembourg Stock Exchange.
Securities Financing Transactions (SFTs)	Proportion of assets under management that will be subject to SFTs and TRS: - Securities lending: Expected from 0% to 25%, Max 30% - Securities borrowing 0% - Repurchase agreements 0% - TRS 0%

Sub-Fund 9: **NEF U.S. Equity**	
Investment policy and objectives	The objective of this Sub-Fund is to achieve total return, primarily through capital appreciation, and secondarily through dividends, by investing primarily in equity securities from issuers domiciled in the USA. The Investment Manager employs an active bottom-up research process to identify individual securities believed to possess superior risk-return characteristics, taking into account both future growth potential and valuation consideration. The stock selection process provides for a diversified portfolio that spans the style spectrum, from growth to value, without preference to capitalization size, sector, or industry. From time to time the Fund may employ hedging techniques. The Sub-Fund has the flexibility to invest in American Depository Receipts and American Depository Shares listed on the major U.S. stock exchanges. The Sub-Fund may invest up to 10% in other UCITS or UCIs. The Sub-Fund may hold, up to 20% of its net assets, ancillary liquid assets which consist of bank deposits at sight such as cash held in current accounts with a bank accessible at any time. **It is specifically drawn to the attention of the investors that they should refer to the Section “Risk Factors”, as described in the Prospectus, while investing in this Sub-Fund.**
Disclosure related to the sustainability risk integration and taxonomy	Sustainability risks are integrated into the Sub-Fund’s investment management process in compliance with the provisions of Article 6 of SFDR. In accordance with article 7 (1) of SFDR, the principal adverse impacts on sustainability factors are not considered as the investment strategy does not pursue environmental or social characteristics and does not have sustainable investments as its investment objective. The investments underlying this financial product do not take into account the EU criteria for environmentally sustainable economic activities. Further information is available under Section “Sustainability-related disclosures regulation” of the Prospectus.
Benchmark	The fund is managed actively in reference to the benchmark *MSCI USA Net Total Return USD Index* (EUR unhedged). The benchmark is not replicated; it merely serves as a starting point for investment decisions. The Investment Manager seeks to outperform the benchmark. The composition of the fund and its performance may positively or negatively deviate significantly from the benchmark. ***Index disclaimer*** Source: MSCI. Neither MSCI nor any other party involved in or related to compiling, computing or creating the MSCI data makes any express or implied warranties or representations with respect to such data (or the results to be obtained by the use thereof), and all such parties hereby expressly disclaim all warranties of originality, accuracy, completeness, merchantability or fitness for a particular purpose with respect to any of such data. Without limiting any of the foregoing, in no event shall MSCI, any of its affiliates or any third party involved in or related to compiling, computing or creating the data have any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of the possibility of such damages. No further

	distribution or dissemination of the MSCI data is permitted without MSCI's express written consent.
Investor Profile	This Sub-Fund is suitable for investors with a good knowledge of the United States capital markets and who are not afraid of Dollar fluctuations in relation to the Euro. It is also suitable for expert investors who wish to pursue well-defined investment objectives by sector in that geographical area. The investor must be aware of a possible high volatility of the transferable securities in portfolio and be able to withstand temporary losses of considerable proportions.
Risk Profile	The value of the Sub-Fund's portfolio is determined daily on the basis of the market value of each of the equities contained therein and which represent the major companies operating in the United States, characterised by high profitability, a solid financial structure, and by a successful management. Moreover, the Sub-Fund may invest in shares issued by companies domiciled outside the United States. Currency hedging by the portfolio is not one of the principal objectives of the Sub-Fund strategy.
Investment Manager	MFS International (U.K.) Limited
Sub-Investment Manager	MFS Institutional Advisors Inc.
Global exposure calculation	The method used to calculate the Global Exposure is the commitment approach.
Units	This Sub-Fund will currently issue 3 Categories of Units defined in the Section "Units" of the Prospectus: - Category R - Category I - Category C The Sub-Fund will issue accumulation Units. If the amount subscribed does not correspond to a whole number of Units, the appropriate number of Units including any fraction of Unit calculated to the three decimal places will be issued.
Valuation currency and Valuation Day	The valuation currency of this Sub-Fund will be the EUR. The Net Asset Value will be valued daily (Valuation Day). If this day is not a bank Business Day in Luxembourg or if New York stock exchange is closed for trading, the next following bank Business Day in Luxembourg when the New York stock exchange is opened for trading will be the Valuation Day.
Subscriptions, Conversions & Redemptions	The initial subscription period for Categories I and R Units took place from March 4, 2002 to April 19, 2002 with payment by no later than April 22, 2002 The initial subscription period for Category C Units took place from March 27 to April 7 with payment by no later than April 10, 2017. Category R and I Units were issued at the initial price of EUR 10 including subscription fee. Category C Units were issued on May 13, 2019 at an initial price equal to the last available Net Asset Value per Units of Category R plus the applicable subscription fee. Should no subscriptions to units of a category occur during the respective initial subscription period, the first subscription to such units will take place at the last available Net Asset Value per Unit of Category R plus the applicable subscription fee. Any subsequent subscription will be made at a price corresponding to the Net Asset Value per Unit plus the applicable subscription fee.

	Reminder: - the minimum amount of the first investment in the Fund for Category R and I Units is set at EUR 500. - the minimum amount of the first investment in the Fund for Category C Units is set at EUR 50 000. Unitholders' attention is drawn to the fact that they may only convert to Categories in respect of which they meet the definition.
Fees and expenses	No conversion or redemption fees will be levied. <u>Subscription fee</u>: - Category R: up to 3% - Category I: none - Category C: up to 3% <u>Management fee</u>: the Fund shall pay monthly a management fee to the Management Company at an annual rate defined hereunder calculated on the Sub-Fund's average Net Asset Value of each month. - The annual rate for Category R: of maximum 1,65% - The annual rate for Category I: of maximum 0,60%. - The annual rate for Category C: of maximum 0,80%
Listing	Units of this Sub-Fund will not be listed on the Luxembourg Stock Exchange.
Securities Financing Transactions (SFTs)	Proportion of assets under management that will be subject to SFTs and TRS: - Securities lending: Expected from 0% to 25%, Max 30% - Securities borrowing 0% - Repurchase agreements 0% - TRS 0%

Sub-Fund 10: **NEF Pacific Equity**	
Investment policy and objectives	The objective of the Sub-Fund is to achieve long term capital appreciation by mainly investing in securities of companies of the Pacific area. The Sub-Fund will be actively managed. Besides making direct investments, the Sub-Fund may also enter into options and futures transactions subject to the investment restrictions defined in the Prospectus. The Sub-Fund may invest up to 10% in other UCITS or UCIs. The Sub-Fund may hold, up to 20% of its net assets, ancillary liquid assets which consist of bank deposits at sight such as cash held in current accounts with a bank accessible at any time. **It is specifically drawn to the attention of the investors that they should refer to the Section "Risk Factors", as described in the Prospectus, while investing in this Sub-Fund.**
Disclosure related to the sustainability risk integration and taxonomy	Sustainability risks are integrated into the Sub-Fund's investment management process in compliance with the provisions of Article 6 of SFDR. In accordance with article 7 (1) of SFDR, the principal adverse impacts on sustainability factors are not considered as the investment strategy does not pursue environmental or social characteristics and does not have sustainable investments as its investment objective. The investments underlying this financial product do not take into account the EU criteria for environmentally sustainable economic activities. Further information is available under Section "Sustainability-related disclosures regulation" of the Prospectus.
Benchmark	The Sub-Fund is managed actively in reference to the benchmark *MSCI AC Pacific Gross Total Return USD Index* (EUR unhedged). The benchmark is not replicated; it merely serves as a starting point for investment decisions. The Investment Manager seeks to outperform the benchmark. The composition of the Sub-Fund and its performance may positively or negatively deviate significantly from the benchmark. ***Index disclaimer*** Source: MSCI. Neither MSCI nor any other party involved in or related to compiling, computing or creating the MSCI data makes any express or implied warranties or representations with respect to such data (or the results to be obtained by the use thereof), and all such parties hereby expressly disclaim all warranties of originality, accuracy, completeness, merchantability or fitness for a particular purpose with respect to any of such data. Without limiting any of the foregoing, in no event shall MSCI, any of its affiliates or any third party involved in or related to compiling, computing or creating the data have any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of the possibility of such damages. No further distribution or dissemination of the MSCI data is permitted without MSCI's express written consent.
Investor Profile	The Sub-Fund is suitable for investors with a good knowledge of the Asian capital market. It is also suitable for expert investors who wish to pursue well-defined investment objectives per sector in that geographical area. The investor must be aware of a possible high volatility of the transferable

	securities in portfolio and be able to withstand temporary losses of considerable proportions.
Risk Profile	The value of the Sub-Fund's portfolio is determined daily on the basis of the market value of each of the equities contained therein and which represent companies of that geographical area with growth perspectives, characterised by high profitability, with solid balance sheets, and a successful management. The assets of the Sub-Fund will be invested in accordance with the principle of risk spreading in equities, equity-type securities. Currency hedging by the portfolio is not one of the principal objectives of the Sub-Fund strategy.
Investment Manager	FIL Pensions Management
Sub-Investment Manager	FIL Investment Management (Hong Kong) Ltd
Global exposure calculation	The method used to calculate the Global Exposure is the commitment approach.
Units	This Sub-Fund will currently issue 3 Categories of Units defined in the Section "Units" of the Prospectus: - Category R - Category I - Category C The Sub-Fund will issue accumulation Units. If the amount subscribed does not correspond to a whole number of Units, the appropriate number of Units including any fraction of Unit calculated to the three decimal places will be issued.
Valuation currency and Valuation Day	The valuation currency of this Sub-Fund will be the EUR. The Net Asset Value will be valued daily (Valuation Day). If this day is not a bank Business Day in Luxembourg, the next following bank Business Day will be the Valuation Day.
Subscriptions, Conversions & Redemptions	The initial subscription period for Categories I and R Units took place from March 4, 2002 to April 19, 2002 with payment by no later than April 22, 2002 The initial subscription period for Category C Units took place from March 27 to April 7 with payment by no later than April 10, 2017. Category R and I Units were issued at the initial price of EUR 10 including subscription fee. Category C Units were issued on May 13, 2019 at an initial price equal to the last available Net Asset Value per Units of Category R plus the applicable subscription fee. Should no subscriptions to units of a category occur during the respective initial subscription period, the first subscription to such units will take place at the last available Net Asset Value per Unit of Category R plus the applicable subscription fee. Any subsequent subscription will be made at a price corresponding to the Net Asset Value per Unit plus the applicable subscription fee. Reminder: - the minimum amount of the first investment in the Fund for Category R and I Units is set at EUR 500. - the minimum amount of the first investment in the Fund for Category C Units is set at EUR 50 000.

	Unitholders' attention is drawn to the fact that they may only convert to Categories in respect of which they meet the definition.
Fees and expenses	No conversion or redemption fees will be levied. Subscription fee: - Category R: up to 3% - Category I: none - Category C: up to 3% Management fee: the Fund shall pay monthly a management fee to the Management Company at an annual rate defined hereunder calculated on the Sub-Fund's average Net Asset Value of each month. - The annual rate for Category R: of maximum 1,85% - The annual rate for Category I: of maximum 0,65%**.** - The annual rate for Category C: of maximum 0,85%
Listing	Units of this Sub-Fund will not be listed on the Luxembourg Stock Exchange.
Securities Financing Transactions (SFTs)	Proportion of assets under management that will be subject to SFTs and TRS: - Securities lending: Expected from 0% to 25%, Max 30% - Securities borrowing 0% - Repurchase agreements 0% - TRS 0%

Sub-Fund 11: **NEF Ethical Corporate Bond - Euro**	
Investment policy and objectives	The Sub-Fund will mainly invest in Euro denominated investment grade bonds with a good Environmental, Social and Governance ("ESG") profile based on the Investment Manager's in-house research and/or third party ESG ratings. The Sub-Fund promotes, amongst others, some ESG characteristics in compliance with Article 8 of SFDR but does not have sustainable investment as its objective, as further described in section "APPENDIX I – PRECONTRACTUAL DOCUMENTS". Invested bonds are issued by both European and non-European companies which are traded on the regulated bond markets of the Economic and Monetary Union, rated at least BBB-/Baa3 by credit rating agencies such as Moody's Investor Service or Standard and Poor's. The Sub-Fund may also invest in Euro (or legacy European Currency) denominated investment grade bonds, in quasi-government and sovereign issuers (other than those of Euro Sovereign issuers). The Sub-Fund may also invest up to 20% of its assets in bonds with a rating below investment grade. The Sub-Fund may also invest up to 25% of its assets in non-Euro denominated bonds on a hedged basis. The Sub-Fund may also invest up to 10% of its assets in emerging markets bonds. This Sub-Fund will follow an active investment strategy, combining a duration stance, yield curve positioning and sector selection. Quasi-government shall be understood as: "Euro denominated investment grade government and government-sponsored public debt". The Sub-Fund may invest up to 10% in other UCITS or UCIs. Financial techniques and instruments for hedging and/or non-hedging purposes may be used. Such financial techniques and instruments shall be used only to the extent they do not hinder the quality of the investment policy of the Sub-Fund. The Sub-Fund may be exposed, on an ancillary basis, to money market instruments and/or money market funds in order to achieve its investment objectives, for treasury purposes and/or in case of unfavourable market conditions. The Sub-Fund may hold, up to 20% of its net assets, ancillary liquid assets which consist of bank deposits at sight such as cash held in current accounts with a bank accessible at any time. **It is specifically drawn to the attention of the investors that they should refer to the Section "Risk Factors", as described in the Prospectus, while investing in this Sub-Fund.**
Benchmark	The Sub-Fund is managed actively in reference to the benchmark *ICE BofAML Euro Non-Financial Index* - (EUR unhedged). For the construction of the portfolio, the benchmark serves as reference in terms of overall exposure to risk factors including country, interest rate and credit position.

	Amplitude of deviations from the benchmark varies depending on the degree of conviction of the investment manager. ***Index disclaimer*** Source ICE Data Indices, LLC (“ICE DATA”), is used with permission. ICE DATA, its affiliates and their respective third party suppliers disclaim any and all warranties and representations, express and/or implied, including any warranties of merchantability or fitness for a particular purpose or use, including the indices, index data and any data included in, related to, or derived therefrom. neither ice data, its affiliates nor their respective third party suppliers shall be subject to any damages or liability with respect to the adequacy, accuracy, timeliness or completeness of the indices or the index data or any component thereof, and the indices and index data and all components thereof are provided on an “as is” basis and your use is at your own risk. ICE DATA, its affiliates and their respective third party suppliers do not sponsor, endorse, or recommend NEAM (Nord Est Asset Management S.A.), or any of its products or services.
Investor Profile	This Sub-Fund is suitable for an investor who is rather well informed in matters of capital markets and rather familiar with possible trends of the interest rate curve, and has a fair knowledge of company profiles.
Risk Profile	The value of the portfolio is determined daily on the basis of the price/market value of each of the bonds, denominated mainly in Euro, issued by European and non-European companies, exchanged on bond markets regulated by the Economic/Monetary Union, with mainly a BBB-/Baa3 rating. The Sub-Fund may also invest in selected bonds denominated in Euro, issued by quasi-governmental and public issuers (other than those issued by public issuers of the Euro zone). Currency hedging of the portfolio is not one of the principal objectives of the Sub-Fund. The market value of the securities in portfolio is influenced by variations both in interest and currency rates, and investors therefore cannot be guaranteed a return on their investment at any specific date.
Investment Manager	Raiffeisen Kapitalanlage-Gesellschaft m.b.H
Global exposure calculation	The method used to calculate the Global Exposure is the commitment approach.
Units	This Sub-Fund will currently issue 5 Categories of Units defined in the Section “Units” of the Prospectus: - Category R - Category I - Category D - Category C - Category ID The Sub-Fund will issue accumulation Units and distribution units. If the amount subscribed does not correspond to a whole number of Units, the appropriate number of Units including any fraction of Unit calculated to the three decimal places will be issued. As far as the distribution policy is concerned please note the following: - accumulation units (Category R, I and C): do not pay any dividend - distribution units (Category D and ID): Category D units pay dividends on a semi-annual basis and Category ID units pay dividends on an annual basis. The ex-dividend date is the fifteenth day of January and July (or the first following Business Day) for Category D units (for the first time in January 2018) and the fifteenth day of November (or the first following Business Day) for Category ID units provided that the Management Company may decide, at its absolute discretion, whether to pay the relevant dividend in respect of Category ID units or not.

	The Management Company expects to distribute the investment income amount received by the Sub-Fund over the previous period. In order to maintain a reasonable level of dividend payment per Unit over the years, capital could also be distributed provided that the Sub-Fund is not affected by such distribution over the long term. The Management Company draws the Unitholders' attention on the fact that the dividend is not guaranteed.
Valuation currency and Valuation Day	The valuation currency of this Sub-Fund will be the EUR. The Net Asset Value will be valued daily (Valuation Day). If this day is not a bank Business Day in Luxembourg, the next following bank Business Day will be the Valuation Day.
Subscriptions, Conversions & Redemptions	The initial subscription period for Category I and R Units took place from January 14, 2002 to January 18, 2002 with payment by January 21, 2002. The initial subscription period for Category C Units took place from March 27, 2017 to April 7, 2017 with payment by no later than April 10, 2017. The initial subscription period for Category D Units took place from November, 13, 2017 to November 16, 2017 with payment by no later than November 17, 2017. The initial subscription period for Category ID Units took place from May 2, 2023 to May 5, 2023 with payment by no later than May 10, 2023. Category R and I Units were issued at the initial price of EUR 10 including subscription fee. Category D Units were issued at an initial price equal to the price of the Net Asset Value per Unit of Category R as of November 16, 2017 plus the applicable subscription fee. Category C Units were issued on February 14, 2018 at an initial price equal to the last available Net Asset Value per Units of Category R plus the applicable subscription fee. Category ID Units were issued at the initial price equal to the last available Net Asset Value per Units of Category I, as of May 24, 2023. Should no subscriptions to units of a category occur during the respective initial subscription period, the first subscription to such units will take place at the last available Net Asset Value per Unit of Category R plus the applicable subscription fee. Any subsequent subscription will be made at a price corresponding to the Net Asset Value per Unit plus the applicable subscription fee. Reminder: - the minimum amount of the first investment in the Fund for Category R, I, ID and D Units is set at EUR 500. - the minimum amount of the first investment in the Fund for Category C Units is set at EUR 50 000. Unitholders' attention is drawn to the fact that they may only convert to Categories in respect of which they meet the definition.
Fees and expenses	No conversion or redemption fees will be levied. <u>Subscription fee</u>:

	- Category R: up to 1% - Category I: none - Category D: up to 1% - Category C: up to 1% - Category ID: none Management fee: the Fund shall pay monthly a management fee to the Management Company at an annual rate defined hereunder calculated on the Sub-Fund's average Net Asset Value of each month. - The annual rate for Category R: of maximum 0,90% - The annual rate for Category I and ID: of maximum 0,35% - The annual rate for Category D: of maximum 0,90% - The annual rate for Category C: of maximum 0,50%
Listing	Units of this Sub-Fund will not be listed on the Luxembourg Stock Exchange.
Securities Financing Transactions (SFTs)	Proportion of assets under management that will be subject to SFTs and TRS: - Securities lending: Expected from 0% to 25%, Max 30% - Securities borrowing 0% - Repurchase agreements 0% - TRS 0%

Sub-Fund 12: **NEF Ethical Balanced Dynamic**	
Investment policy and objectives	The Sub-Fund is a balanced fund, whose objective is to achieve capital appreciation, by respecting the Environmental, Social and Governance (ESG) principles on medium/long term, through an active allocation of the risk mainly in bonds and equities. The Sub-Fund promotes, amongst others, some ESG characteristics in compliance with Article 8 of SFDR but does not have sustainable investment as its objective, as further described in section "APPENDIX I – PRECONTRACTUAL DOCUMENTS". The Sub-Fund will not invest in ABS or MBS. As for the stocks and corporate bonds, the Sub-Fund seeks to invest mainly in stocks and bonds issued by companies with a good quality ESG profile. As for the government and supranational bonds, the Sub-Fund invests in securities issued by: - OECD member countries and countries that launched enhanced engagement with the OECD; - Supranational organizations and entities with rating IG. The Sub-Fund's portfolio duration is between 0.5 and 8 years. The Sub-Fund may invest in: - Stocks, or open-ended UCIs/UCITS investing in equities: from 25% up to 45%; - Bonds, or open-ended UCIs/UCITS investing in fixed income instruments: from 40% up to 75%; - Corporate Bonds with credit rating lower than IG, or open-ended UCIs/UCITS investing in Corporate Bonds with credit rating lower than IG: up to 35%. The Sub-Fund may also invest in: - Money market instruments, or open-ended money market UCIs/UCITS in order to achieve its investment objectives, for treasury purposes and/or in case of unfavourable market conditions; - financial derivative instruments for hedging purpose and for the purpose of efficient portfolio management and investment. The Sub-Fund will enter into currency hedging transactions with regard to Category ID units to protect the value of the Category ID units against the fluctuation of exchange rates EUR/ other currencies. For currency hedged unit category, the benchmark index may be hedged to the currency of that unit category. The Sub-Fund may hold, up to 20% of its net assets, ancillary liquid assets which consist of bank deposits at sight such as cash held in current accounts with a bank accessible at any time. **It is specifically drawn to the attention of the investors that they should refer to the Section "Risk Factors", including the risk factors related to investment in financial and derivatives instruments, as described in the Prospectus, while investing in this Sub-Fund.**
Benchmark	The Sub-Fund is managed actively in reference to the following composite benchmark: • *15% MSCI World Net Total Return EUR Index* (EUR unhedged), • *20% MSCI EMU Net Total Return EUR Index* (EUR unhedged), • *15% ICE BofAML Euro Corporate Index* (EUR unhedged), • *40% ICE BofA Global Government Excluding Japan Index* (EUR unhedged), • *10% ICE BofAML Euro Treasury Bill* (EUR unhedged).

	For the construction of the portfolio, the benchmark serves as reference in terms of overall exposure to risk factors including country, credit, interest rate, currency and sector allocation. Amplitude of deviations from the benchmark varies depending on the degree of conviction of the investment manager. ***Index disclaimer*** Source ICE Data Indices, LLC (“ICE DATA”), is used with permission. ICE DATA, its affiliates and their respective third party suppliers disclaim any and all warranties and representations, express and/or implied, including any warranties of merchantability or fitness for a particular purpose or use, including the indices, index data and any data included in, related to, or derived therefrom. neither ice data, its affiliates nor their respective third party suppliers shall be subject to any damages or liability with respect to the adequacy, accuracy, timeliness or completeness of the indices or the index data or any component thereof, and the indices and index data and all components thereof are provided on an “as is” basis and your use is at your own risk. ICE DATA, its affiliates and their respective third party suppliers do not sponsor, endorse, or recommend NEAM (Nord Est Asset Management S.A.), or any of its products or services. Source: MSCI. Neither MSCI nor any other party involved in or related to compiling, computing or creating the MSCI data makes any express or implied warranties or representations with respect to such data (or the results to be obtained by the use thereof), and all such parties hereby expressly disclaim all warranties of originality, accuracy, completeness, merchantability or fitness for a particular purpose with respect to any of such data. Without limiting any of the foregoing, in no event shall MSCI, any of its affiliates or any third party involved in or related to compiling, computing or creating the data have any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of the possibility of such damages. No further distribution or dissemination of the MSCI data is permitted without MSCI’s express written consent.
Investor Profile	This Sub-Fund is suitable for a type of investor who is interested in, and expert on the capital market, who wishes to invest in a mixed basket, mainly composed by bonds and equities issued by companies with a good quality ESG profile. Investors must consider the possibility of temporary losses of medium importance, which are also a consequence of exchange rate fluctuations.
Risk Profile	The value of the Sub-Fund's portfolio is determined daily on the basis of the price/market value of each of the securities, mainly bonds and equities, contained in the Sub-Fund. These bonds and equities have a medium/long-term maturity and are issued by companies with a good quality ESG profile or national governments, public and supranational organisations. It is possible to use financial derivative instruments for hedging purpose and for the purpose of efficient portfolio management and investment. The securities in portfolio may also be denominated in currencies other than the Euro, and currency hedging of the portfolio is not one of the Sub-Fund's principal objectives. The market value of the securities in portfolio is influenced by variations both in interest and in exchange rates, and investors therefore cannot be guaranteed a return on their investment at any specific date.
Investment Manager	Amundi SGR SpA- Italy Branch
Global exposure calculation	The method used to calculate the Global Exposure is commitment approach.
Units	This Sub-Fund will currently issue 5 Categories of Units defined in the Section “Units” of the Prospectus: - Category R - Category I - Category D - Category C - Category ID The Sub-Fund will issue accumulation Units and distribution units.

	If the amount subscribed does not correspond to a whole number of Units, the appropriate number of Units including any fraction of Unit calculated to the three decimal places will be issued. As far as the distribution policy is concerned please note the following: - accumulation units (Category R, I and C): do not pay any dividend; - distribution units (Category D and ID): pay dividends on an annual basis. The ex-dividend date is the fifteenth day of January (or the first following Business Day) and for the first time was in January 2018 for Category D units and the fifteenth day of November (or the first following Business Day) for Category ID units, provided that the Management Company may decide, at its absolute discretion, whether to pay the relevant dividend in respect of Category ID units or not. The Management Company expects to distribute the investment income amount received by the Sub-Fund over the previous period. In order to maintain a reasonable level of dividend payment per Unit over the years, capital could also be distributed provided that the Sub-Fund is not affected by such distribution over the long term. The Management Company draws the Unitholders' attention on the fact that the dividend is not guaranteed.
Valuation currency and Valuation Day	The valuation currency of this Sub-Fund will be the EUR. The Net Asset Value will be valued daily (Valuation Day). If this day is not a bank Business Day in Luxembourg, the next following bank Business Day will be the Valuation Day.
Subscriptions, Conversions & Redemptions	The initial subscription period for Category R and I Units took place from June 18, 2015 until June 30, 2015 with payment by no later than July 1, 2015. The initial subscription period for Category D Units took place from January 9 to January 13, 2017 with payment by no later than January 16, 2017. The initial subscription period for Category C Units took place from March 27 to April 7 with payment by no later than April 10, 2017. The initial subscription period for Category ID Units took place from May 2, 2023 to May 5, 2023 with payment by no later than May 10, 2023. Category R and I Units were issued at the initial price of EUR 10 including subscription fee. Category D Units were issued at the initial price corresponding to the Net Asset Value per Unit of Category R Units as of January 16, 2017. Category C Units were issued on May 26, 2017 at an initial price equal to the last available Net Asset Value per Units of Category R plus the applicable subscription fee. Category ID Units were issued at the initial price equal to the last available Net Asset Value per Units of Category I, as of May 24, 2023. Should no subscriptions to units of a category occur during the respective initial subscription period, the first subscription to such units will take place at the last available Net Asset Value per Unit of Category R plus the applicable subscription fee. Any subsequent subscription will be made at a price corresponding to the Net Asset Value per Unit plus the applicable subscription fee.

	Reminder: - the minimum amount of the first investment in the Fund for Category R, I, ID and D Units is set at EUR 500. - the minimum amount of the first investment in the Fund for Category C Units is set at EUR 50 000. Unitholders' attention is drawn to the fact that they may only convert to Categories in respect of which they meet the definition.
Fees and expenses	No conversion or redemption fees will be levied. <u>Subscription fee</u>: - Category R: up to 1% - Category I: none - Category D: up to 1% - Category C: up to 1% - Category ID: none <u>Management fee</u>: the Fund shall pay monthly a management fee to the Management Company at an annual rate defined hereunder calculated on the Sub-Fund's average Net Asset Value of each month. - The annual rate for Category R: of maximum 1.30% - The annual rate for Category I and ID: of maximum 0.30% - The annual rate for Category D: of maximum 1.30% - The annual rate for Category C: of maximum 0.60%
Listing	Units of this Sub-Fund will not be listed on the Luxembourg Stock Exchange.
Securities Financing Transactions (SFTs)	Proportion of assets under management that will be subject to SFTs and TRS: - Securities lending: Expected from 0% to 25%, Max 30% - Securities borrowing 0% - Repurchase agreements 0% - TRS 0%

Sub-Fund 13: **NEF Ethical Balanced Conservative**	
Investment policy and objectives	The Sub-Fund is an ethical and balanced fund, whose objective is to achieve capital appreciation, by respecting the Environmental, Social and Governance (ESG) principles on medium/long term, through an active allocation of the risk mainly in bonds and equities. The Sub-Fund promotes, amongst others, some ESG characteristics in compliance with Article 8 of SFDR but does not have sustainable investment as its objective, as further described in section “APPENDIX I – PRECONTRACTUAL DOCUMENTS”. The Sub-Fund will not invest in ABS or MBS. As for the stocks and corporate bonds, the Sub-Fund seeks to invest mainly in stocks and bonds issued by companies with a good quality ESG profile. As for the government and supranational bonds, the Sub-Fund invests in securities issued by: - OECD member countries and countries that launched enhanced engagement with the OECD; - Supranational organizations and entities with rating IG. The Sub-Fund’s portfolio duration is between 0.5 and 6 years. The Sub-Fund may invest in: - Stocks, or open-ended UCIs/UCITS investing in equities: from 10% up to 30%; - Bonds, or open-ended UCIs/UCITS investing in fixed income instruments: from 60% up to 90% (out of which Corporate Bonds with credit rating lower than IG, or open-ended UCIs/UCITS investing in Corporate Bonds with credit rating lower than IG: up to 20%). The Sub-Fund may also invest in: - Money market instruments, or open-ended money market UCIs/UCITS in order to achieve its investment objectives; - financial derivative instruments for hedging purpose and for the purpose of efficient portfolio management and investment. The Sub-Fund may hold, up to 20% of its net assets, ancillary liquid assets which consist of bank deposits at sight such as cash held in current accounts with a bank accessible at any time. **It is specifically drawn to the attention of the investors that they should refer to the Section “Risk Factors”, including the risk factors related to investment in financial and derivatives instruments, as described in the Prospectus, while investing in this Sub-Fund.**
Benchmark	The Sub-Fund is managed actively in reference to the following composite benchmarks: • *30% ICE BofAML 1-10 Year Global Government Index* - (EUR unhedged), • *20% ICE BofAML 1-5 Year Euro Government Index* - (EUR unhedged), • *30% ICE BofAML Euro Corporate Index* - (EUR unhedged), • *10% MSCI World Net Total Return USD Index* - (EUR unhedged), • *10% MSCI EMU Index* - (EUR unhedged). For the construction of the portfolio, the benchmark serves as reference in terms of overall exposure to risk factors including country, credit, interest rate, currency and sector allocation. Amplitude of deviations from the benchmark varies depending on the degree of conviction of the investment manager. ***Index disclaimer***

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Investor Profile	This Sub-Fund is suitable for an investor interested in, and expert on the capital market, who wishes to invest in a mixed basket, mainly composed by bonds and equities issued by companies with a good quality ESG profile. Investors must consider the possibility of temporary losses of medium importance, which are also a consequence of exchange rate fluctuations.
Risk Profile	The value of the Sub-Fund's portfolio is determined daily on the basis of the price/market value of each of the securities, mainly bonds and equities, contained in the Sub-Fund. These bonds and equities have a medium/long-term maturity and are issued by companies with a good quality ESG profile or national governments, public and supranational organisations. It is possible to use financial derivative instruments for hedging purpose and for the purpose of efficient portfolio management and investment. The securities in portfolio may also be denominated in currencies other than the Euro, and currency hedging of the portfolio is not one of the Sub-Fund's principal objectives. The market value of the securities in portfolio is influenced by variations both in interest and in exchange rates, and investors therefore cannot be guaranteed a return on their investment at any specific date.
Investment Manager	Union Investment Luxembourg S.A.
Sub-Investment Manager	Union Investment Institutional GmbH
Global exposure calculation	The method used to calculate the Global Exposure is commitment approach.
Units	This Sub-Fund will currently issue 4 Categories of Units defined in the Section "Units" of the Prospectus: - Category R - Category I - Category D - Category C The Sub-Fund will issue accumulation Units and distribution units. If the amount subscribed does not correspond to a whole number of Units, the appropriate number of Units including any fraction of Unit calculated to the three decimal places will be issued. As far as the distribution policy is concerned please note the following: - accumulation units (Category R, I and C): do not pay any dividend;

	- distribution units (Category D): pay dividends on an annual basis. The ex-dividend date is the fifteenth day of January (or the first following Business Day) and for the first time was in January 2018. The Management Company expects to distribute the investment income amount received by the Sub-Fund over the previous period. In order to maintain a reasonable level of dividend payment per Unit over the years, capital could also be distributed provided that the Sub-Fund is not affected by such distribution over the long term. The Management Company draws the Unitholders' attention on the fact that the dividend is not guaranteed.
Valuation currency and Valuation Day	The valuation currency of this Sub-Fund will be the EUR. The Net Asset Value will be valued daily (Valuation Day). If this day is not a bank Business Day in Luxembourg, the next following bank Business Day will be the Valuation Day.
Subscriptions, Conversions & Redemptions	The initial subscription period for Category R, I, D and C Units took place from March 27 to April 7 with payment by no later than April 10, 2017. Category R, I, D and C Units were issued at the initial price of EUR 10 including subscription fee. Should no subscriptions to units of a category occur during the respective initial subscription period, the first subscription to such units will take place at the last available Net Asset Value per Unit of Category R plus the applicable subscription fee. Any subsequent subscription will be made at a price corresponding to the Net Asset Value per Unit plus the applicable subscription fee. Reminder: - the minimum amount of the first investment in the Fund for Category R, I and D Units is set at EUR 500. - the minimum amount of the first investment in the Fund for Category C Units is set at EUR 50 000. Unitholders' attention is drawn to the fact that they may only convert to Categories in respect of which they meet the definition.
Fees and expenses	No conversion or redemption fees will be levied. <u>Subscription fee</u>: - Category R: up to 1% - Category I: none - Category D: up to 1% - Category C: up to 1% <u>Management fee</u>: the Fund shall pay monthly a management fee to the Management Company at an annual rate defined hereunder calculated on the Sub-Fund's average Net Asset Value of each month. - The annual rate for Category R: of maximum 1.20% - The annual rate for Category I: of maximum 0.45% - The annual rate for Category D: of maximum 1.20% - The annual rate for Category C: of maximum 0.60% the maximum level of the management fees that may be charged both to the Fund itself and to the other UCITS and/or other UCIs in which it intends to invest is 4% in aggregate.

	Sub-Investment Manager fee: the Sub-Investment Manager will be remunerated for its services by the Investment Manager out of its Investment Manager's fee.
Listing	Units of this Sub-Fund will not be listed on the Luxembourg Stock Exchange.
Securities Financing Transactions (SFTs)	Proportion of assets under management that will be subject to SFTs and TRS: - Securities lending: Expected from 0% to 25%, Max 30% - Securities borrowing 0% - Repurchase agreements 0% - TRS 0%

Sub-Fund 14: **NEF Target 2025**	
Investment policy and objectives	The Sub-Fund will mainly invest in global bonds (including HY bonds) issued by public and private bodies with an average maturity not exceeding December 31, 2025, and the maturity of individual holdings not exceeding December 31, 2026. To achieve the management objective and/or for treasury purposes, up to 100% of the portfolio may be invested in fixed rate or floating rate bonds, other negotiable debt securities, money market funds and money market instruments (Treasury bills, Treasury notes, certificates of deposit) from all economic sectors. The Sub-fund may invest: - up to 10% in open ended UCITS or UCIs; - up to 75% in HY Bonds. The average rating of the HY Bonds bucket will not be lower than BB-/Ba3 as rated by credit rating agencies such as Moody's Investor Service or Standard and Poor's; - up to 30% in convertible bonds; - up to 50% in corporate and government bonds in emerging countries. The Sub-Fund's portfolio duration is between 0 and 8 years. The Sub-Fund will not invest in distressed or defaulted securities. The Sub-Fund will enter into currency hedging transactions to protect the value of the Sub-Fund's units against the fluctuation of exchange rates Euro against other currencies. At least 95% of investments in other currencies will be hedged in Euro. Financial techniques and instruments for hedging and/or investment purposes may be used. The Sub-Fund may use unfunded TRS to gain exposure to corporate bonds and emerging sovereign bonds. The returns on the TRS entered into by the Sub-Fund are expected to be linked to the performance of the corporate bonds and emerging sovereign bonds chosen by the Investment Manager. The TRS will allow the Fund to derive the economic benefit equivalent to owning the corporate bonds and emerging sovereign bonds without purchasing those directly. TRS will be based only on those underlying assets which are permitted in accordance with the Sub-Fund's investment policy. The Sub-Fund may hold, up to 20% of its net assets, ancillary liquid assets which consist of bank deposits at sight such as cash held in current accounts with a bank accessible at any time. During the period from the initial date of subscription and until the minimum asset amount under management within the Sub-Fund reaches the level of 10 million Euros, the Sub-Fund shall invest in money market securities. The 31 December 2025 is defined as the target date of the Sub-Fund. From 1 July 2025 once the securities maturity is reached the Sub-Fund will be automatically invested in ancillary liquid assets, money market instruments, term deposits and bonds with maturity in line with the residual limit of the investment universe. No later than the first quarter of 2026 the Sub-Fund will be merged into a sub-fund of NEF. For the avoidance of doubt, the Sub-Fund shall not qualify as a money market fund in the sense of the Regulation (EU) 2017/1131 of the European Parliament and of the Council of 14 June 2017 on money market funds (as may be amended from time to time).

	It is specifically drawn to the attention of the investors that they should refer to the Section "Risk Factors", as described in the Prospectus, while investing in this Sub-Fund.
Disclosure related to the sustainability risk integration and taxonomy	Sustainability risks are integrated into the Sub-Fund's investment management process in compliance with the provisions of Article 6 of SFDR. In accordance with article 7 (1) of SFDR, the principal adverse impacts on sustainability factors are not considered as the investment strategy does not pursue environmental or social characteristics and does not have sustainable investments as its investment objective. The investments underlying this financial product do not take into account the EU criteria for environmentally sustainable economic activities. Further information is available under Section "Sustainability-related disclosures regulation" of the Prospectus.
Benchmark	The Sub-Fund is managed actively in line with the investment policy and objectives. The Sub-Fund is not managed in reference to a benchmark.
Investor Profile	The Sub-Fund is aimed at private and institutional investors looking for greater returns, or a higher income than provided by cash holdings or by quality global government bonds, who are willing to accept the risks associated with their investment, and who are prepared to remain invested until the end date.
Risk Profile	The sub-fund will invest in a combination of high yielding sub investment grade securities and investment grade corporate and government securities. These securities may be subject to higher risk compared with quality government bonds, including a risk of capital loss in the event of a stressed market or high default environment.
Investment Manager	Crédit Mutuel Asset Management
Global exposure calculation	The method used to calculate the Global Exposure is the absolute Value at Risk (VaR) approach with a 20% limit.
Leverage	The leverage achieved in the Sub-Fund through the use of financial derivative instruments is calculated via the sum of the notional approach. The expected level of leverage will be 100% of the Net Asset Value of the Sub-Fund. Under certain circumstances it might exceed the before mentioned expected leverage level.
Units	This Sub-Fund will currently issue 1 Category of Units defined in the Section "Units" of the Prospectus: - Category D The Sub-Fund will issue distribution Units. If the amount subscribed does not correspond to a whole number of Units, the appropriate number of Units including any fraction of Unit calculated to the three decimal places will be issued. As far as the distribution policy is concerned please note the following: - distributing units (Category D): do pay dividends on an annual basis. The ex-dividend date is the fifteenth day of January (or the first following Business Day) and for the first time was in January 2019. The Management Company expects to distribute the investment income amount received by the Sub-Fund over the previous period. In order to maintain a reasonable level of dividend payment per Unit over the years, capital could also be distributed provided that the Sub-Fund is not affected by such distribution over the long term. The Management Company draws the Unitholders' attention on the fact that the dividend is not guaranteed.

Valuation currency and Valuation Day	The valuation currency of this Sub-Fund will be the EUR. The Net Asset Value will be valued daily (Valuation Day). If this day is not a bank Business Day in Luxembourg, the next following bank Business Day will be the Valuation Day.
Subscriptions, Conversions & Redemptions	The initial subscription period took place from March 28, 2018 to April 30, 2018 with payment date no later than May 2, 2018. Units were issued at the initial price of EUR 10 including subscription fee. Any subsequent subscription will be made at a price corresponding to the Net Asset Value per Unit plus the applicable subscription fee. From March 31, 2021 the Sub-Fund has been closed to all buys, subscriptions, and switches in (but not to sales, redemptions and switches out) until the target date. The Management Company may decide, at its discretion, to re-open the Sub-Fund to buys, subscriptions, and switches in at any moment until the target date of the Sub-Fund. In such case, any subsequent buy, subscription, or switch in will be made at a price corresponding to the Net Asset Value per Unit plus the applicable subscription fee (if any). Reminder: the minimum amount of the first investment in the Sub-Fund is set at EUR 500. Unitholders' attention is drawn to the fact that they may only convert to Categories in respect of which they meet the definition.
Fees and expenses	Redemptions/switches during the term of the Sub-Fund will be subject to an "antidilution levy" of 2% the 4 first years and then of 1% for the remaining term. Subscription fee: - Category D: none Management fee: the Fund shall pay monthly a management fee to the Management Company at an annual rate defined hereunder calculated on the Sub-Fund's average Net Asset Value of each month. The annual rate for Category D: of maximum 1,00%
Listing	Units of this Sub-Fund will not be listed on the Luxembourg Stock Exchange.
Securities Financing Transactions (SFTs)	Proportion of assets under management that will be subject to SFTs and TRS: - Securities lending: Expected from 0% to 25%, Max 30% - Securities borrowing 0% - Repurchase agreements 0% - TRS: Expected from 0% to 25%, Max 30%

Sub-Fund 15: **NEF Ethical Global Trends SDG**	
Investment policy and objectives	The Sub-Fund's investment objective is to seek an attractive long-term rate of return, measured in Euros, through investment primarily in equity securities of companies listed on the world's stock exchanges. Investments will be sought primarily in equity securities of companies domiciled in developed countries, but investment may be made in equity securities of companies domiciled in emerging countries. The Sub-Fund has sustainable investment as its objective in compliance with Article 9 of SFDR as further described in section "APPENDIX I – PRECONTRACTUAL DOCUMENTS" below. The Sub-Fund seeks to invest mainly in stocks issued by companies with good quality Environmental, Social and Governance (ESG) profiles that contribute to the achievement of the Sustainable Development Goals (SDGs) as defined by the United Nations. The ESG profile of the company is assessed through both a quantitative analysis based on available international recognised service providers of ESG scores and through a qualitative analysis. The contribution to the achievement of the SDGs, as defined by the United Nations, is implemented through an internal review of the company practices and its business. The SDG compliance is a prerequisite for the investment. The ESG risk analysis is integrated in the fundamentals and valuation analysis of the company. In particular, the Sub-Fund invests in companies involved in long-term market trends resulting from secular changes in economic and social factors. Assets of the portfolio may be invested in equity related securities, such as convertible bonds. The Sub-Fund will not invest in ABS or MBS. Financial techniques and instruments for hedging purposes may be used. The Sub-Fund may be exposed, on an ancillary basis, to money market instruments to achieve its investment objectives and/or for treasury purposes. The Sub-Fund may invest up to 10% in other UCITS or UCIs. The Sub-Fund may hold, up to 20% of its net assets, ancillary liquid assets which consist of bank deposits at sight such as cash held in current accounts with a bank accessible at any time. **It is specifically drawn to the attention of the investors that they should refer to the Section "Risk Factors", as described in the Prospectus, while investing in this Sub-Fund.**
Benchmark	The Sub-Fund is managed actively in reference to the benchmark *MSCI ACWI Value Net Total Return Index USD* (EUR unhedged). The benchmark is not replicated; it merely serves as a reference point. The Investment Manager seeks to outperform the benchmark. The composition of the Sub-Fund and its performance may positively or negatively deviate significantly from the benchmark. ***Index disclaimer*** Source: MSCI. Neither MSCI nor any other party involved in or related to compiling, computing or creating the MSCI data makes any express or implied warranties or representations with respect to such data (or the results to be obtained by the use thereof), and all such parties hereby expressly disclaim all warranties of originality, accuracy, completeness, merchantability or fitness for a particular purpose with respect to any of such data. Without limiting any of the foregoing, in no event shall MSCI, any of its affiliates or any third party involved in or related to compiling, computing or creating the data have any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of the possibility of such

	damages. No further distribution or dissemination of the MSCI data is permitted without MSCI's express written consent.
Investor Profile	This Sub-Fund is suitable for investors who are interested in, and expert on the capital market, who wish to investment mainly in equities issued by companies with a good quality ESG profile. The investor must be comfortable with a possible high volatility of the transferable securities in the portfolio, and be able to withstand temporary losses of considerable proportions.
Risk Profile	The value of the Sub-Fund's portfolio is determined daily on the basis of the market value of each of the equities contained therein. The Sub-Fund pursues a primary investment in shares of companies listed on the main stock exchanges worldwide and with a good quality ESG profile. Investments in this Sub-Fund are subject not only to effects of negative corporate performance, but also to fluctuations of exchange rates.
Investment Manager	Niche Asset Management LTD
Global exposure calculation	The method used to calculate the Global Exposure is commitment approach.
Units	This Sub-Fund will currently issue 4 Categories of Units defined in the Section "Units" of the Prospectus: - Category R - Category I - Category D - Category C The Sub-Fund will issue accumulation and distribution Units. If the amount subscribed does not correspond to a whole number of Units, the appropriate number of Units including any fraction of Unit calculated to the three decimal places will be issued. As far as the distribution policy is concerned please note the following: - accumulation units (Category R, I and C): do not pay any dividend; - distribution units (Category D): Category D units pay dividends on an annual basis. The ex dividend date is the fifteenth day of January (or the first following Business Day) for Category D units. The Management Company expects to distribute the investment income amount received by the Sub-Fund over the previous period. In order to maintain a reasonable level of dividend payment per Unit over the years, capital could also be distributed provided that the Sub-Fund is not affected by such distribution over the long term. The Management Company draws the Unitholders' attention on the fact that the dividend is not guaranteed.
Valuation currency and Valuation Day	The valuation currency of this Sub-Fund will be the EUR. The Net Asset Value will be valued daily (Valuation Day). If this day is not a bank Business Day in Luxembourg, the next following bank Business Day will be the Valuation Day.
Subscriptions, Conversions & Redemptions	The initial subscription period for Category R, I and C Units took place from September 23, 2019 until November 4, 2019 with payment date no later than November 4, 2019. The initial subscription period for Category D Units took place from May 2, 2023 to May 5, 2023 with payment by no later than May 10, 2023. Category R, I and C Units were issued at the initial price of EUR 10 including subscription fee. Category D Units were issued at the initial price equal to the last available Net Asset Value per Units of Category R Units, as of May 24, 2023, plus the applicable subscription fee.

	Should no subscriptions to units of a category occur during the respective initial subscription period, the first subscription to such units will take place at the last available Net Asset Value per Unit of Category R plus the applicable subscription fee. Any subsequent subscription will be made at a price corresponding to the Net Asset Value per Unit plus the applicable subscription fee. Reminder: - the minimum amount of the first investment in the Sub-Fund for Category R, D and I Units is set at EUR 500. - the minimum amount of the first investment in the Sub-Fund for Category C Units is set at EUR 50 000. Unitholders' attention is drawn to the fact that they may only convert to Categories in respect of which they meet the definition.
Fees and expenses	No conversion or redemption fees will be levied. <u>Subscription fee</u>: - Category R: up to 1% - Category I: none - Category D: up to 1% - Category C: up to 1%. <u>Management fee</u>: the Fund shall pay monthly a management fee to the Management Company at an annual rate defined hereunder calculated on the Sub-Fund's average Net Asset Value of each month. - The annual rate for Category R: of maximum 1.55% - The annual rate for Category I: of maximum 0.45% - The annual rate for Category D: of maximum 1.55% - The annual rate for Category C: of maximum 0.70%
Listing	Units of this Sub-Fund will not be listed on the Luxembourg Stock Exchange.
Securities Financing Transactions (SFTs)	Proportion of assets under management that will be subject to SFTs and TRS: - Securities lending: Expected from 0% to 25%, Max 30% - Securities borrowing 0% - Repurchase agreements 0% - TRS 0%

Sub-Fund 16: **NEF Target 2028**	
Investment policy and objectives	The Sub-Fund will mainly invest in global bonds issued by public and private bodies with an average legal maturity not exceeding December 31, 2028, and the legal maturity of individual holdings not exceeding December 31, 2029. To achieve the management objective up to 100% of the portfolio may be invested in fixed rate or floating rate bonds, other negotiable debt securities and money market instruments (Treasury bills, Treasury notes, certificates of deposit) from all economic sectors. The Sub-Fund will not invest in equity securities. The Sub-Fund may invest: - up to 10% in open ended UCITS or UCIs; - up to 50% in high yield Bonds; - up to 40% in corporate and government bonds in emerging countries. The average rating of the whole portfolio of the Sub-Fund will not be lower than BB+. To the extent a publicly issued rating for a security is not available, the Sub-Fund may invest in unrated securities, and rely, notably, on private or shadow ratings issued by one of the major rating agencies, securities issuers' ratings or Investment Manager's own internal ratings. The Sub-Fund will not invest directly in distressed or defaulted securities. In case of an event leading a security in which the Sub-Fund had invested to be considered as distressed or defaulted, the Management Company, in consultation with the Investment Manager, will analyse the situation and eventually instruct the Investment Manager to disinvest a distressed or defaulted security at its earliest convenience and in the best interest of the investors of the Sub-Fund. The Sub-Fund will not invest in convertible bonds, ABS or MBS. The Sub-Fund will enter into currency hedging transactions to protect the value of the Sub-Fund's units against the fluctuation of exchange rates Euro against other currencies. At least 90% of investments in other currencies will be hedged in Euro. The Sub-Fund may also invest in financial derivative instruments for hedging purpose, for efficient portfolio management and investment. The Sub-Fund may hold, up to 20% of its net assets, ancillary liquid assets which consist of bank deposits at sight such as cash held in current accounts with a bank accessible at any time. During the period from the initial date of subscription and until the minimum asset amount under management within the Sub-Fund reaches the level of 50 million Euros, the Sub-Fund may invest in money market securities and government bonds. The 31 December 2028 is defined as the target date of the Sub-Fund. On or around such a date, and no later than the first quarter of 2029, the Sub-Fund will be merged into another sub-fund of NEF, or if such merger is not economically or otherwise feasible, liquidated. Therefore, from 1 July 2028 once the securities maturity is reached the Sub-Fund might be automatically invested in ancillary liquid assets, money market instruments, term deposits and bonds with maturity in line with the residual limit of the investment universe. For the avoidance of doubt, the Sub-Fund shall not qualify as a money market fund in the sense of the Regulation (EU) 2017/1131 of the European Parliament and of the Council of 14 June 2017 on money market funds (as may be amended from time to time).

	It is specifically drawn to the attention of the investors that they should refer to the Section "Risk Factors", including the risk factors related to investment in financial and derivatives instruments, as described in the Prospectus, while investing in this Sub-Fund.
Disclosure related to the sustainability risk integration and taxonomy	Sustainability risks are integrated into the Sub-Fund's investment management process in compliance with the provisions of Article 6 of SFDR. In accordance with article 7 (1) of SFDR, the principal adverse impacts on sustainability factors are not considered as the investment strategy does not pursue environmental or social characteristics and does not have sustainable investments as its investment objective. The investments underlying this financial product do not take into account the EU criteria for environmentally sustainable economic activities. Further information is available under Section "Sustainability-related disclosures regulation" of the Prospectus.
Benchmark	The Sub-Fund is managed in line with the investment policy and objectives. The Sub-Fund is not managed in reference to a benchmark.
Investor Profile	The Sub-Fund is aimed at private and institutional investors looking for greater returns, or a higher income than provided by cash holdings or by quality global government bonds, who are willing to accept the risks associated with their investment, and who are prepared to remain invested until the end date.
Risk Profile	The Sub-Fund will invest in a combination of high yielding sub investment grade securities and investment grade corporate and government securities. These securities may be subject to higher risk compared with quality government bonds, including a risk of capital loss in the event of a stressed market or high default environment.
Investment Manager	PIMCO Europe GmbH
Sub-Investment Manager	PIMCO Europe Ltd Pacific Investment Management Company LLC
Global exposure calculation	The method used to calculate the Global Exposure is commitment approach.
Units	This Sub-Fund will currently issue 2 Categories of Units defined in the Section "Units" of the Prospectus: - Category D - Category D2 The Sub-Fund will issue distribution Units. If the amount subscribed does not correspond to a whole number of Units, the appropriate number of Units including any fraction of Unit calculated to the three decimal places will be issued. As far as the distribution policy is concerned, please note the following: - distributing units (Category D and D2): Category D units pay dividends on an annual basis and Category D2 units pay dividends on semi-annual basis. The ex-dividend date for Category D units is the fifteenth day of January (or the first following Business Day) and for the first time in January 2022. The ex-dividend date for Category D2 units is the fifteenth day of January and July (or the first following Business Day) and for the first time in January 2024. The Management Company expects to distribute the investment income amount received by the fund over the previous period. In order to maintain a reasonable level of dividend payment per Unit over the years, capital could also be distributed provided that the Fund is not affected by such distribution over the long term. The Management Company draw the Unitholders' attention on the fact that the dividend is not guaranteed.

Valuation currency and Valuation Day	The valuation currency of this Sub-Fund will be the EUR. The Net Asset Value will be valued daily (Valuation Day). If this day is not a bank Business Day in Luxembourg, the next following bank Business Day will be the Valuation Day.
Subscriptions, Conversions & Redemptions	The initial subscription period for Category D Units took place from April 6, 2021 to May 21, 2021 (including) with payment date no later than May 21, 2021. The initial subscription period for Category D2 Units took place from September 25, 2023 to September 29, 2023 with payment no later than October 4, 2023. Category D Units were issued at the initial price of EUR 10 including subscription fee. Category D2 Units were issued at the initial price equal to the last available Net Asset Value per Units of Category D, as of September 29, 2023 plus the applicable subscription fee. Any subsequent subscription will be made at a price corresponding to the Net Asset Value per Unit plus the applicable subscription fee. From December 31, 2024 the Sub-Fund will be closed to all buys, subscriptions, and switches in (but not to sales, redemptions and switches out) until the target date. The Management Company may decide, at its discretion, to re-open the Sub-Fund to buys, subscriptions, and switches in at any moment until the target date of the Sub-Fund. In such case, any subsequent buy, subscription, or switch in will be made at a price corresponding to the Net Asset Value per Unit plus the applicable subscription fee (if any). Reminder: the minimum amount of the first investment in the Sub-Fund is set at EUR 500. Unitholders' attention is drawn to the fact that they may only convert to Categories in respect of which they meet the definition.
Fees and expenses	Redemptions/switches during the term of the Sub-Fund will be subject to an "antidilution levy" of 2% till the 31st December 2024 then of 1.5% till the 31st December 2026, 1% till the 31st December 2027 and 0.5% till 31st December 2028. Subscription fee: Category D: up to 1% Category D2: up to 1% Management fee: the Fund shall pay monthly a management fee to the Management Company at an annual rate defined hereunder calculated on the Sub-Fund's average Net Asset Value of each month. The annual rate for Category D: of maximum 0.90% The annual rate for Category D2: of maximum 0.90% Sub-Investment Manager fee: the Sub-Investment Manager will be remunerated for its services by the Investment Manager out of its Investment Manager's fee.
Listing	Units of this Sub-Fund will not be listed on the Luxembourg Stock Exchange.
Securities Financing Transactions (SFTs)	Proportion of assets under management that will be subject to SFTs and TRS: - Securities lending: Expected from 0% to 25%, Max 30% - Securities borrowing 0% - Repurchase agreements 0%

	- TRS: 0%

Sub-Fund 17: **NEF Conservative**	
Investment policy and objectives	The Sub-Fund is a balanced fund, whose objective is to achieve capital appreciation on medium/long term, through an active allocation of the risk mainly in investment grade bonds, rated at least BBB- or equivalent by credit rating agencies such as Moody's Investor Service or Standard and Poor's, and equities both Euro denominated and from developed countries. Eligible assets are assets that are eligible for investment by UCITs under Article 41(1) of the Luxembourg Law of 17 December 2010, as amended (the 'UCITS Law'). As for the government and supranational bonds, the Sub-Fund invests in securities issued by: - OECD member countries and countries that launched enhanced engagement with the OECD with rating Investment Grade; - Supranational organizations and entities with rating Investment Grade. The Sub-Fund invests in: - Stocks, or open-ended UCIs/UCITS investing in equities: from 0% up to 20%; - Bonds, or open-ended UCIs/UCITS investing in fixed income instruments: from 80% up to 100%. The Sub-Fund may also invest in: - Money market instruments, or open-ended money market UCIs/UCITS in order to achieve its investment objectives; - Listed financial derivative instruments (such as futures and options) for hedging purposes only. The Sub-Fund may also invest up to 5% in high yield securities rated not below B- or equivalent by credit rating agencies such as Moody's Investor Service or Standard and Poor's. The Sub-Fund will not invest directly in distressed or defaulted securities. In case of an event leading a security in which the Sub-Fund had invested to be considered as distressed or defaulted, the Management Company, in consultation with the Investment Manager, will analyse the situation and eventually instruct the Investment Manager to disinvest a distressed or defaulted security at its earliest convenience and in the best interest of the investors of the Sub-Fund. The Sub-Fund may also invest up to 5% of its assets in emerging markets, excluding investments in China and Russia. The Sub-Fund will not directly invest in convertible bonds, neither in contingent convertible bonds. The Sub-Fund will not invest in securitization positions in the sense of Regulation (EU) 2017/2402 of the European Parliament and of the Council of 12 December 2017. The Sub-Fund may invest up to 10% in other UCITS or UCIs. The Sub-Fund may hold, up to 20% of its net assets, ancillary liquid assets which consist of bank deposits at sight such as cash held in current accounts with a bank accessible at any time. **It is specifically drawn to the attention of the investors that they should refer to the Section "Risk Factors", including the risk factors related to**

	investment in financial and derivatives instruments, as described in the Prospectus, while investing in this Sub-Fund.
Disclosure related to the sustainability risk integration and taxonomy	Sustainability risks are integrated into the Sub-Fund's investment management process in compliance with the provisions of Articles 6 of SFDR. In accordance with article 7 (1) of SFDR, the principal adverse impacts on sustainability factors are not considered as the investment strategy does not pursue environmental or social characteristics and does not have sustainable investments as its investment objective. The investments underlying this financial product do not take into account the EU criteria for environmentally sustainable economic activities. Further information is available under Section "Sustainability-related disclosures regulation" of the Prospectus.
Benchmark	The Sub-Fund is managed actively in line with the investment policy and objectives. It is not managed in reference to a benchmark.
Investor Profile	This Sub-Fund is suitable for an investor interested in, and expert on the capital market, who wishes to invest in a mixed basket, mainly composed by bonds and equities euro denominated. Investors must consider the possibility of temporary losses of medium importance, which are also a consequence of exchange rate fluctuations.
Risk Profile	The value of the Sub-Fund's portfolio is determined daily on the basis of the price/market value of each of the securities, mainly bonds and equities, contained in the Sub-Fund. These bonds and equities have a medium/long-term maturity and are issued by companies with a high quality credit profile or national governments, public and supranational organisations. It is possible to use listed financial derivative instruments for hedging purpose only. The market value of the securities in portfolio is influenced by variations both in interest and credit spreads as well as the effect of negative corporate performances, and investors therefore cannot be guaranteed a return on their investment at any specific date.
Investment Manager	Union Investment Luxembourg S.A.
Sub-Investment Manager	Union Investment Institutional GmbH
Global exposure calculation	The method used to calculate the Global Exposure is commitment approach.
Units	This Sub-Fund has created 2 Categories of Units defined in the Section "Units" of the Prospectus: - Category I - Category R The initial issue date of Category R will be determined by the Management Company. The Sub-Fund will issue accumulation Units. If the amount subscribed does not correspond to a whole number of Units, the appropriate number of Units including any fraction of Unit calculated to the three decimal places will be issued.
Valuation currency and Valuation Day	The valuation currency of this Sub-Fund will be the EUR. The Net Asset Value will be valued daily (Valuation Day). If this day is not a bank Business Day in Luxembourg, the next following bank Business Day will be the Valuation Day.
Subscriptions, Conversions & Redemptions	The initial subscription period for Category I Units took place from October 9, 2023 to October 13, 2023 with payment by no later than October 13, 2023.

	Category I Units were issued at the initial price of EUR 10 including subscription fee, if applicable. Any subsequent subscription will be made at a price corresponding to the Net Asset Value per Unit plus the applicable subscription fee. Reminder: - the minimum amount of the first investment in the Fund for Category I is set at EUR 10.000.000. (Upon discretionary decision of the Management Company an amount inferior might be accepted.)
Fees and expenses	No conversion or redemption fees will be levied. <u>Subscription fee</u>: - Category I: none <u>Management fee</u>: the Fund shall pay monthly a management fee to the Management Company at an annual rate defined hereunder calculated on the Sub-Fund's average Net Asset Value of each month. - The annual rate for Category I: of maximum 0.28% The maximum level of the management fees that may be charged both to the Fund itself and to the other UCITS and/or other UCIs in which it intends to invest is 2% in aggregate. <u>Sub-Investment Manager fee:</u> the Sub-Investment Manager will be remunerated for its services by the Investment Manager out of its Investment Manager's fee.
Listing	Units of this Sub-Fund will not be listed on the Luxembourg Stock Exchange.
Securities Financing Transactions (SFTs)	Proportion of assets under management that will be subject to SFTs and TRS: - Securities lending: Expected from 0% to 25%, Max 30% - Securities borrowing 0% - Repurchase agreements 0% - TRS 0%

THE UNITS

1. The Unitholders

Except as set out in this chapter under section 4 below, any person or legal entity may be a Unitholder and own one or more Categories of Units of the Fund or its different Sub-Funds on payment of the applicable subscription or acquisition price.

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

Neither the Unitholders nor their heirs or successors may request the liquidation or the sharing-out of the Fund and shall have no rights with respect to the representation and management of the Fund and their death, incapacity, failure or insolvency shall have no effect on the existence of the Fund.

2. Reference Currency

The reference currency of each Sub-Fund will be expressed in the reference currency specified under the Section "Available Sub-Funds and Investment Policies". However, for the needs of the Fund's consolidated financial reports, the total net assets of the Fund will be expressed in EUR.

3. Form, ownership and transfer of Units

The Management Company may create as many Sub-Funds as deemed necessary, according to criteria that said Management Company determines. Within each Sub-Fund, the Management Company is entitled to create different categories and/or sub-categories ("the Categories" and "the Sub-Categories"), that may be characterised by their distribution policy (distribution Units - accumulation Units), different reference currency, different fee level, and or by any other feature to be determined by the Management Company. Information regarding any such creation/modification will be formalised by way of an amendment to the present Prospectus.

The Management Company may in respect of each Sub-Fund resolve to issue all or any of the Categories of Units described hereunder. The particular Categories available in any Sub-Fund are defined above in the Section "Available Sub-Funds and investment policies":

Category R will be available for any kind of investors.

Category I and ID units will be available for the following type of investors (hereinafter and for the purposes of this Prospectus, referred to as the "Institutional Investors"): a) "professional clients" as defined by Annex II, section 1 of Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 ("MIFID II"), even when acting on behalf of their customers in the provision of services and investment activities (e.g. portfolio management); b) the representative associations of the entities under point a); c) foundations; d) public bodies; e) public administrations; f) social security institutions; g) holding companies (i.e. companies that own the assets of other subsidiaries and their sole function is to carry out technical-financial coordination activities of the subsidiaries and do not produce nor exchange any goods and / or services).

Category D and D2 will be available for any kind of investors.

Category C will be available for (i) all legal persons who do not satisfy the above definition of Institutional Investors and (ii) all natural persons, subject to fulfilling the minimum initial subscription requirement. For the avoidance of doubt, the minimum initial subscription requirement for Category C units for persons under (i) and (ii) above is EUR 50 000.

Category PIR will be available for natural persons acting out of the scope of their entrepreneurial activity.

Units will be issued at no par value in registered form, without certificate. Confirmation statements will be issued to the Unitholders.

The Units are attested by entries in the register of Unitholders.

Registered Units are transferable by means of a written deed executed by or on behalf of the transferor. The transfer of registered Units might be subject to costs.

4. Restrictions on subscription and ownership

The Management Company may, at any time and at its discretion, temporarily discontinue, terminate or limit the issue of Category of Units to persons or corporate bodies resident or established in certain countries or territories. The Management Company may also prohibit certain persons or corporate bodies from directly or beneficially acquiring or holding Units if such a measure is necessary for the protection of the Fund, the Management Company or the Unitholders.

In particular, the Management Company may restrict or prevent the ownership of Units by any U.S. person. The term "U.S. person" means a citizen or resident of, or a company or partnership organised under the laws of or existing in any state, commonwealth, territory or possession of the United States of America, or an estate or trust (other than an estate or trust the income of which from sources outside the United States of America is not capable of inclusion in gross income for purpose of computing United States income tax payable by it), or any firm, company or other entity, regardless of citizenship, domicile or residence if under the income tax laws of the United States of America from time to time in effect, the ownership thereof would be attributed to one or more U.S. persons or any such other person or persons defined as a "U.S. person" under Regulation S promulgated under the United States Securities Act of 1933 or in the United States Internal Revenue Code of 1986, as amended from time to time.

In addition, the Management Company may direct the Depositary to: (1) reject any application for Units; (2) redeem at any time Units held by Unitholders who are excluded from purchasing or holding such Units.

In the event that the Management Company gives notice of a compulsory redemption for any of the reasons set out above to a Unitholder, such Unitholder shall cease to be entitled to the Units specified in the redemption notice immediately after the close of business on the date specified therein.

5. Rights of fractions of Units

Fractions of Category of Units are, in due proportion, entitled to the same rights as full Units. Fractions will be issued until the third decimal.

MARKET TIMING AND LATE TRADING

According to the Circular 04/146 issued by the Luxembourg Commission de Surveillance du Secteur Financier (hereinafter the "CSSF") and concerning the protection of undertakings for collective investment and their investors against Late Trading and Market Timing practices, the Fund does not permit any practices related to Market Timing and Late Trading.
The Circular defines the Market Timing as "an arbitrage method through which an investor systematically subscribes and redeems or convert units or shares of the Fund 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 value of the Fund".
The Circular defines the Late Trading as "the acceptance of a subscription, conversion or redemption order after the time limit fixed for accepting orders (cut-off time) on the relevant day and the execution of such order at the price based on the net asset value (NAV) applicable to such same day".
The Board of Directors reserves the right to reject any subscription and conversion requests from an investor suspected to use Market Timing and/or Late Trading practices and is entitled to take any measures it deems appropriate to prevent such practices and to protect the other investors.
Subscriptions, redemptions and conversions are dealt with at an unknown Net Asset Value.

ANTI MONEY LAUNDERING PROCEDURES AND FURTHER IDENTIFICATION REQUIREMENTS

Pursuant to international rules and Luxembourg laws and regulations comprising, but not limited to, the Law of 12 November 2004 on the fight against money laundering and financing of terrorism, as amended, CSSF Regulation 12-02, as amended, and circulars of the supervising authority, obligations have been imposed on all professionals of the financial sector to prevent the use of undertakings for collective investment for money laundering and financing of terrorism purposes. As a result of such provisions, the registrar agent of a Luxembourg undertaking for collective investment must in principle ascertain the identity of the subscriber as well as potentially of any beneficial owner in accordance with Luxembourg laws and regulations. The Central Administration may require subscribers to provide any document it deems necessary to effect such identification.

Namely, the requests for subscription must be accompanied, in the case of individuals, by a certified copy of the investor's passport or identification card and, in the case of legal entities, by a certified copy of the investor's articles of incorporation and, where applicable, an extract from the commercial register or a copy of such other documents as may be requested as verification of the identity and address of the individual or legal entity.

More generally the Fund and its Central Administration shall be able to require any documentation from subscriber that it deems necessary in order to comply with any law and regulations applicable to the Fund, and in particular, the FATCA Rules.

This identification procedure must be complied with by CACEIS Bank Luxembourg S.A. until December 31st, 2016 and CACEIS Bank, Luxembourg Branch as from January 1st, 2017, acting as Central Administration (or the relevant competent agent of registrar and transfer agent) in the case of direct subscriptions to the Registrar and Transfer Agent, and in the case of subscriptions received by the Company from any intermediary resident in a country that does not impose on such intermediary an obligation to identify investors equivalent to that required under AML Regulations.

Investors are requested to communicate forthwith any change in their situation that will prove the information previously submitted to be no longer valid or sufficient, and shall provide the necessary additional information.

In case of delay or failure by a subscriber to provide the documents required, the application for subscription (or, if applicable, for conversation or for redemption) will not be accepted. In the case of a failure to provide the documents and information requested in the context of ensuring compliance of the Fund with FATCA Rules, the Fund may also be entitled to force the redemption of the Units. Neither the Fund nor the Central Administration have any liability for delays or failure to process deals as a result of the subscriber providing no or only incomplete documentation.

SUBSCRIPTION FOR AND REDEMPTION OF UNITS

1. Subscription for Units

Unless provided in the relevant Appendix, Investors and Unitholders may subscribe, redeem or convert their Category of Units on each Valuation Day with the Registrar and Transfer Agent, or with any authorised bank or sales agent, subject to the approval of the Management Company.

The Management Company has the right, in its sole and absolute discretion, to reject any application (in whole or in part) for subscription to Category I or Category ID units in the relevant Sub-Fund. If an application is not accepted or is cancelled for any reason, the amount paid on application will be returned without interest, less any charges to the remitting bank, to the account of the remitter quoting the applicant’s name.

Units may be issued on each Valuation Day as further described for each Sub-Fund in the prospectus, but at least twice a month, subject to the right of the Management Company to discontinue temporarily such issue as provided in the Section “Determination of the Net Asset Value per Unit” under the heading “Suspension of Calculation”.

The subscriptions will be processed on the basis of the Net Asset Value per Unit of the relevant Category on a Valuation Day, provided that applications for subscription are received by the Registrar and Transfer Agent by 2 p.m. on that Valuation Day. Applications received after that time will be processed on the next Valuation Day.

Applications for subscription must be made by sending a subscription request in a form determined by resolution of both the Management Company and the Depositary. Subscription requests can be expressed in a number of units or in amount.

The Fund will accept payment (excluding cheques) in any major freely convertible currency not later than three Business Days after the relevant Valuation Day. If the payment is made in a currency different from the Reference Currency, any currency conversion cost shall be borne by the Unitholder.

The minimum of the first investment in the Fund is set at EUR 500 for Category R, I, ID and D Units. The minimum of the first investment in the Fund is set at EUR 50 000 for Category C Units.

In addition to the subscription fees applicable to subscriptions, other exceptional fees may be charged to the subscribers in favour of the authorised bank or sale agent who has sold the Units.

The attention of Unitholders is hereby drawn to the fact that Category I and C Units may only be subscribed to by investors who are qualified to hold Units of such a Category.

• Pluriannual Investment Plan

In addition to the single payment subscription's procedure described above (hereinafter referred as "Single Payment subscription"), investors may also subscribe a Pluriannual Investment Plan (hereinafter referred to as "Plan").

Subscriptions performed by way of a Plan may be subjected to other conditions than Single Payment subscriptions, provided these conditions are not less favourable or more restrictive for the Fund. The Board of Directors may notably decide:

- whether the subscriber may decide the number of payments as well as their frequencies and amounts;
- that the amount of subscription may be inferior to the minimum amount of subscription applicable to Single Payment subscriptions;
- that in addition to the subscription fee applicable to Single Payment subscriptions, other exceptional fees may be charged to the subscriber of Plan in favour of or the authorised bank or sales agent who has placed the Plan;

Terms and conditions of Plans offered to the subscribers are fully described in separate leaflets offered to subscribers in countries, if any, where a Plan is available. This Prospectus is attached to such leaflets, or such leaflets describe how a Prospectus can be obtained. Terms and conditions of Plans do not interfere with the right of any subscriber to redeem their Unit(s) as defined under the heading "Redemption of Units" of this Section.

2. Redemption of Units

Unitholders may at any time request redemption of their Units of any Category. Redemption requests can be expressed in number of units or in amount.

Redemptions will be processed on the basis of the Net Asset Value per Unit of the relevant Category on a Valuation Day provided that applications for redemption are received by the Registrar and Transfer Agent by 2 p.m. on that Valuation Day. Applications received after that time will be processed on the next Valuation Day. It is not currently foreseen that a redemption fee shall be levied. However, additional fees may be charged to the investors in order to remunerate the activity performed by the banks acting as payment agents or by those subjects that have intermediated the Units redemption.

Applications for redemption must be made by sending to the Registrar and Transfer Agent, or to any bank and sales agent appointed by it for this purpose, a redemption request in a form determined by resolution of both the Management Company and the Depositary.

Redemption requests by a Unitholder who is not a physical person must be accompanied by a document evidencing authority to act on behalf of such Unitholder or power of attorney which is acceptable in form and substance to the Management Company. Redemption requests made in accordance with the foregoing procedure shall be irrevocable, except that a Unitholder may revoke such request in the event that it cannot be honoured for any of the reasons specified in the Section "Determination of the Net Asset Value per Unit".

Investors may also redeem their Units by means of a redemption Plan. Terms and conditions of such Plan are fully described in separated leaflets offered to subscribers in countries where such Plan is available. In that case, exceptional fees may be charged to the investor in favour of the authorized bank or sale agent who has received the redemption request.

Payment of the redemption price will be made by the Depositary not later than one week from the relevant Valuation Day or at the date on which the transfer documents have been received by the Registrar and Transfer Agent, whichever is the later date. Payment for such Category of Units will be made in the

Reference Currency of the Sub-Fund. Payment for such Category of Units may also be made in such other currency that may be freely purchased with the Reference Currency and that a Unitholder applying for redemption of its Category of Units may request, provided that any currency conversion cost shall be deducted from the amount payable to such Unitholder.

The Management Company may approve the redemption of Category of Units by means of securities of the corresponding Sub-Fund provided that the holder accepts such a redemption in specie, that such a redemption is not made to the detriment of the remaining holders of Category of Units of the relevant Sub-Fund and provided that the equality amongst holders of the Sub-Fund is at all time maintained. A valuation report, the cost of which is to be borne by the relevant holder, will be drawn up by the auditor ("réviseur d'entreprises agréé") of the Fund and will be deposited with the Court and available for inspection at the registered office of the Fund.

With a view to protecting the interests of all Unitholders, the Management Company will be entitled at its discretion, to limit the number of Units redeemed on any Valuation Day to 10 per cent of the total number of Units in issue in the relevant Sub-Fund. In this event, the limitation will apply pro rata so that all holders wishing to redeem their Units on that Valuation Day redeem the same proportion of such Units, and Units not redeemed but which would otherwise have been redeemed will be carried forward for redemption, subject to the same limitation, on the next Valuation Day. In this case, all applications for redemption without any exception will be processed at the Net Asset Value per Category of Unit thus calculated. If requests for redemption are so carried forward, the Management Company will inform the Unitholders affected.

If on any given date payment in respect of requests involving substantial redemptions cannot be effected out of the Fund's assets or authorised borrowings, the Management Company may defer payments for such period as is considered necessary to sell part of the Fund's assets in order to be able to meet the substantial redemption requests.

The Management Company may compulsory redeem the entire unitholding of any Unitholder who would not comply with the minimum holding request, if any, as stated in Section "Available Sub Funds and investment Policies" in the Prospectus.

The Management Company may impose such restrictions as they may think necessary for the purpose of ensuring that no Units in the Fund are acquired or held by (a) any person in breach of the laws or requirements of any country or governmental authority, or (b) any person in circumstances which in the opinion of the Management Company might result in the Fund incurring any liability of taxation or suffering any other disadvantage which the Fund might not otherwise have incurred or suffered. The Fund may compulsorily redeem all Units held by any such person.

In accordance with the Management Regulations, the Management Company may further compulsorily redeem all of the Units of a given Sub-Fund if, at any time, the Net Asset Value of such Sub-Fund shall, on a Valuation Date, be less than EURO 5 million or its equivalent in the Reference Currency.

The provisions listed herein will apply mutatis mutandis to the compulsory redemption of Units.

CONVERSION

Unless otherwise specified in the relevant Appendix, Units of one category may be converted into Units of another Category within the same Sub-Fund and Units of a Category of one Sub-Fund may be converted into a Category of Units of another Sub-Fund. Unitholders are entitled to convert some or all of their Category of Units on any day which is a Valuation Day for both relevant Sub-Funds or Categories, by making application to the Registrar and Transfer Agent or to any bank and sales agent appointed by it for this purpose, including the relevant information.

Applications for conversion will be processed on a Valuation Day provided that requests for conversion are received by the Registrar and Transfer Agent by 2 p.m. on that Valuation Day. All applications for conversion reaching the Registrar and Transfer Agent after the time specified will be executed on the following Valuation Day at the net asset value then prevailing.

A request for conversion may be refused by the Management Company if the amount to be converted in one Sub-Fund or Category of Units is inferior to the applicable Minimum Subscription Amount, or if the implementation of such request would leave the Unitholder with a balance of Units in the previously held Sub-Fund or Category amounting to less than the applicable Minimum Subscription Amount. The above minimum amounts do not take into account any applicable conversion charges. Conversion will also be refused if the calculation of the Net Asset Value of one of the relevant Sub-Funds is suspended.

The Unitholder's attention is drawn to the fact that they may only convert to Categories in respect of which they meet the definition.

The rate at which all or any part of a holding of Units of any Sub-Fund or Category (the "original Sub-Fund") is converted on any such valuation day into units of another Sub-Fund or Category (the "new Sub-Fund") will be determined in accordance with the following formula:

Subject to the charges specified under Section "Available Sub-Funds and Investment Policies" (the maximum conversion fee being 3% of the NAV per Unit of the new Sub-Fund) and to what might be otherwise provided for in the Prospectus, Units of all Sub-Funds may be converted into Units of another Sub-Fund on any Valuation Day pursuant to the following formula:

A = B x C x E / D - where

"A" = the number of Units of the new Sub-Fund or Category to be allotted;
"B" = the number of the previously held Units;
"C" = the relevant Net Asset Value, less applicable conversion charges, if any, of the previously held Units;
"D" = the relevant Net Asset Value of the Units of the new Sub-Fund or Category to be allotted; and,
"E" = the applicable currency conversion factor, if any.

DETERMINATION OF THE NET ASSET VALUE PER UNIT

1. Frequency of Calculation

The Net Asset Value per Unit and the issue, redemption and exchange prices will be valued on each Valuation Day, as defined under the chapter "Issue and Redemption of Units", by reference to the value of the assets of the Fund in accordance with the present Section, under the heading "Valuation of the Assets". The calculation of that Net Asset Value per Unit will be done on the next Business Day by the Central Administration Agent under guidelines established by, and under the responsibility of, the Management Company. Whenever used herein, the term "Business Day" shall mean a full day on which banks and stock exchanges are open for business in Luxembourg.

2. Calculation

The Net Asset Value per Unit shall be expressed in the Reference Currency of each Sub-Fund and shall be calculated by dividing the Net Asset Value of the Fund attributable to each Sub-Fund which is equal to (i) the value of the assets of the Fund attributable to such Sub-Fund and the income thereon, less (ii) the liabilities of the Fund attributable to such Sub-Fund and any provisions deemed prudent or necessary, by the total number of Units outstanding in such Sub-Fund on the relevant Valuation Day.
The Net Asset Value per Unit is expressed with two decimal places.

The percentages of the total Net Asset Value allocated to each Category of Units within one Sub-Fund shall be determined by the ratio of Units issued in each Category of Units within one Sub-Fund to the total number of Units issued in the same Sub-Fund, and shall be adjusted subsequently in connection with the distribution effected and the issues, conversions and redemptions of Units as follows: (1) on each occasion when a distribution is effected, the Net Asset Value of the Units which received a dividend shall be reduced by the amount of the distribution (causing a reduction in the percentage of the Net Asset Value allocated to these units), whereas the Net asset Value of the other Units of the same Sub-Fund shall remain unchanged (causing an increase in the percentage of the Net Asset Value allocated to these Units); (2) on each occasion when Units are issued, converted or redeemed the Net Asset Value of the respective Categories of Units, within the relevant Sub-Fund shall be increased or decreased by the amount received or paid out.

The proceeds net of charges to be received from the issue of Units of a Sub-Fund shall be applied in the books of the Fund to that Sub-Fund and the relevant amount shall increase the proportion of the net assets of such Sub-Fund to be issued, and the assets and liabilities and income and expenditure attributable to such Sub-Fund(s) shall be applied to the corresponding Sub-Fund subject to the provisions of this chapter.

Without prejudice to what has been stated hereabove, when the Board of Directors has decided for a specific Sub-Fund to issue several Categories and/or Sub-Categories of Units, the Board of Directors may also decide to compute the Net Asset Value per Unit of a Category and/or Sub-Category as follows: on each Valuation Day the assets and liabilities of the considered Sub-Fund are valued in the reference currency of the Sub-Fund. The Categories and/or Sub-Categories of Units participate in the Sub-Fund's assets in proportion to their respective numbers of portfolio entitlements. Portfolio entitlements are allocated to or deducted from a particular Category and/or Sub-Category on the basis of issues or repurchases of Units of each Category and/or Sub-Category, and shall be adjusted subsequently with the distribution effected as well as with the issues, conversions and/or redemptions. The value of the total number or portfolio entitlements attributed to a particular Category and/or Sub-Category on the given Valuation Day represents the total Net Asset Value attributable to that Category and/or Sub-Category of Units on that Valuation day. The Net Asset Value per Unit of that Category and/or Sub-Category equals to the total Net Asset Value on that day divided by the total number of Units of that Category and/or Sub-Category then outstanding.

Although the Fund represents a single copropriatorship, unless otherwise agreed to with the creditors and any commitments apply to any Sub-Fund of the Fund, the assets and liabilities of each Sub-Fund following from these commitments are attributed to separate Sub-Funds. The rights of unitholders and of creditors concerning a Sub-Fund or which have arisen in connection with the creation, operation or liquidation of a Sub-Fund are limited to the assets of that Sub-Fund. The assets of a Sub-Fund are exclusively available to satisfy the rights of investors in relation to that Sub-Fund and the rights of those creditors whose claims have arisen in connection with the creation, the operation or the liquidation of that Sub-Fund.

If since the time of determination of the Net Asset Value of the Fund there has been a material change in the quotations in the markets on which a substantial portion of the investments of the Fund are dealt in or quoted, the Management Company may, in order to safeguard the interests of the Unitholders and the Fund, cancel the first valuation and carry out a second valuation.

To the extent feasible, investment income, interest payable, fees and other liabilities (including the administration and management fees of the Management Company) will be accrued daily. The charges incurred by the Fund are set out in the Section "Charges and Expenses of the Fund".

3. Suspension of Calculation

The Management Company may temporarily suspend the determination of the Net Asset Value per Unit and in consequence the issue, redemption and exchange of Units of a Sub-Fund in any of the following events:

- When one or more stock exchanges, or one or more Regulated Markets, which provide the basis for valuing a substantial portion of the assets of the Sub-Fund, or when one or more foreign exchange markets in the currency in which a substantial portion of the assets of the Sub-Fund is denominated, are closed otherwise than for ordinary holidays or if trading thereon is restricted or suspended;
- When, as a result of political, economic, military or monetary events or any circumstances outside the responsibility and the control of the Management Company, disposal of the assets of the Sub-Fund is not reasonably or normally practicable without being seriously detrimental to the interests of the Unitholders;
- In the case of breakdown in the normal means of communication used for the valuation of any investment of the Sub-Funds or if, for any reason, the value of any asset of the Sub-Fund may not be determined as rapidly and accurately as required;
- When the Management Company is prevented from repatriating funds for the purpose of making payments on the redemption of the Units or when any transfer of funds involved in the realisation or acquisition of investments or payments due on redemption of Units cannot in the opinion of the Management Company be effected at normal rates of exchange.
- When exceptional circumstances might negatively affect Unitholders' interests, or when redemptions would exceed 10% of a Sub-Fund's net assets.

Any such suspension and the termination thereof shall be notified to those Unitholders who have applied for subscription, redemption or conversion of their Units and shall be published as provided in Section "Information For The Unitholders" hereof. Unless withdrawn, their applications will be considered on the first Valuation Day after the suspension is lifted.

Any suspension in one single Sub-Fund shall have no cause on the calculation of the Net Asset Value in the other Sub-Funds.

4. Valuation of the Assets

The valuation of the Net Asset Value per Unit shall be made in the following manner:

I. The assets of the Fund shall include:

1) all cash on hand or on deposit, including any interest accrued thereon;
2) all bills and notes payable and accounts receivable (including proceeds of securities sold but not delivered);
3) all bonds, time notes, shares, stock, debenture stocks, units/shares in undertakings for collective investment, subscription rights, warrants, options and other securities, financial instruments and similar assets owned or contracted for by the Fund (provided that the Fund may make adjustments in a manner not inconsistent with paragraph 1. below with regard to fluctuations in the market value of securities caused by trading ex-dividends, ex-rights, or by similar practices);
4) all stock dividends, cash dividends and cash distributions receivable by the Fund to the extent information thereon is reasonably available to the Fund;
5) all interest accrued on any interest-bearing assets owned by the Fund except to the extent that the same is included or reflected in the principal amount of such asset;
6) the preliminary expenses of the Fund, including the cost of issuing and distributing Units of the Fund, insofar as the same have not been written off;
7) all other assets of any kind and nature including expenses paid in advance.

The value of such assets shall be determined as follows:

1) The value of any cash on hand or on deposit, bills and demand notes and accounts receivable, prepaid expenses, cash dividends and interest declared or accrued as aforesaid and not yet received shall be deemed to be the full amount thereof, unless in any case the same is unlikely to be paid or received in full, in which case the value thereof shall be arrived at after making such discount as the Management Company may consider appropriate in such case to reflect the true value thereof.
2) The value of each security and financial derivative instrument which is quoted or dealt in on a stock exchange will be valued at its latest available price on the stock exchange which is normally the principal market for such security and financial derivative instrument.
3) The value of each security dealt in on any other Regulated Market will be based on the price of the last available transaction. The latest available prices used to value the portfolios may differ from one Regulated Market to another one (or one sub-fund to another one).
4) In the event that any of the securities held in the Fund's portfolio on the relevant day are not quoted or dealt in on any stock exchange or dealt in on any other Regulated Market or if, with respect of securities quoted or dealt in on any stock exchange or dealt in on any Regulated Market, the price as determined pursuant to sub-paragraphs 2. or 3. is not representative of the relevant securities, the value of such securities will be determined based on a reasonable foreseeable price determined prudently and in good faith by the Management Company.
5) The financial derivative instruments which are not listed on any official stock exchange or traded on any other organised market will be valued on each Valuation Day in accordance with market practice with a constant, reliable and verifiable method.
6) Units or shares in underlying open-ended investment funds shall be valued at their last available net asset value reduced by any applicable charges. Units or shares in underlying closed-ended undertakings for collective investments shall be valued at their last available stock market price.

II. The liabilities of the Fund shall include:

1) all loans, bills and accounts payable;
2) all accrued interest on loans of the Fund (including accrued fees for commitment for such loans);
3) all accrued or payable expenses (including administrative expenses, advisory and management fees, including incentive fees, and depositary fees);

4) all known liabilities, present and future, including all matured contractual obligations for payments of money or property, including the amount of any unpaid distributions declared by the Fund;

5) an appropriate provision for future taxes based on capital and income to the Valuation Day, as determined from time to time by the Fund, and other reserves (if any) authorised and approved by the Management Company, as well as such amount (if any) as the Management Company may consider to be an appropriate allowance in respect of any contingent liabilities of the Fund;

6) all other liabilities of the Fund of whatsoever kind and nature reflected in accordance with generally accepted accounting principles. In determining the amount of such liabilities, the Fund shall take into account all charges and expenses payable by the Fund pursuant to Article 12 and accruals of administrative and other expenses of a regular or recurring nature based on an estimated amount rateably for yearly or other periods.

The value of all assets and liabilities not expressed in the Reference Currency of the concerned Sub-Fund will be converted into the Reference Currency of this Sub-Fund at the rate of exchange ruling in Luxembourg on the relevant Valuation Day. If such quotations are not available, the rate of exchange will be determined in good faith by or under procedures established by the Board of Directors of the Management Company. If the Reference Currency of a specific Sub-Fund is not the same as the Reference Currency of the Fund, the net asset value of such Sub-Fund will be converted in the Fund's Reference Currency.

The Board of Directors of the Management Company, in its discretion, may permit some other method of valuation to be used, if it considers that such valuation better reflects the fair value of any asset of the Fund.

In the event that extraordinary circumstances render a valuation in accordance with the foregoing guidelines impracticable or inadequate, the Management Company will, prudently and in good faith, use other criteria in order to achieve what it believes to be a fair valuation in the circumstances.

GENERAL LEGAL CONSIDERATIONS

The Fund and the Management Company are governed by Luxembourg law. Investment in the Fund may involve legal requirements, foreign exchange restrictions and tax considerations unique to each investor. The Management Company makes no representations with respect to whether any Unitholder is permitted to hold such Units.

Prior to making an investment decision, prospective investors should consult their own legal and tax advisers and inform themselves as to the legal requirements within their own countries relating to the acquisition, holding or disposal of Units in the Fund; as to any foreign exchange restrictions which they might encounter; and as to their taxation position on the holding or disposal of Units. Capital gains, dividends and interest on securities issued in countries other than Luxembourg may be subject to witholding or capital gains taxes imposed by such countries.

LUXEMBOURG TAX CONSIDERATION

Under the laws of Luxembourg as currently in effect, the Fund is not liable to any Luxembourg tax on profits or income, nor are distributions (if any) paid by the Fund liable to any Luxembourg withholding tax. No Luxembourg tax is payable on the realised or unrealised capital appreciation of the assets of the Fund. The Fund is, however, liable in Luxembourg to a tax of 0.05% per annum of its Net Asset Value, such tax being payable quarterly on the basis of the Net Asset Value of the Fund at the end of the relevant quarter. Nevertheless, this annual rate will be reduced to 0,01% for the Sub-Fund(s) and/or Category which investment policy(ies) qualify with the criteria resulting (1) from the Grand-Ducal Regulation of April 14, 2003 adopted pursuant to Article 129 of the Law (2) from Article 129 of the Law.

Taxation of the Unitholders

EU Tax Considerations for individuals resident in the EU or in certain third countries or dependent or associated territories

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

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

Dividends distributed by a Sub-Fund will be subject to the Directive and the Law if more than 15% of such Sub-Fund’s assets are invested in debt claims (as defined in the Law) and proceeds realised by unitholders on the redemption or sale of Units in a Sub-Fund will be subject to the Directive and the Law if more than 40% of such Sub-Fund’s assets are invested in debt claims (such Sub-Funds, hereafter “Affected Sub-Funds”).

The applicable withholding tax will be at a rate of 15% from July 1, 2005 until June 30, 2008, 20% from July 1, 2008 until June 30, 2011 and 35% from July 1, 2011 onwards.

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

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

According to the law of 25 November 2014, which entered into force on 1 January 2015, Luxembourg replaced the withholding tax mechanism by an automatic exchange of information regarding the payment of interest or similar income.

The EU Savings Directive has been repealed on November 10, 2015 by Directive 2015/2060/EU but will continue to apply until all reporting obligations under EU Savings Directive have been complied with.

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

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

Unitholders are not subject to any capital gains, income or withholding tax in Luxembourg to the extent that they are not domiciled, resident or do not have a permanent establishment in Luxembourg. A Unitholder should consult its tax adviser to determine if and to what extent its jurisdiction of domicile may subject such Unitholder to tax.

Automatic Exchange of Information (EAI) / Directive on Administrative Cooperation in the field of taxation (DAC)

In February 2014, the OECD released the main elements of a global standard for automatic exchange of financial account information in tax matters, namely a Model Competent Authority Agreement and a Common Reporting Standard (CRS). In July 2014, the OECD Council released the full global standard, including its remaining elements, namely the Commentaries on the Model Competent Authority Agreement and Common Reporting Standard and the Information Technology Modalities for implementing the global standard. The entire global standard package was endorsed by G20 Finance Ministers and Central Bank Governors in September 2014. The CRS initiates for participating jurisdiction a commitment to implement the latter regulation by 2017 or 2018 and ensuring the effective automatic exchange of information with their respective relevant exchange partners.

With respect to the European Union – and thus Luxembourg – the scope of information to be reported already envisaged in Article 8(5) of Directive 2011/16/UE DAC has been extended as to encompass the recommendations contained in the AEI. As such, all members of the European Union will effectively exchange information as of September 2017 with respect to calendar year 2016 (except Austria that will start reporting in 2018 regarding calendar year 2017).

The AEI has been fully implemented in Luxembourg by a law published on December 24, 2015 in the Luxembourg Gazette. The AEOI Law has officially entered into force on January 1st, 2016 in Luxembourg.

The application of one or the other of these regulations will compel financial institutions to determine shareholders' residence(s) for tax purposes and to report to their local competent authority all accounts held by reportable shareholders (i.e. shareholders residing for tax purposes in a reportable jurisdiction). The information to be reported encompasses the name, the address, the Tax Identification Number (TIN) the account balance or value at the end of the relevant calendar year. As to determine shareholders' residence for tax purposes, financial institutions will review the information contained in its customer's files. Unless, the shareholder produces a valid self-certification indicating the latter's residence for tax purposes, the financial institution will report the account as being maintained by a shareholder residing in all jurisdictions for which indicia has been found.

FATCA
Definition

FATCA Rules: the regulations relating to Information Reporting by Foreign Financial Institutions and Other Foreign Entities released by the IRS on January 28, 2013 (the "FATCA Regulations"), all subsequently published Fatca announcements and as the case may be, the provisions of the intergovernmental agreement (IGA) entered between Luxembourg and the United States and/or between the country of each investor and the US.

Eligible Investor: all Investors, other than investors specifically defined herein as Prohibited Persons.

Prohibited Persons: a U.S. Person (including U.S. Tax Persons) and/or any investor which is not eligible for an investment in the Fund.

General Rules and Legal background

FATCA is part of the U.S. Hiring Incentives to Restore Employment Act. It is designed to prevent U.S. tax payers from avoiding U.S. tax on their income by investing through foreign financial institutions and offshore funds.

FATCA applies to so called Foreign Financial Institutions (FFIs), which notably include certain investment vehicles ("Investment Entities"), among which UCITS.

According to FATCA Rules, FFIs, unless they can rely under ad-hoc lighter or exempted regimes, need to register with the IRS and to report to the IRS certain holdings by/ and payments made to a/ certain U.S. investors b/ certain U.S. controlled foreign entity investor, c/ non U.S. financial institution investors that do not comply with their obligations under FATCA and d/clients that are not able to document clearly their FATCA status.
Moreover, any account that is not properly documented will have to suffer a 30% WHT.

On March 24th 2014, the Luxembourg and U.S. governments entered into a Model I IGA which aims to coordinate and facilitate the reporting obligations under FATCA with other U.S. reporting obligations of Luxembourg financial institutions.

According to the terms of the IGA, Reporting Luxembourg FFIs will have to report to the Luxembourg tax authorities instead of directly to the IRS. Information will be communicated onward by the Luxembourg authorities to the IRS under the general information exchange provisions of the U.S. Luxembourg income tax treaty.

INFORMATION FOR THE UNITHOLDERS

ESG/SRI methodologies, audited annual reports and unaudited semi-annual reports will be mailed free of charge by the Management Company to the registered Unitholders who so request in the case of annual reports within four months of the year end and in the case of semi-annual reports, within two months following the period to which they relate. In addition, such reports will be available at the registered office of the Management Company, the Depositary and any local representative.

The Net Asset Value per Units of each Category of Units in each Sub-fund is made public at the registered office of the Management Company and is available at the offices of the Depositary and any local representative. Any material changes to the Prospectus (including any terms pertaining to the Units), shall be notified to Unitholders in advance by means of notice published on the website of the Management Company (https://neam.lu/lu) and/or by any other durable means. Any other substantial information concerning the Fund may be published in such daily newspaper(s) of general circulation in Luxembourg or notified to Unitholders in such manner as may be specified from time to time by the Management Company.

The articles of incorporation of the Management Company as well as material provisions of the agreements referred to in this Prospectus and in the Management Regulations, to the extent that they may be relevant to the Unitholders, may be inspected during usual business hours on any business day at the registered office of the Management Company and of any local representative.

The Management Company may, in accordance with Luxembourg law, make such amendments to the Management Regulations as it may deem necessary in the interest of the Unitholders. A notice of the deposit of the amendments at the Registre de Commerce et des Sociétés de Luxembourg will be published in the RESA.

The information related to the past performance of each Sub-Fund is held in the current version of the KID of the Sub-Fund.

CHARGES AND EXPENSES OF THE FUND

The costs and expenses charged to the Fund include:

- A management fee charged by the Management Company for the performance of its duties, payable monthly on average Net Asset Value of each Sub-Funds, at a maximum rate determined in the Prospectus under the description of the available Sub-Funds;

- All costs related to transactions;

- Fees and expenses incurred by the Management Company or the Depositary while taking extraordinary measures in the interests of the Fund, including expert’s report or litigation costs;

- Legal and Auditor’s fees;

- Fees and expenses charged by the Depositary, as agreed with the Management Company in conformity to common practice in Luxembourg;

- An administrative fee charged by the Management Company for an amount of 0,025% per annum of the respective Sub-Fund’s net assets, concerning all administrative activities carried out by the Management Company, payable quarterly in arrears. Part of this amount is paid directly by the Management Company to the Central Administration Agent and Registrar and Transfer Agent for the performance of administrative activities such as, by way of example only, NAV calculation, register of unitholders maintenance and transaction orders execution.

- All taxes, duties, governmental and similar charges which may be due on the assets and the income of the Fund;

- The cost of preparing, printing and filling any administrative documents and memorandum for information purposes with any authority;

- Reporting and publishing expenses, including the cost of preparing, printing, in such languages as are necessary for the benefit of the Fund, and distributing prospectuses, annual, semi-annual and other reports or documents as may be required under applicable law or regulations;

- The fees and expenses involved in preparing and/or filing the Management Regulations and all other documents concerning the Fund, including the Prospectus and any amendments or supplements thereto, with all authorities having jurisdiction over the Fund or the offering of Units of the Fund or with any stock exchanges in the Grand Duchy of Luxembourg and in any other country;

- Advertising, promotion and marketing costs of the Fund;

- The cost of preparing, printing and distributing public notices to the Unitholders, including the costs of publication of Unit prices;

- Fees and expenses charged by the correspondent banks in Italy, as agreed with the Management Company;

- All similar administrative, operating and communication charges;

- All fees and expenses related to (i) the regular compliance checks including the cost of the ESG certification for the relevant sub-fund(s) and to (ii) risk checks;

- The cost of the benchmark service providers;

- All costs related to any new regulations the Fund or the Management Company should comply with.

For the avoidance of doubt, the fees charged by an investment manager will be paid by the Management Company out of its management fee, so that investment manager's fees are included in the Management Company's management fee and do not come on top of that.

For the avoidance of doubt, the fees charged by a sub-investment manager will be paid by the Investment Manager out of its management fee, so that sub-investment manager's fees are included in the Investment Manager fee and do not come on top of that.

For the avoidance of doubt, the fees charged by the Central Administration Agent and by the Registrar and Transfer Agent will be paid by the Management Company out of its administrative fee, so that Central Administration Agent's fees and Registrar and Transfer Agent's fees are included in the Management Company's administrative fee and do not come on top of that.

All recurring charges will be charged first against income of the Fund, then against capital gains and then against assets of the Fund. Other charges may be amortised over a period not exceeding five years.

Set up costs of the Fund and of new Sub-Funds will be amortized over a 5 year period. Each new Sub-Fund will amortize its own costs, initial set up costs being exclusively amortized by the Sub-Fund(s) that were/was launched initially.

The initial set up costs are estimated at approximately EUR 100.000.

Costs and expenses that may not be attributed to one particular Sub-Fund will be dealt with prorata the amount of net assets of each Sub-Fund.

Cash penalties, as set forth in the Regulation (EU) No 909/2014 of the European Parliament and of the Council of 23 July 2014 on improving securities settlement in the European Union and on central securities depositories, may be charged to the Fund in compliance with the applicable regulations and market practice.

ACCOUNTING YEAR - AUDIT

The financial year of the Fund starts on the first of January and ends on the thirty-first of December of each year. The Fund publishes an audited annual report on its activity and the management of its assets. The accounts will contain a statement confirming that the Depositary had complied with the terms of the Management Regulations.

The accounts of the Fund shall be kept in EUR (the "Base Currency").

Deloitte Audit Société à responsabilité limitée, having its registered office located at 20, Boulevard de Kockelscheuer, L-1821 Luxembourg has been appointed as Independent Auditor of the Fund. *Deloitte Audit Société à responsabilité limitée* has also been appointed as independent auditor of the Management Company.

DISTRIBUTIONS

Dividends, if any, in respect of Distribution Units, may be declared by the Management Company out of the net investment income payable by the Fund on these Units and, in order to maintain a reasonable level of dividend distribution on these Units, out of net realised and/or unrealised capital gains.

Dividends shall be payable to Unitholders by bank transfer, returned dividend payments not claimed within five years from their due date will lapse and revert to the Sub-Fund.

Accumulation Units will not entitle Unitholders to the payment of dividends. However, should a distribution be considered to be appropriate, the Management Company may decide a distribution to be paid out of the accumulated profits, and within the limits of the Law.

No distribution may be made if as a result of such distribution the Fund's net assets are less than the minimum imposed by the Law (EUR 1,250,000).

The dividend policy of each Sub-Fund (if applicable) is described in the relevant Appendix.

JOINT HOLDERS

Up to four persons may be registered as the joint holders of any registered Unit. The Management Regulations provide that the Depositary and the Management Company are entitled, but not bound, to require any redemption request or other instruction in relation to any joint holding to be signed by all the registered joint holders but that they may, to the exclusion of any such request or instruction from any of the other joint holders, rely on any redemption request or other instructions signed by or otherwise received from the joint holder first named on the register of Unitholders.

DURATION AND LIQUIDATION OF THE FUND AND OF ANY SUB-FUND

The Fund has been established for an unlimited period. However, notwithstanding the causes of liquidation provided for in Article 22 of the Law, the Fund may be dissolved and liquidated at any time by mutual agreement between the Management Company and the Depositary. The Management Company is authorised, subject to the approval of the Depositary, to dissolve a Sub-Fund in the case where the value of the net assets of the Sub-Fund shall be less than the equivalent of EUR 5 million over a period of one month or in case of a significant change of the economic or political situation. Any decision or order of liquidation of the Fund or a Sub-Fund will be notified to the Unitholders, and published in accordance with the Law in two newspapers (one of which being a Luxembourg newspaper), in the ”RESA“ and in any other newspapers as determined by the Management Company.

In the event of voluntary or compulsory dissolution, the Management Company will realise the assets of the Fund in the best interests of the Unitholders, and upon instructions given by the Management Company, the Depositary will distribute the net proceeds from such liquidation, after deducting all expenses relating thereto, among the Unitholders in proportion to the number of Units held by them. The Management Company may distribute the assets of the Fund wholly or partly in kind in a fair manner. An audit report will then be established. Unless a derogation is obtained, 9 (nine) months after the start of the liquidation of the Fund, the proceeds thereof corresponding to Units not surrendered will be kept in safe custody with the Luxembourg *Caisse de Consignation* until the prescription period has elapsed.

The procedure to be followed in order to liquidate a Sub-Fund is that applicable to the Fund.

Issuance, redemption, conversion and exchange of Units will cease at the time of the decision or event leading to the dissolution of the Fund.

The liquidation or the partition of the Fund may not be requested by a Unitholder, nor by his heirs or beneficiaries.

MERGER

Merger from one Sub-Fund into another

The Management Company may decide to operate the merger from one Sub-Fund into another. Such merger may arise (i) in case the net assets of one Sub-Fund fall below the equivalent of EUR 5 million, (ii) in case of a significant change of the economic or political situation, or (iii) in any event the Management Company thinks it necessary for the best interest of the Unitholders.

In case of merger, the decision must be brought to the attention of the Unitholders the same way as provided for above for under dissolution and liquidation. Notification to the Unitholders shall, among others, (1) provide for the conditions of the merger and, (2) indicate the date of implementation of the merger, which date shall not be sooner than one month after the date of publication or the notification, whichever is the latest. During that one month period, the Unitholders who do not agree with the merger will have the opportunity to demand redemption of part or all of their Units at the applicable NAV free of any commissions and charges.

Merger from the Fund or a Sub-Fund into another structure

In the case where the value of the net assets of the Fund or a Sub-Fund has decreased to an amount determined by the Management Company to be the minimum level for the Fund or Sub-Fund to be operated in an economically efficient manner, or in case of a significant change of the economic or political situation, the Board of Directors of the Management Company may, with the approval of the Depositary, resolve to cancel Units issued in the Fund or Sub-Fund and, after deducting all expenses relating thereto, determine the allocation of units to be issued in a UCI organised under Part I of the Law, subject to the condition that the investment objectives and policies of such UCI are compatible with the investment objectives and policies of the Fund or Sub-Fund and subject to the following formalities:

Notice shall be delivered in writing to the registered Unitholders of the Fund or Sub-Fund. Such notice shall further be published in the Recueil électronique des sociétés et associations and in a Luxembourg newspaper and may also be published, as the Management Company may deem appropriate, in newspapers of countries where the Units of the Fund or Sub-Fund are offered and sold. Such notice shall be delivered and published at least one month before the date on which the resolution of the Management Company shall take effect.

Unitholders of the Fund or Sub-Fund shall have the right, until the Business Day before the last Valuation Day before the date on which the resolution shall take effect (but at least during one month), to request the redemption of all or part of their Units at the applicable Net Asset Value per Unit, subject to the procedures described under "Redemption of Units" without paying any redemption charge.

The implementation of the merger conditions must be approved by an auditor.

INVESTMENT RESTRICTIONS AND FINANCIAL TECHNIQUES AND INSTRUMENTS

1. INVESTMENT RESTRICTIONS

Each Sub-Fund is subject to the following investment restrictions.

I (A) Each Sub-Fund shall invest in:

1 transferable securities and money market instruments admitted to or dealt in on a regulated market in any Eligible State;

2 transferable securities and money market instruments dealt in on another regulated market in an Eligible State which is regulated, operates regularly and is recognised and open to the public (a "Regulated Market");

3 transferable securities and money market instruments admitted to official listing on a stock exchange in a non Eligible State or dealt in on another market in a non Eligible State which

is regulated, operates regularly and is recognised and open to the public provided that the choice of the stock exchange or market has been provided for the constitutional document of the Fund;

4 recently issued transferable securities and money market instruments provided that the terms of the issue undertake that application will be made for admission to the official listing on a stock exchange or on another Regulated Market referred to above and that such admission is secured within a year of the issue.
"Eligible State" must be understood as any country of Europe, Asia, Oceania, the American continents and Africa.

5 units of UCITS authorised according to directive 2009/65/EC and/or other UCIs within the meaning of the first and second indent of Article 1 (2) of directive 2009/65/EC, whether situated in an European Union ("EU") Member State or not, provided that:

- such other UCIs are authorised under laws which provide that they are subject to supervision considered by the CSSF to be equivalent to that laid down in Community law, and that cooperation between authorities is sufficient 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,

- no more than 10% of the assets of the UCITS or of the other UCIs, whose acquisition is contemplated, can, according to their constitutional documents, in aggregate be invested in units of other UCITS or other UCIs;

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

7 financial derivative instruments, including equivalent cash-settled instruments, dealt in on a Regulated Market and/or financial derivative instruments dealt in over-the-counter ("OTC derivatives"), provided that:

- the underlying consists of instruments covered under this section, financial indices, interest rates, foreign exchange rates or currencies, in which the Sub-Fund may invest according to its investment objective;
- the counterparties to OTC derivative transactions are institutions subject to prudential supervision and belonging to the categories approved by the CSSF; and
- the OTC derivatives are subject to reliable and verifiable valuation on a daily basis and can be sold, liquidated or closed by an offsetting transaction at any time at their fair value at the Fund's initiative;

8 money market instruments other than those dealt in on a Regulated Market, if the issue or the 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 an EU Member State, the European Central Bank, the EU or the European Investment Bank, a non-EU Member State or, in 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 Regulated Markets, or
- issued or guaranteed by a credit institution which is subject to prudential supervision, in accordance with criteria defined by Community Law, or by a credit institution which is

subject to and complies with prudential rules considered by the CSSF to be at least as stringent as those laid down by Community law, or

- issued by other bodies belonging to the categories approved by the CSSF provided that investments in such instruments are subject to investor protection equivalent to that laid down in the first, the second or third indent and provided that the issuer is a company whose capital and reserves amount to at least ten million euro (10,000,000 euro) and which presents and publishes its annual accounts in accordance with directive 2013/34/EU, 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.

(B) In spite of what is provided for under (I)(A), above, each Sub-Fund may also invest no more than 10% of its net assets in transferable securities and money market instruments other than those referred to in (A).

II Each Sub-Fund may hold, up to 20% of net assets, ancillary liquid assets which consist of bank deposits at sight such as cash held in current accounts with a bank accessible at any time. The aim of holding ancillary liquid assets is to cover current or exceptional payments, for the time necessary to reinvest in eligible assets provided under article 41(1) of the Law or for a period of time strictly necessary in case of unfavourable market conditions.

III (A) Each Sub-Fund will invest no more than 10% of its net assets in transferable securities or money market instruments issued by the same issuing body. The Sub-Fund may not invest more than 20% of the net assets of any Sub-Fund in deposits made with the same body. The risk exposure of a Sub-Fund to a counterparty in an OTC derivative transaction may not exceed 10% of its net assets when the counterparty is a credit institution referred to in (I) (5) above or 5% of its net assets in other cases.

(B) Moreover, where the Sub-Fund holds on behalf of a Sub-Fund investments in transferable securities and money market instruments of issuing bodies which individually exceed 5% of the net assets of such Sub-Fund, the total of all such investments must not exceed 40% of the total net assets of such Sub-Fund. This limitation does not apply to deposits and OTC derivative transactions made with financial institutions subject to prudential supervision.

Notwithstanding the individual limits laid down in paragraph (A), the Fund may not combine for each Sub-Fund:

- 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 its net assets

(C) The limit of 10% laid down under (III)(A) above, may be of a maximum of 35% if the transferable securities or money market instruments are issued or guaranteed by an EU Member State, by its local authorities, by a non-EU Member State or by public international bodies of which one or more EU Member States are members.

(D) The limit of 10% laid down under (III) (A) above, may be of a maximum of 25% for covered bonds as defined in Article 3(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 (the "Directive (EU) 2019/2162"), and for certain bonds where they are issued before 8 July 2022 by a credit institution which has its registered office in an EU Member State and is subject by law, to special public supervision designed to protect bond-holders. In particular, sums deriving from the issue of these bonds issued before 8 July 2022 must be invested in conformity with the law in assets which, during the whole period of validity of the bonds are capable of covering claims attaching to the bonds and which, in case of bankruptcy of the issuer, would be used on a priority basis for the repayment of principal and payment of the accrued interest.

If the Sub-Fund invests more than 5% of its net assets in the bonds referred to in this sub-paragraph and issued by the same issuer, the total value of such investments may not exceed 80% of the value of the Sub-Fund's net assets.

(E) The transferable securities and money market instruments referred to in (C) and (D) shall not be included in the calculation of the limit of 40% in (B).

The limits set out in sub-paragraphs (A), (B), (C) and (D) may not be aggregated and, accordingly, investments in transferable securities or money market instruments issued by the same issuing body, in deposits or in derivative instruments effected with the same issuing body may not, in any event, exceed a total of 35% of any Sub-Fund's net assets;

Companies which are part of the same group for the purposes of the establishment of consolidated accounts, as defined in accordance with directive 83/349/EEC or in accordance with recognised international accounting rules, are regarded as a single body for the purpose of calculating the limits contained under (III).

The Fund may cumulatively invest up to 20% of the net assets of a Sub-Fund in transferable securities and money market instruments within the same group.

(F) **Notwithstanding the above provisions, the Fund is authorised to invest up to 100% of the net assets of any Sub-Fund in accordance with the principle of risk spreading, in transferable securities and money market instruments issued or guaranteed by an EU Member State, by its local authorities or agencies, or by another Member State of the OECD or by a public international bodies of which one or more Member States of the EU are members, provided that the Sub-Fund must hold securities from at least six different issues and securities from one issue do not account for more than 30% of the net assets of such Sub-Fund.**

IV (A) Without prejudice to the limits laid down under (V), the limits provided under (III) are raised to a maximum of 20% for investments in shares and/or bonds issued by the same issuing body if the aim of the investment policy of a Sub-Fund is to replicate the composition of a certain stock or bond index which is sufficiently diversified, represents an adequate benchmark for the market to which it refers, is published in an appropriate manner and disclosed in the relevant Fund's investment policy.

(B) The limit laid down in (A) is raised to 35% where this proves to be justified by exceptional market conditions, in particular on 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.

V Each Sub-Fund will not:

(A) - acquire more than 10% of the non voting shares of the same issuer;
- acquire more than 10% of the debt securities of the same issuer;
-acquire more than 10% of the money market instruments of the same issuer.

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

Such limits shall not apply to transferable securities and money market instruments issued or guaranteed by a Member State of the European Union, its local authorities, any other state, or by public international bodies of which one or more Member States of the European Union are members;
These provisions are also waived as regards shares held by the Sub-Fund in the capital of a company incorporated in a non-Member State of the EU which invests its assets mainly in the securities of issuing bodies having their registered office in that State, where under the legislation of that State, such a holding represents the only way in which the Sub-Fund can invest in the securities of issuing bodies of that State provided that the investment policy of the company from the non-Member State of the EU complies with the limits laid down in paragraphs (III), (V) and (VI) (A), (B), (C) and (D).

(B) acquire shares carrying voting rights which would enable the Sub-Fund to exercise significant influence over the management of the issuing body.

VI (A) The Fund may acquire units of the UCITS and/or other UCIs referred under (I) (A) 5, provided that no more than 20% of its net assets be invested in the units of a single UCITS or other UCI.

For the purpose of the application of this investment limit, each sub-fund 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 30% of the net assets of a Sub-Fund.

The underlying investments held by the UCITS or other UCIs in which the Sub-Fund invests do not have to be considered for the purpose of the investment restrictions set forth under (III) above.

(C) When the Sub-Fund invests in the units of other UCITS and/or other UCIs that are managed, directly or by delegation, by the same management company or by any other company with which the management company is linked by common management or control, or by a substantial direct or indirect holding, the management company or other company cannot charge subscription or redemption fees on account of its investment in the units of such other UCITS and/or other UCIs.
If any Sub-Fund’s investments in other UCITS and/or other UCIs constitute a substantial proportion of that Sub-Fund's assets, it shall disclose in the prospectus the maximum level of the management fees (excluding any performance fee) charged both to such Sub-Fund itself and the other UCITS and/or other UCIs concerned in which the Sub-Fund intends to invest. The Fund will indicate in its annual report the maximum level of the management fees charged both to the relevant Sub-Fund and to the UCITS and/or other UCIs in which such Sub-Fund has invested during the relevant period.

(D) Each Sub-Fund may acquire no more than 25% of the units of the same UCITS and/or other UCI. This limit may be disregarded at the time of acquisition if at that time the gross amount of the units in issue cannot be calculated

VII The Fund shall ensure for each Sub-Fund that the global exposure relating to derivative instruments does not exceed the total net value of the relevant Sub-Fund.
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.
If the Sub-Fund invests in financial derivative instruments, the exposure to the underlying assets may not exceed in aggregate the investment limits laid down under (III) above. When the Sub-Fund invests in index-based financial derivative instruments, these investments do not have to be combined to the limits laid down under (III).
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 section.

VIII Each Sub-Fund will not:

(A) purchase any securities on margin (except that the Sub-Fund may obtain such short-term credit as may be necessary for the clearance of purchases and sales of securities) or make short sales of securities or maintain a short position; deposits or other accounts in connection with option, forward or financial futures contracts, are, however, permitted within the limits provided for here below;

(B) make loans to, or act as a guarantor for, other persons, or assume, endorse or otherwise become directly or contingently liable for, or in connection with, any obligation or indebtedness of any person in respect of borrowed monies, provided that for the purpose of this restriction (i) the acquisition of transferable securities in partly paid form, and (ii) the lending of portfolio securities subject to all applicable laws and regulations shall not be deemed to constitute the making of a loan or be prohibited by this paragraph;

(C) borrow more than 10% of its total net assets, and then only from banks and as a temporary measure. Each Sub-Fund may, however, acquire currency by means of a back to back loan. Each Sub-Fund will not purchase securities while borrowings are outstanding in relation to it, except to fulfil prior commitments and/or exercise subscription rights;

(D) mortgage, pledge, hypothecate or in any manner encumber as security for indebtedness, any securities owned or held by each Sub-Fund, except as may be necessary in connection with the borrowings permitted under (VIII)(C), above, and then such mortgaging, pledging, hypothecating or encumbering may not exceed 10% of each Sub-Fund's total net assets. The deposit of securities or other assets in a separate account in connection with option or financial futures transactions shall not be considered to be a mortgage, pledge or hypothecation or encumbrance for this purpose;

(E) make investments in, or enter into transactions involving precious metals, commodities or certificates representing these.

(F) may not carry out uncovered sales of transferable securities, money market instruments or other financial instruments.

(G) may not acquire either precious metals or certificates representing them.

IX **Cross investment sub-fund**

A Sub-Fund may, subscribe, acquire and / or hold securities to be issued or issued by one or more Fund Sub-Funds under the condition however that:

(i) the target Sub-Fund does not in turn, invest in the Sub-Fund invested in this target Sub-Fund: and,
(ii) no more than 10% of the assets of the target Sub-Fund whose acquisition is contemplated may, pursuant to its investment policy, be invested in aggregate in units of other UCIs; and
(iii) voting rights if any, attaching to the relevant securities are suspended for as long as they are held by the Sub-Fund concerned and without prejudice to the appropriate processing in the accounts and the periodic reports: and
(iv) in any event for as long as these securities are held by the Sub-Fund. their value will not be taken into consideration for the calculation of the net assets of the Fund for the purposes of verifying the minimum threshold of the net assets imposed by this Law: and

If any of the above limitations are exceeded for reasons beyond the control of the Management Company acting on behalf of the each Sub-Fund or as a result of the exercise of subscription rights attaching to transferable securities and money market instruments, the Sub-Fund must adopt, as a priority objective, sales transactions for the remedying of that situation, taking due account of the interests of its Unitholders.

X **Transparency on Securities Financing Transactions**

The Fund may employ securities financing transactions (“SFTs”) and derivative instruments relating to transferable securities and money market instruments amongst others for hedging purposes, efficient portfolio management, duration management or other risk management of the portfolio notably in accordance with the terms and conditions of EU Regulation 2015/2365 of 25 November 2015 on transparency of securities financing transaction and of reuse (“STFR”) as described here below.

Information on whether a Sub-Fund makes use of SFTs is specified under Section “Available Sub-Funds and investment policies” of the Prospectus. In the case where a Sub-Fund makes use of securities lending and borrowing and/or repurchase agreements, it will be on a continuous basis and to try to positively impact its performance.

The Sub-Funds will not make use of the following SFTs:

- buy-sell back and sell-buy back transaction;
- margin lending transaction.

The assets that may be subject to SFTs and TRS are limited to:

- short term bank certificates or 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;
- 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 world-wide scope;
- shares or units issued by money market UCIs calculating a daily net asset value and being assigned a rating of AAA or its equivalent;

- bonds issued by non-governmental issuers offering an adequate liquidity;
- shares quoted or negotiated on a regulated market of a European Union Member State or on a stock exchange of a Member State of the OECD, on the condition that these shares are included in a main index.

The maximum proportion of assets under management of the Fund that can be subject to SFTs and TRS is as follows:

- Securities lending 100 %
- Securities borrowing 10 %
- Repurchase agreements 15 %
- TRS 50 %

The counterparties to the SFTs and TRS will be selected on the basis of very specific criteria taking into account notably their legal status, country of origin, and minimum credit rating. The Fund will therefore only enter into SFTs and TRS with such counterparties that are subject to prudential supervision rules considered by the CSSF as equivalent to those prescribed by EU law and approved by the board of directors of the Management Company, and who are based on a regulated market of a European Union Member State or on a stock exchange of a Member State of the OECD The credit analysis of the counterparties is tailored to the intended activity and may include, but not limited to, a review of the management, liquidity, profitability, corporate structure, regulatory framework in the relevant jurisdiction, capital adequacy and asset quality. Approved counterparties will typically have a public rating of A- or above. There are no predetermined legal status, except that it has to be of good reputation, or geographical criteria, applied in the selection of the counterparties.

The Fund will collateralize its SFTs and TRS pursuant to the provisions set forth hereunder in section “Management of collateral and collateral policy”. The risks linked to the use of SFTs and TRS as well as risks linked to collateral management, such as operational, liquidity, counterparty, custody and legal risks and, where applicable, the risks arising from its reuse are further described in section “Risk Factors”.

Assets subject to SFTs and TRS will be safe-kept by the Depositary as better described in the Prospectus under the section The Depositary and Central Administration Agent.

All revenues arising from TRS, net of direct and indirect operational costs and fees, will be returned to the Fund. 70% of revenues arising from securities lending, net of direct and indirect operational costs and fees, will be returned to the Fund while the remaining 30% will be respectively paid to CACEIS Bank Luxembourg Branch as securities lending agent (25%) and to the Management Company (5%).

In particular, fees and cost may be paid to agents of the Management Company and other intermediaries providing services in connection with TRS and SFTs as normal compensation of their services. Such fees may be calculated as a percentage of gross revenues earned by the Fund through the use of such techniques and transactions.

The annual report will contain information on income in connection with TRS and SFT’s together with (i) details on direct and indirect operational costs and fees, (ii) identity of the entities which receive these direct and indirect operational costs and fees.

The Management Company for its services to the Fund receives a fee, paid by the borrower, not exceeding 5% of the gross revenue.

The exercise of the right to reuse financial instruments received under a collateral arrangement will be subject to the restrictions and disclosure obligations set forth in article 15 of the EU Regulation 2015/2365 of 25 November 2015 on transparency of securities financing transaction and of reuse.

The Management Company, the Investment Managers, the Depositary and Central Administration Agent may, in the course of their business, have potential conflicts of interests with the Fund when using securities lending, repurchase or reverse repurchase transactions, such as:

- The Depositary or independent firms as lending agent may have the motivation to increase or decrease the amount of securities on loan or to lend particular securities in order to generate additional risk-adjusted revenue for itself and its affiliates or;
- The Depositary or independent firms could also as a lending agent may have an incentive to allocate loans to clients that would provide more revenue to the firm.

Each of the Management Company, the Investment Managers, the Depositary and Central Administration Agent will have regard to their respective duties to the Fund and other persons when undertaking transactions where conflicts or potential conflicts of interest may arise. In the event that such conflict do arise, each of such persons has undertaken or will be requested by the Fund to undertake to use its reasonable endeavors to resolve any such conflicts of interest fairly (having regard to its respective obligations and duties) and to ensure that the Fund and Unitholders are fairly treated.

RISK-MANAGEMENT PROCESS

The Management Company will employ, in respect of the Fund, 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 each Sub-Fund. The Management Company will employ, in relation to the Fund, if applicable, a process for accurate and independent assessment of the value of any OTC derivative instruments.

2. FINANCIAL TECHNIQUES AND INSTRUMENTS

1. General provisions

For the purpose of efficient portfolio management and/or to protect its assets and commitments, the Fund may arrange for each Sub-Fund to make use of techniques and instruments relating to Transferable Securities and Money Market Instruments.

When these transactions involve the use of derivatives, the conditions and restrictions set out above in section I "Investment Restrictions" must be complied with. The Fund may arrange for each Sub-Fund to make use for purpose of hedging of same derivative instruments as those described below under point 2 for purposes other than hedging.

In no case whatsoever must recourse to transactions involving derivatives or other financial techniques and instruments cause the Fund to depart from the investment objectives set out in the Prospectus.

2. Use of derivatives for purposes other than hedging

Where with respect to a particular sub-fund derivatives will be used for purposes other than hedging, the following rules will have to be complied with:

(i) Transactions relating to options

a) The total commitment arising from (a) the sale of call and put options (excluding the sale of call options for which there is adequate cover) and (b) transactions referred to under (ii) and (iii) below may not exceed in respect of each Sub-fund at any time the Net Asset Value of such Sub-fund. In this context, the commitment on call and put options sold is equal to the aggregate amount of the exercise prices of those options.

b) When selling call options, the Fund must hold either the underlying transferable securities, or matching call options or any other instruments (such as warrants) providing sufficient cover. The cover for call options sold may not be disposed of as long as the options exist, unless they are covered in turn by matching options or other instruments used for the same purpose. Notwithstanding the foregoing, the Fund may sell uncovered call options if the Fund is, at all times, able to cover the positions taken on such sale and if the exercise prices of such options do not exceed 25% of the Net Asset Value of the relevant Sub-fund.

c) When selling put options, the Fund must be covered during the full duration of the option by sufficient cash or liquid assets to pay for the transferable securities deliverable to the Fund by the counterparty on the exercise of the options.

(ii) Transactions relating to futures, options and swap contracts relating to financial instruments

The Fund may, for a purpose other than hedging:

a) buy and sell futures contracts and options contracts, on any type of financial instrument (including contracts on currencies), provided that the total commitment arising on these purchase and sale transactions, together with the total commitment arising on the sale of call and put options referred to under (i)a) above, (ii)b) and (iii) below in respect of each Sub-fund, at no time exceeds the Net Asset value of such Sub-fund.

In this context, the commitment arising on transactions that do not relate to options on transferable securities is defined as follows:

- the commitment arising on futures contracts is equal to the liquidation value of the net position of contracts relating to identical financial instruments (after netting between purchase and sale positions), without taking into account the respective maturity dates; and

- the commitment relating to options bought and sold is equal to the sum of the exercise prices of those options representing the net uncovered sales positions in respect of the same underlying asset, without taking into account the respective maturity dates.

b) enter into swap contracts in which the Fund and the counterparty agree to exchange the returns generated by a security, instrument, basket or index thereof for the returns generated by another security, instrument, basket or index thereof. The payments made by the Fund to the counterparty and vice versa are calculated by reference to a specific security, index, or instrument and an agreed upon notional amount. The relevant indices include, but are not limited to, currencies, fixed interest rates, prices and total return on interest rate indices, fixed income indices, stock indices, and commodity indices. The Fund may enter into swap contracts relating to commodity indices, up to 10% of the net assets of each Sub-fund, and provided that the commodity indice:
   - is sufficiently diversified;
   - represents an adequate benchmark for the market to which it refers;
   - is published in an appropriate manner.

The Fund may enter into swap contracts relating to any financial instrument or index provided that the total commitment arising from such transactions together with the total commitments referred to under (i)a), (ii)a) above and (iii) below, in respect of each Sub-fund at no time exceeds the Net Asset Value of such Sub-funds and the counterparty to the swap contract is a first class financial institution that specialises in that type of transaction.

In this context, the commitment arising on a swap transaction is equal to the value of the net position under the contract marked to market daily. Any accrued, but unpaid, net amounts owed to a swap counterparty will be covered by cash or transferable securities.

(iii) Forward Purchase Settlement Transactions

The Fund may, to a limited extent and within the limits set forth below, enter into forward purchase settlement transactions for a purpose other than hedging with broker-dealers who make markets in these transactions and who are first class financial institutions that specialise in these types of transaction and are participants in the over-the-counter markets; such transactions consist of the purchase of debt securities or currencies at their current price with delivery and settlement at a specified future date (which could be in two to twelve months' time).

As settlement date approaches, the Fund may agree with the relevant broker-dealer either to sell the debt securities back to such broker-dealer or to roll the trade over for a further period with any gains or loss realised on the trade paid to, or received from, the broker-dealer. Such transactions are, however, entered into by the Fund with a view to acquiring the relevant debt securities.

The Fund will pay customary fees to the relevant broker-dealer in order to finance the cost to such broker-dealer of the delayed settlement.

The total commitment arising on these forward purchase settlement transactions together with the total commitment arising on the transactions, referred to under (i) and (ii) above in respect of each Sub-fund will at no time exceed the Net Asset Value of such Sub-fund.

The Fund must also at all times have sufficient liquid assets available to meet the commitments arising on such transactions and redemption requests.

3. Securities lending

Information on whether a Sub-Fund makes use of securities lending is specified under Section "Available Sub-Funds and investment policies" of the Prospectus. In the case where a Sub-Fund enters into securities lending transactions as lender or borrower, it must comply with the provisions set forth in CSSF Circular 08/356, and in particular:

Each Sub-Fund may lend/borrow the securities included in its portfolio to a borrower/lender either directly or through a standardised lending 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 prescribed by Community law and specialised in this type of transactions.

For each securities lending transaction, the Sub-Fund must receive, a guarantee the value of which is, during the lifetime of the lending agreement, at least equivalent to 90% of the global valuation (interests, dividends and other eventual rights included) of the securities lent.

The guarantee must normally take the form of:

(i) liquid assets; liquid assets include not only cash and short term bank certificates, but also money market instruments such as defined within Directive 2009/65/EC. 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;

(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 world-wide scope;

(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;

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

(v) bonds issued or guaranteed by first class issuers offering an adequate liquidity, or

(vi) shares admitted to or dealt in on a regulated market of a Member State of the European Union or on a stock exchange of a Member State of the OECD, on the condition that these shares are included in a main index.

In the case the guarantee is given in the form of cash, such cash could be reinvested by the Sub-fund subject to the prior update of this Prospectus.

4 Credit Default Swaps

Each Sub-Fund may use credit default swaps. A credit default swap is a bilateral financial contract in which one counterpart (the protection buyer) pays a periodic fee in return for a contingent payment by the protection seller following a credit event of a reference issuer. The protection buyer must either sell particular obligations issued by the reference issuer at their par value (or some other designated reference or strike price) when a credit event occurs or receive a cash settlement based on the difference between the market price and such reference or strike price. A credit event is commonly defined as bankruptcy, insolvency, receivership, material adverse restructuring of debt, or failure to meet payment obligations when due. The International Swaps and Derivatives Association ("ISDA") has produced standardized documentation for these transactions under the umbrella of its ISDA Master Agreement.

Each Sub-Fund may use credit default swaps in order to hedge the specific credit risk of some of the issuers in its portfolios by buying protection.

In addition, each Sub-Fund may, provided it is in the exclusive interests of its Unitholders, buy protection under credit default swaps without holding the underlying assets provided that the aggregate premiums paid together with the present value of the aggregate premiums still payable in connection with credit default swaps previously purchased and the aggregate premiums paid relating to the purchase of options on transferable securities or on financial instruments for a purpose other than hedging, may not, at any time, exceed 15% of the net assets of the relevant Sub-Fund.

Provided it is in the exclusive interests of its Unitholders, each Sub-Fund may also sell protection under credit default swaps in order to acquire a specific credit exposure. In addition, the aggregate commitments in connection with such credit default swaps sold together with the amount of the commitments relating to the purchase and sale of futures and option contracts on any kind of financial instruments and the commitments relating to the sale of call and put options on transferable securities may not, at any time, exceed the value of the net assets of the relevant Sub-Fund.

Each Sub-Fund will only enter into credit default swap transactions with highly rated financial institutions specialized in this type of transaction and only in accordance with the standard terms laid down by the ISDA. In addition, the use of credit default swaps must comply with the investment objectives and policies and risk profile of the relevant Sub-Fund.

The aggregate commitments on all credit default swaps will not exceed 20% of the net assets of the Sub-Fund unless specified differently in the Sub-Funds particular.

The total commitments arising from the use of credit default swaps together with the total commitments arising from the use of other derivative instruments may not, at any time, exceed the value of the net assets of the relevant Sub-Fund.

Each Sub-Fund will ensure that, at any time, it has the necessary assets in order to pay redemption proceeds resulting from redemption requests and also meet its obligations resulting from credit default swaps and other techniques and instruments.

Each Sub-Fund will not:
- invest more than 10% of its net assets in securities not listed on a stock exchange nor dealt in on another regulated market which operates regularly and is recognised and open to the public;
- acquire more than 10% of the securities of the same kind issued by the same issuing body;
- invest more than 10% or its net assets in securities issued by the same issuing body.
The above mentioned investment restrictions apply to the credit default swap issuer and to the credit default swap's final debtor risk ("underlying").

5. "*Réméré*" transactions (repurchase agreements)

Information on whether a Sub-Fund makes use of "réméré transactions" (repurchase agreements) is specified under Section "Available Sub-Funds and investment policies" of the Prospectus. In the case where a Sub-Fund enters into "réméré" transactions which consist of the purchase and sale of securities with a clause reserving the seller the right to repurchase from the acquirer the securities sold at a price and term specified by the two parties in a contractual agreement, it must comply with the provisions set forth in CSSF Circular 08/356. Each Sub-Fund can act either as purchaser or seller in "réméré" transactions. The involvement in such transactions is, in particular, subject to the following regulations: (a) The Sub-Fund may enter into these transactions only if the counterparties to these transactions are subject to prudential supervision rules considered by the CSSF as equivalent to those prescribed by Community law; (b) During the duration of a purchase with a repurchase option agreement, the Sub-Fund may not sell the securities which are the subject of the contract, before the counterparty has exercised its option or until the deadline for the repurchase has expired, unless the Sub-Fund has other means of coverage; (c) The Sub-Fund must ensure to maintain the value of the purchase with repurchase option transactions at a level such that it is able, at all times, to meet its redemption obligations towards unitholders.

A Sub-Fund's counterparty risk arising from one or more securities lending transactions, sale with right of repurchase transaction or repurchase/reverse repurchase transaction vis-à-vis one same counterparty may not exceed:

- 10% of the Sub-Fund's net assets if such counterparty is a credit institution having its registered office in the European Union or in a jurisdiction considered by the CSSF as having equivalent prudential supervision rules; or
- 5% of the Sub-Fund's net assets in any other case.

If the limitations above are exceeded for reasons beyond the control of the Fund or as a result of the exercise of subscription rights, the Management Company shall adopt as a priority objective for the sale transactions of the Fund, the remedying of that situation, taking due account of the interests of the Unitholders of the Fund.

The Management Company shall have the authority to take appropriate steps with the agreement of the Depositary to amend the investment restrictions and other parts of the Management Regulations, as well as to institute further investment restrictions which are necessary in order to comply with the conditions in such countries where units are sold or are to be sold.

6. Management of collateral and collateral policy

General

In the context of SFTs, TRS and OTC financial derivative transactions and efficient portfolio management techniques, the Fund may receive collateral with a view to reduce its counterparty risk. This section sets out the collateral policy applied by the Management Company on behalf of the Fund in such case. All assets received by the Fund in the context of efficient portfolio management techniques shall be considered as collateral for the purpose of this section.

Eligible Collateral

Collateral received by the Fund may be used to reduce its counterparty risk exposure if it complies with the criteria set out in applicable laws, regulations and CSSF-Circulars issued from time to time notably in terms of liquidity, valuation, issuer credit quality, correlation, risks linked to the management of collateral and enforceability. In particular, collateral should comply with the following conditions:

(i) Any collateral received other than cash should be of high quality, highly liquid and traded on a regulated market or multilateral trading facility with transparent pricing in order that it can be sold quickly at a price that is close to pre-sale valuation;

(ii) It should be valued on at least a daily basis and assets that exhibit high price volatility should not be accepted as collateral unless suitably conservative haircuts are in place;

(iii) It should 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;

(iv) It should be sufficiently diversified in terms of country, markets and issuers with a maximum exposure of 20% of the respective Sub-Fund’s net asset value to any single issuer on an aggregate basis, taking into account all collateral received. By way of derogation, a Sub-Fund may be fully collateralised in different transferable securities and money market instruments issued or guaranteed by a Member State of the EU, one or more of its local authorities, a third country, or a public international body to which one or more EU Member States belong, provided the Sub-Fund receives securities from at least six different issues and any single issue does not account for more than 30% of the Sub-Fund′s net assets. Accordingly a Sub-Fund may be fully collateralised in securities issued or guaranteed by an eligible OECD Member State.

(v) It should be capable of being fully enforced by the Management Company on behalf of the Fund at any time without reference to or approval from the counterparty.

Subject to the abovementioned conditions, collateral received by the Fund may consist of:

(i) Cash and cash equivalents, including short-term bank certificates and money market instruments;

(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;

(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;

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

(v) Bonds issued or guaranteed by first class issuers offering adequate liquidity

(vi) Shares admitted to or dealt in on a regulated market of a Member State of the EU or on a stock exchange of a Member State of the OECD, on the condition that these shares are included in a main index.

(a) Non-Cash collateral

1. cannot be sold, pledged or re-invested;
2. must be issued by an entity independent of the counterparty; and
3. must be diversified to avoid concentration risk in one issue, sector or country.

The maturity of the non-cash collateral shall be a maximum of 5 years.

(b) Cash Collateral can only be:

- placed on deposit with entities prescribed in Article 41(f) of the Law;
- used for the purpose of reverse repurchase transactions provided the transactions are with credit institutions subject to prudential supervision and the Fund is able to recall at any time the full amount of cash on accrued basis;
- invested in short-term money market funds as defined in ESMA's Guidelines on a Common Definition of European Money Market Funds. Each Sub-Fund may reinvest cash which it receives as collateral in connection with the use of techniques and instruments for efficient portfolio management, pursuant to the provisions of the applicable laws and regulations, including CSSF Circular 08/356, as amended by CSSF Circular 11/512 and the ESMA Guidelines.

Re-invested cash collateral will expose the Sub-Fund to certain risks such as foreign exchange risk, the risk of a failure or default of the issuer of the relevant security in which the cash collateral has been invested. Re-invested cash collateral should be diversified in accordance with the diversification requirements applicable to non cash collateral.

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.

Level of Collateral

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

Haircut Policy

Collateral will be maintained at all times in an amount equal to 100% of the total valuation of the securities and for the duration of the loan adjusted by the applicable margin in accordance with the table below (the "Haircut")

Haircut applicable to collateral received in respect of securities lending transactions:

Government bonds and T-Bills	2%
Supranational bonds and municipal bonds	3%
Corporate bonds	4%
Equities	at least 5%

Collateral is blocked in favor of the Fund until termination of the lending contract.

Reinvestment of Collateral

Non-cash collateral received by the Fund may not be sold, re-invested or pledged.

Cash collateral received by the Fund can only be:

(i) placed on deposit with credit institutions which have their registered office in an EU Member State or, if their registered office is located in a third-country, are subject to prudential rules considered by the CSSF as equivalent to those laid down in EU law;
(ii) invested in high-quality government bonds;

(iii) used for the purpose of reverse repurchase transactions provided the transactions are with credit institutions subject to prudential supervision and the Fund is able to recall at any time the full amount of cash on accrued basis; and/or

(iv) invested in short-term money market funds as defined in the ESMA-Guidelines 2010/049 on a Common Definition of European Money Market Funds.

Re-invested cash collateral should be diversified in accordance with the diversification requirements applicable to non-cash collateral as set out under the section "Eligible Collateral" above.

The Sub-Fund concerned may incur a loss in reinvesting the cash collateral it receives. Such a loss may arise due to a decline in the value of the investment made with cash collateral received. A decline in the value of such investment of the cash collateral would reduce the amount of collateral available to be returned by the Management Company on behalf of the Fund to the counterparty at the conclusion of the transaction. The respective Sub-Fund would be required to cover the difference in value between the collateral originally received and the amount available to be returned to the counterparty, thereby resulting in a loss to such Sub-Fund.

Value-at-Risk (VaR) means the maximum loss not exceeded with a given probability defined as the confidence level, over a given period of time.

SOFT COMMISSION

The Investment Manager and any of its connected persons may effect transactions by or through the agency of another person with whom the Investment Manager and any of its connected persons have an arrangement under which that party will, from time to time, provide to, or procure for the Manager and any of its connected persons, group services or other benefits such as research and advisory services, computer hardware associated with specialised software or researched services and performance methods, portfolio valuation and analysis, market price services etc. The provision of such services can reasonably be expected to benefit the Fund as a whole and may contribute an improvement to the Fund’s performance and that of the Investment Manager or any of its connected persons in providing services to the Fund and for which no direct payment is made but instead the Investment Manager and any of its connected persons undertake to place business with that party. For the avoidance of doubt, such goods and services do not include travel, accommodation, entertainment, general administrative goods or services, general office equipment or premises, membership fees, employees’ salaries or direct money payments.

The Investment Manager and any connected person shall not retain the benefit of any cash commission rebate being cash commission repayment made by a broker or dealer to the Investment Manager and/or any connected person paid or payable for any such broker or dealer in respect of any business placed with such a broker or dealer by the Investment Manager or any connected persons for the account of and on behalf of the Fund. Any such cash commission rebate received from any such broker or dealer shall be held by the Investment Manager and any connected persons for the account of the Fund.

The Investment Manager may also at its discretion and on behalf of the Funds transact foreign exchange business with parties which are related to the Investment Manager or the Depositary but will endeavour to adhere to its policy of best execution in relation to all such transactions. Soft commission and related party transactions shall be disclosed in the periodic reports.

CO-MANAGEMENT

In order to reduce operational and administrative charges while allowing a wider diversification of the investments, the Management Company may decide that part or all of the assets of any Sub-Fund will be co-managed with assets belonging to other Luxembourg collective investment schemes. In the following paragraphs, the words “co-managed entities” shall refer to any Sub-Fund and all entities with and between which there would exist any given co-management arrangement and the words “co-managed Assets” shall refer to the entire assets of these co-managed entities and co-managed pursuant to the same co-management arrangement.

Under the co-management arrangement, the Investment Manager will be entitled to take, on a consolidated basis for the relevant co-managed entities, investment, disinvestment and portfolio readjustment decisions which will influence the composition of the Sub-Fund’s portfolio. Each co-managed entity shall hold a portion of the co-managed Assets corresponding to the proportion of its net assets to the total value of the co-managed Assets. This proportional holding shall be applicable to each and every line of investment held or acquired under co-management. In case of investment and/or disinvestment decisions these proportions shall not be affected and additional investments shall be allotted to the co-managed entities pursuant to the same proportion and assets sold shall be levied proportionately on the co-managed Assets held by each co-managed entity.

In case of new subscriptions in one of the co-managed entities, the subscription proceeds shall be allotted to the co-managed entities pursuant to the modified proportions resulting from the net asset increase of the co-managed entity which has benefited from the subscriptions and all lines of investment shall be modified by a transfer of assets from one co-managed entity to the other in order to be adjusted to the modified proportions. In a similar manner, in case of redemptions in one of the co-managed entities, the cash required may be levied on the cash held by the co-managed entities pursuant to the modified proportions resulting from the net asset reduction of the co-managed entity which has suffered from the redemptions and, in such case, all lines of investment shall be adjusted to the modified proportions. Unitholders should be aware that, in the absence of any specific action by the Management Company or its appointed agents, the co-management arrangement may cause the composition of assets of a Sub-Fund to be influenced by events attributable to other co-managed entities such as subscriptions and redemptions. Thus, all other things being equal, subscriptions received in one entity with which any Sub-Fund is co-managed will lead to an increase of this Sub- Fund’s reserve of cash. Conversely, redemptions made in one entity with which any Sub-Fund is co-managed will lead to a reduction of the Sub-Fund’s reserve of cash. Subscriptions and redemptions may however be kept in the specific account opened for each co-managed entity outside the co-management arrangement and through which subscriptions and redemptions must pass. The possibility to allocate substantial subscriptions and redemptions to these specific accounts together with the possibility for the Management Company or its appointed agents to decide at any time to terminate a Sub-Fund’s participation in the co-management arrangement permit the Sub-Fund to avoid the readjustments of its portfolio if these readjustments are likely to affect the interest of the Fund and of its Unitholders.

If a modification of the composition of the Sub-Fund’s portfolio resulting from redemptions or payments of charges and expenses peculiar to another co-managed entity (i.e. not attributable to the Sub-Fund) is likely to result in a breach of the investment restrictions applicable to the Sub-Fund, the relevant assets shall be excluded from the co-management arrangement before the implementation of the modification in order for it not to be affected by the ensuing adjustments.

Co-managed Assets of any Sub-Fund shall only be co-managed with assets intended to be invested pursuant to investment objectives identical to those applicable to the co-managed Assets of such Sub-Fund in order to assure that investment decisions are fully compatible with the investment policy of the Sub-Fund. Co-managed Assets of any Sub-Fund shall only be co-managed with assets that are held by the Depositary in custody in order to assure that the Depositary is able, with respect to the Fund, to fully carry out its functions and responsibilities pursuant to the Law of December 17, 2010 on undertakings of collective investment. The Depositary shall at all times keep the Fund’s assets segregated from the assets of other co-managed entities, and shall therefore be able at all time to identify the assets of the Fund. Since co-managed entities may have investment policies which are not strictly identical to the investment policy of one of the Sub-Funds, it is possible that as a result the common policy implemented may be more restrictive than that of the Sub-Fund.

The Management Company may decide at any time and without notice to terminate the co-management arrangement.

Unitholders may at all times contact the registered office of the Management Company to be informed of the percentage of assets which are co-managed and of the entities with which there is such a co-management arrangement at the time of their request. Annual and half-yearly reports shall state the co-managed Assets’ composition and percentages.

BENCHMARK REGULATION

Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds (the "**Benchmark Regulation**") came into full effect on 1 January 2018.

The Benchmark Regulation introduces a new requirement for all benchmark administrators providing indices which are used or intended to be used as benchmarks in the European Union to be authorised or registered by the competent authority. In respect of undertakings for collective investment in transferable securities, the Benchmark Regulation prohibits the use of benchmarks unless they are produced by an EU administrator authorised or registered by the European Securities and Markets Authority (ESMA) or are non-EU benchmarks that are included in ESMA's public register pursuant to the Benchmark Regulation's third country regime.

Notwithstanding the above, the Benchmark Regulation was first amended by the Regulation (EU) 2019/2089 of the European Parliament and of the Council of 27 November 2019 amending Regulation (EU) 2016/1011 as regards EU Climate Transition Benchmarks, EU Paris-aligned Benchmarks and sustainability-related disclosures for benchmarks and was then amended by the Regulation (EU) 2021/168 of the European Parliament and of the Council of 10 February 2021 amending Regulation (EU) 2016/1011 as regards the exemption of certain third-country spot foreign exchange benchmarks and the designation of replacements for certain benchmarks in cessation, and amending Regulation (EU) No 648/2012 (the "**Amended Benchmark Regulation**"). Pursuant to article 51(5) of the Amended Benchmark Regulation, the use in the European Union by supervised entities of a third-country benchmark shall be permitted only for financial instruments, financial contracts and measurements of the performance of an investment fund that already reference that benchmark or which add a reference to such benchmark before 31 December 2025.

In respect of those Sub-Funds that track a benchmark index, or are managed by reference to a benchmark index, or use a benchmark index to compute a performance fee if applicable, unless otherwise disclosed in this Prospectus and unless in case of third-party benchmark that benefits from a transitional period mentioned in the previous paragraph, the benchmark administrators for the benchmark indices of the relevant Sub-Funds are registered in accordance with article 34 of the Benchmark Regulation, and have been included in the register maintained by the European Securities and Markets Authority (ESMA).

Further information regarding the benchmark used and the purposes of such benchmark is provided in the relevant Sub-Fund appendix.

In accordance with the Benchmark Regulation, the Management Company has produced and maintains a contingency plan setting out the actions to be followed in the event that a benchmark materially changes or ceases to be provided ("**Benchmark Contingency Plan**"), as required by article 28(2) of the Benchmark Regulation.

Details of the Benchmark Contingency Plan are available to the unitholders free of charge at the registered office of the Management Company.

SUSTAINABILITY-RELATED DISCLOSURES REGULATION

The Regulation (EU) 2019/2088 on sustainability-related disclosures in the financial services sector ("**SFDR**") partly came into effect on 10 March 2021.

The objective of SFDR is to harmonise transparency rules with regards the integration of sustainability risks and the consideration of adverse sustainability impacts in the Sub-Funds' investment management processes and the provision of sustainability-related information.

Sustainability risks are defined in Article 2 of SFDR as an environmental, social or governance (ESG) event or condition that, if it occurs, could cause an actual or a potential material negative impact on the value of the investment. Therefore, sustainability risks are integrated into the investment and risk management process of the Sub-Funds.

Sustainability risks (e.g. climate change, health and safety, companies with breach issues such as serious criminal penalties, etc.) may represent a risk of its own and / or have an impact on other Sub-Funds' risks. Therefore, sustainability risks may significantly contribute to the increase of the Sub-Fund's risks, such as market risks, credit risks, liquidity risks and operational risks while negatively impacting the value and/or the return of the Sub-Funds.

Therefore, the Management Company considers, in addition to financial criteria, ESG criteria without being the single determining factor in the investment management's decision. The objective is to identify sustainable risks, which may negatively impact the performance of each Sub-Fund. Such ESG criteria may defer from one sub-fund to another one and may exclude or limit investments in (i) certain controversial sectors of activities such as armaments, cluster bombs, gambling, tobacco, pornography, alcohol and Fossil Fuel Business and (ii) investments presenting sustainability risks (such as climate change, governance issues, companies with breach issues / serious criminal or tax penalties, gender diversity, etc.) or risks arising from misalignments with or breaches of internationally recognized guidelines (such as the United Nations-supported Principles for Responsible Investments, the UN Global Compact's principles or the OECD guidelines).

The ESG data sources used to assess and monitor the sustainability risks are mainly companies' public information, direct engagements with companies, financial press as well as external ESG data providers (if need be).

Further to the entry into force of EU Regulation 2022/1288 dated 6 April 2022 supplementing SFDR with regard to regulatory technical standards specifying the details of the content and presentation of the information in relation to the principle of 'do no significant harm', specifying the content, methodologies and presentation of information in relation to sustainability indicators and adverse sustainability impacts, and the content and presentation of the information in relation to the promotion of environmental or social characteristics and sustainable investment objectives in precontractual documents, on websites and in periodic reports, Unitholders are informed about the environmental or social characteristics available in the "Appendix I" of this Prospectus.

The Management Company may consider principal adverse impacts on its investment decisions on sustainability factors, as disclosed in the Section "Available Sub-Funds and Investment Policies", or in the Sub-Funds' precontractual documents for article 8 and article 9 of SFDR financial products.

DATA PROTECTION

Investor's personal data (i.e. any information relating to an identified or identifiable natural person) can be collected, stored and processed in accordance with the provisions of the Regulation (EU) 2016/679 of the European Parliament and the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC ("**GDPR**") and data protection law applicable in Luxembourg in connection with an investment in the Fund.

The Management Company usually receives Investors' Data in an aggregate and anonymous form and in any case in a form that does not allow it to refer such data to an identifiable individual. In limited circumstances and in any case only where personal data are eventually transmitted in a non-anonymous form by other data controllers or by the same investor, personal data are processed by the Management Company as data processor and in compliance with the provisions of the GDPR for the following purposes:

(i) Management and administration of investments in the Fund and related relationships (including pledges, seizures and handling of complaints).
(ii) Disclosure to third parties, such as auditors, supervisory and tax authorities, IT service providers in the context of the daily operations of the Fund.
(iii) Compliance with the legal, tax, or other regulatory obligation associated with the participation in the Fund, including any law and regulation relating to taxation and the fight against money laundering and terrorist financing (AML/CTF).

The legal basis for processing is (i) the performance of the contract between the Investors and the Fund and (ii) the compliance with a legal obligation to which the Management Company is subject.
In these cases the processing of personal data, their storage, cancellation and destruction takes place with the use of suitable tools to guarantee their security and confidentiality.

Personal data may also be processed by the Management Company's agents, consultants, and affiliated companies for the purposes specified above. These entities will be required to comply with the data protection laws of the countries in which they operate. The Management Company may provide personal data to other subjects if this is necessary either due to justified business interests, to exercise or defend legal claims, or where required by law, for example to third parties such as auditors, the Depositary, supervisory authorities, tax authorities and IT Services providers. Personal data will not be provided to third parties for processing with commercial information purposes and/or for carrying out market research or similar treatments and will not be transferred outside of EU.

Investors' personal data will be stored until it the data processing purpose has been fulfilled. This is without prejudice to the applicable storage periods imposed by the relevant legal acts.

If personal data provided in connection with an investment in the Fund includes personal data of the investor's representatives, authorized signatories or beneficial owners, it is assumed that the investor has obtained the consent of the persons concerned for their personal data to be processed in the aforementioned manner, and in particular for such data to be disclosed to and processed by the above parties.

In accordance with Art. 15 – 21 of the GDPR, investors may apply to access, correct or delete their personal data free of charge at any time. Such requests should be sent in writing to the Management Company at info@neam.lu. Investors shall further have a right to lodge a complaint with the National Commission for Data Protection. It is assumed that investors shall inform any representatives, authorized signatories or beneficial owners whose personal data is processed of these rights.

SUMMARY

The summary below is qualified in its entity by the provisions of the Management Regulations enclosed as an appendix to this Prospectus.

NEF:

Establishment of the Management Company:	May 19, 1999
Accounting year	January 1st - December 31st
First Accounting Year	Ending December 31st 2000
Publication of the Management Regulations (RESA)	November 16, 1999
Publication of the amendment to the Management Regulations dated November 1999 (RESA)	December 29, 1999
Publication of the notice of the deposit of the last amendment to the Management Regulations and of the last Consolidated Management Regulations at the Registre de Commerce et des Sociétés de Luxembourg (RESA)	September 25, 2023
Types of Units	only registered Units Accumulation Units and Distribution Units
Accumulation Units	in principle no distribution of dividend and accumulation of profits.
Distribution Units	distribution of dividends in compliance with what is provided for in the Management Regulations
First Financial Report	as at December 31, 1999

Management Company

NORD EST ASSET MANAGEMENT
5, Allée Scheffer
L - 2520 Luxembourg

Conducting Officers

Mrs Samanta Graziosi (Luxembourg resident Conducting Officer)
Nord Est Asset Management
5, Allée Scheffer
L-2520 Luxembourg

Mrs Federica Pasca (Luxembourg resident Conducting Officer)
Nord Est Asset Management
5, Allée Scheffer
L-2520 Luxembourg

Mrs Domiziana Merlo (Luxembourg resident Conducting Officer)
Nord Est Asset Management

5, Allée Scheffer
L-2520 Luxembourg

Mr. Massimo Tamanini
Direzione Rapporti Istituzionali
Cassa Centrale Banca – Credito Cooperativo Italiano S.p.A.
Via Segantini 5
IT-38122 Trento, Italy

<u>Board of Directors</u>

Chairman of the Board	Paolo Crozzoli Independent Director
Director	Paolo Stefano Gonzo Cassa Rurale Valsugana e Tesino Banca di Credito Cooperativo – Società Cooperativa Viale Quattro Novembre 20 IT-38051, Borgo Valsugana (TN), Italy
Director	*Vincent Linari-Pierron* Independent Director
Director	*Josée-Lynda Denis* Independent Director

<u>Investment Managers</u>

Amundi (UK) Limited
77 Coleman Street
London, EC2R 5BJ
United Kingdom

Raiffeisen Kapitalanlage-Gesellschaft m.b.H
Mooslackengasse 12,
A-1190 Vienna, Austria

FIL Pensions Management
Beech Gate, Millfield Lane, Lower Kingswood,
Tadworth, Surrey KT20 6RP, United Kingdom

BNP Paribas Asset Management UK Limited
5 Aldermanbury Square
London EC2V 7BP, United Kingdom

Amundi SGR S.p.A
Via Cernaia 8/10 20121 Milan,
Italy

Union Investment Luxembourg SA
3, Heienhaff,
L-1736 Senningerberg, Grand Duchy of Luxembourg

BlackRock Investment Management (UK) Limited
12 Throgmorton Avenue
London, EC2N 2DL, United Kingdom

Vontobel Asset Management Inc.
66 Hudson Boulevard, 34th Floor
New York, NY 10001, United States

BNP Paribas Asset Management Europe
1 boulevard Haussmann,
F-75009 Paris, France

DWS Investment GmbH.
Mainzer Landstraße 11-17,
60329 Frankfurt am Main, Germany

Eurizon Capital SGR S.p.A.
Piazzetta Giordano Dell'amore, 3
20121 Milan, Italy

MFS International (U.K.) Limited
One Carter Lane,

London, EC4V 5ER, United Kingdom

Crédit Mutuel Asset Management
4, rue Gaillon
75002, Paris, France

Niche Asset Management LTD
Lennox Gardens 17
London, SW1X 0DB United Kingdom

PIMCO Europe GmbH
Seidlstraße 24-24a,
80335 Munich, Germany

Sub-Investment Manager(s)

FIL Investment Management (Hong Kong) Ltd
Level 21, Two Pacific Place, 88 Queensway
Admiralty, Hong Kong

MFS Institutional Advisors Inc.
111 Huntington Avenue
Boston, MA 02199-7632, United States

Union Investment Privatfonds GmbH
Weißfrauenstraße 7
60311 Frankfurt am Main, Germany

Union Investment Institutional GmbH
Weißfrauenstraße 7
60311 Frankfurt am Main, Germany

PIMCO Europe Ltd
11 Baker Street
London W1U 3AH, United Kingdom

Pacific Investment Management Company LLC
650 Newport Center Drive Newport Beach,
CA 92660 United States

Auditors

Deloitte Audit, Société à responsabilité limitée
20, Boulevard de Kockelscheuer
L-1821 Luxembourg

Depositary and Central Administration Agent

CACEIS Bank, Luxembourg Branch
5, Allée Scheffer
L-2520 Luxembourg

Main Global Distributors

Cassa Centrale Banca – Credito Cooperativo Italiano S.p.A.
Via Segantini 5
IT-38122 Trento, Italy

ALLFUNDS BANK S.A.U.
Calle de los Padres Dominicos, 7, 28050, Madrid, Spain

Cassa Centrale Raiffeisen dell’Alto Adige S.p.A.
Via Laurin 1, 39100 Bolzano, Italy

Distributors

An updated list of distributors is available upon request sending an e-mail to neam@neam.lu

APPENDIX I – PRECONTRACTUAL DOCUMENTS

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

Product name: NEF Ethical Bond - Euro

Legal entity identifier: 5493003QOV0XVIV1Q643

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.

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:** ___%	☒ 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 5% of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☒ 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	☒ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☒ with a social objective
☐ It will make a minimum of **sustainable investments 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?

NEF Ethical Bond - Euro (the "**Sub-Fund**") promotes environmental, social and governance ("**ESG**") characteristics while seeking to invest mainly in euro bonds with a good ESG rating that will represent the investment universe. It will notably use an ESG rating as further explained in the other sections of this pre-contractual annex.

Corporate issuers

The investment strategy selects corporate issuers with good or improving ESG practices within their sector of activity through the positive screening using a selectivity approach.

This involves evaluation of ESG performance of an issuer against a combination of environmental, social and governance factors which include but are not limited to:

- Environmental: energy efficiency, reduction of emissions of greenhouse gases (GHG), treatment of waste;
- Social: respect of human rights and workers' rights, human resources management (workers' health and safety, diversity);
- Governance: Board of Directors independence, managers' remuneration, respect of minority shareholders rights.

The negative screening applying exclusion criteria with regard to issuers that are in violation of international norms and conventions, or operate in sensitive sectors as defined by the Responsible Business Conduct Policy (RBC Policy) of the Investment Manager.

Sovereign issuers

The investment strategy selects sovereign issuers based on their performance across the environmental, social and governance pillars. The ESG performance of each country is assessed using the Investment Manager Sovereign ESG methodology that focuses on measuring governments' efforts to produce and preserve assets, goods, and services with high ESG values, according to their level of economic development. This involves evaluation of a country against a combination of environmental, social and governance factors, which include but not limited to:

- Environmental: climate mitigation, biodiversity, energy efficiency, land resources, pollution;
- Social: life conditions, economic inequality, education, employment, health infrastructure, human capital;
- Governance: business rights, corruption, democratic life, political stability, security.

The Investment Manager’s Global Sustainability Strategy places a strong emphasis on combatting climate change. Therefore, given the importance of sovereigns in addressing climate change, the Investment Manager’s Sovereign ESG methodology includes an additional scoring component that captures the country’s contribution to progress towards the net-zero goals set out in the Paris Agreement. This additional scoring component reflects countries' commitment to future targets balanced by their current policies and their forward-looking physical climate risk exposure. It combines temperature alignment methodology for determining national contributions to climate change with an assessment of the laws and policies countries have in place for addressing climate change.

Furthermore, the Investment Manager promotes better environmental and social outcomes through engagement with issuers and the exercise of voting rights according to the Stewardship policy, where applicable.

The Sub-Fund has not designated a reference benchmark that it will replicate for the purpose of attaining the environmental and/or social characteristics promoted.

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

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

The attainment of the promoted environmental and social characteristics is assessed via the application of a proprietary ESG assessment methodology.

The methodology applies a variety of ESG Criteria (the "**ESG Filter**") to assess the attainment of the promoted environmental and social characteristics, which are as follows:

All issuer should have an ESG rating in principle. The Sub-Fund will invest in issuers with good ESG rating (i.e. considered by the Management Company if their rating is greater than or equal to 41.67 according to Refinitiv or equivalent third-party ESG rating providers or not belonging into the worst two deciles, based on BNP* ESG scoring).

If an issuer is downgraded below such a rating, the Investment Manager should sell it within a reasonable timeframe. However, it may continue to be held, if consent has been obtained from the Management Company.

In addition, the Investment Manager can invest up to 5% of the Sub-Fund portfolio AUM in securities where no ESG rating is available, but where the Investment Manager has good reason to believe that the securities will receive a good ESG rating within a reasonable period of time by either a third-party ESG rating provider or the Investment Manager in-house research. Once the ESG rating or analysis becomes available, should it not be in line with the limits of the mandate, the course of action will follow the inadvertent breach policy.

Should a sovereign related issuer, (e.g. agencies, local authorities, sovereign owned/sponsored/guaranteed, etc.) not be covered by BNP in-house research or a third-party ESG rating providers, the relative country sovereign ESG rating will be used and the same methodology for sovereign issuers will apply.

In addition to the rating, the follows should be taken into account:

a. Sovereign issuers: government bonds are allowed if they are issued by countries with a low corruption and ML/TF risk rating. Government bonds issued by country with high corruption and ML/TF risk are identified by either of the following:

    - FATF High Risk and monitored jurisdictions
    - EU, UN and OFAC Sanctions
    - Corruption Perception Index (CPI)
    - Know Your Country data (KYC)

Government bonds issued by country having a significant level of corruption or other predicate offences to ML/TF are forbidden.

Countries that apply the death penalty are excluded; in case of a Federation the exclusion is implemented only to the individual Federal State that apply the death penalty.

b. Corporate bond issuers: companies whose main business activity is in controversial sectors such as armaments, cluster bombs, cluster munitions, thermal coal, unconventional oil and gas, adult entertainment, gambling, tobacco, are not investable.

c. The targeted open-ended UCIs/UCITS: those funds are included solely when all the following conditions are met:

    - They are at least classified as article 8 funds according to Regulation (EU) 2019/2088 ("SFDR"));

- They consider principal adverse impacts of its investment decisions on sustainability factors; and
- Their minimum percentage of sustainable investments is equal or higher than NEF Ethical Bond - Euro.

**BNP PARIBAS ASSET MANAGEMENT's ESG scoring framework assesses ESG characteristics of an issuer. A four-step process is used in order to score an issuer:*
1- ESG metric selection and weighting based on three criteria:
· Materiality of ESG issues that are material to the business of an issuer.
· Measurability and insight.
· Data quality and availability based on data of reasonable quality and that are readily available
2- ESG assessment vs. peers: This assessment is primarily sector-relative, reflecting the fact that ESG risks and opportunities are not always comparable between sectors and regions. For instance, health & safety is less important for an insurance company than a mining company. Each issuer starts with a baseline 'neutral' score of 50. Each score is then summed for each of the three ESG pillars – Environmental, Social and Governance. An issuer receives a positive score for a pillar if it performs better than the average of its peer group. If it performs below than the average, it receives a negative score. However, two universal issues that impact all companies are not scored relative to peers, introducing a deliberate 'tilt' for the most exposed sectors. These are:
· Carbon emissions –An absolute carbon emission measure, creating a positive bias towards issuers and sectors with lower carbon emissions, has been implemented.
· Controversies – Sectors that are more prone to ESG controversies have slightly lower scores, reflecting increased risk ('headline', reputational or financial risk). The overall result is an intermediate quantitative ESG score that ranges from zero to 99, with the ability to see how each ESG pillar has added to or detracted from the issuer's final score.
3- Qualitative review: In addition to proprietary quantitative analysis, the methodology takes into account a qualitative review of issuers with information gathered from third-party sources, internal in-depth research on material issues (e.g. climate change) and knowledge and interaction with issuers.
4- Final ESG score: Combining both qualitative and quantitative inputs, an ESG score is reached ranging from zero to 99, with issuers ranked in deciles against peers. Issuers that are excluded from investment through the RBC policy are assigned a score of 0.

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 will partially invest in sustainable investments according to article 2(17) SFDR.

The objectives of the sustainable investments addressed by the Investment Manager cover:

1. A company with an economic activity aligned with the EU Taxonomy objectives. A company can be qualified as sustainable investment in case it has more than 20% of its revenues aligned with the EU Taxonomy. A company qualifying as sustainable investment through this criteria can for example contribute to the following environmental objectives: sustainable forestry, environmental restoration, sustainable manufacturing, renewable energy, water supply, sewerage, waste management and remediation, sustainable transportation, sustainable buildings, sustainable information and technology, scientific research for sustainable development;

2. A company with an economic activity contributing to one or more United Nations Sustainable Development goals (UN SDG) targets. A company can be qualified as sustainable investment in case it has more than 20% of its revenues aligned with the SDGs and less than 20% of its revenues misaligned with the UN SDGs. A company qualifying as sustainable investment through this criteria can for example contribute to the following objectives:
    a. Environmental: sustainable agriculture, sustainable management of water and sanitation, sustainable and modern energy, sustainable economic growth, sustainable infrastructure, sustainable cities, sustainable consumption and production patterns, fight against climate change, conservation and sustainable use of oceans, seas and marine resources, protection, restoration and sustainable use of terrestrial ecosystems, sustainable management of forests, fight against desertification, land degradation and biodiversity loss;
    b. Social: no poverty, zero hunger, food security, healthy lives and well-being at all ages, inclusive and equitable quality education and lifelong learning opportunities, gender equality, women and girls empowerment, availability of water and sanitation, access to affordable, reliable and modern energy, inclusive and sustainable economic growth, full and productive employment and decent work, resilient infrastructure, inclusive and sustainable industrialization, reduced inequality, inclusive, safe and resilient cities and human settlements, peaceful and inclusive societies, access to justice and effective, accountable and inclusive institutions, global partnership for sustainable development.

3. A company operating in a high GHG emission sector that is transitioning its business model to align with the objective of maintaining the global temperature rise below 1.5°C. A company qualifying as sustainable investment through this criteria can for example contribute to the following environmental objectives: GHG emissions reduction, fight against climate change;

4. A company with best-in-class environmental or social practices compared to its peers within the relevant sector and geographical region. The E or S best performer assessment is based on Investment Manager scoring methodology. The methodology scores companies and assesses them against a peer group comprising companies in comparable sectors and geographical regions. A company with a contribution score above 10 on the Environmental or Social pillar qualifies as best performer. A company qualifying as sustainable investment through this criteria can for example contribute to the following objectives:
    a. Environmental: fight against climate change, environmental risk management, sustainable management of natural resources, waste management, water management, GHG emissions reduction, renewable energy, sustainable agriculture, green infrastructure;
    b. Social: health and safety, human capital management, good external stakeholder management (supply chain, contractors, data), business ethics preparedness, good corporate governance.

Green bonds, social bonds and sustainability bonds issued to support specific environmental and/or social projects could also be qualified as sustainable investments according to the Investment Manager's in house methodology provided that these debt securities receive an investment recommendation 'POSITIVE' or 'NEUTRAL' from the Investment Manager following the issuer and underlying project assessment based on a proprietary Green/Social/Sustainability Bond Assessment methodology.

Additionally, the partially investment in sustainable investments according to article 2(17) SFDR is ensured by the Management Company who runs ex-post independently checks on the portfolio at least quarterly.

The Management Company considers that, in order to be classified as sustainable investment, an investment should either:

1. Be aligned with the EU Taxonomy objectives. A company can be qualified as sustainable investment in case it has more than 20% of its revenues aligned with the EU Taxonomy, or
2. Contribute positively to one or more United Nations Sustainable Development goals (UN SDG) targets. Despite UN SDG targets both environmental and social matters, the ultimate target revolve around human society development in a sustainable way, therefore is meant to contribute to a social objective, or
3. Be a Green Bonds, Social Bonds, Sustainable Bonds, or bonds linked to Sustainable / ESG / SDGs projects which is meant to contribute to a social or environmental objective depending on the nature of the bond. Such bonds should follow guidelines concerning the use of proceeds such as ICMA or CBI or other recognized independent party.

Regarding point 2, the positive contribution is determined usually by using ISS SDG impact rating. However other equivalent SDG impact analysis could be used. ISS SDG impact rating ranges from -10 to +10. To contribute positively the ISS SDG impact rating should be at least 2.

The ISS SDG impact rating is based on 3 pillars:

- Product and services identify contribution or obstruction to SDGs, based on revenues. The score is ranging from -10 to +10 based on the percentage of revenues contributing or obstructing with the goal, +10 imply a 100% contribution.
- Operations management: evaluate impact along the value chain, based on corporate ESG practices and impact. The score is ranging from -10 to +10.
- Controversies: identify alleged or verified failure to respect norms that obstruct SDG. The score ranges from 0 (no controversies) to -8 (large negative controversies).

Once these 3 ratings are compiled for each goal, both operation management and controversies are added together and compared to the product and services score. Then the following logic is applied: Highest positive score if only positive scores, Lowest negative score if only negative scores, sum of the positive and the negative score in case of mixed scores.

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?

Sustainable investments that the product partially intends to make should not significantly harm any environmental or social objective (DNSH Principle). In this respect, the Investment Manager commits to consider principal adverse impacts on sustainability factors by taking into account indicators for adverse impacts as defined in SFDR, and to not invest in companies that do not meet their fundamental obligations in line with the OECD Guidelines and the UN Guiding Principles on Business and Human Rights.

Additionally, to confirm that the sustainable investments that the financial product partially makes, do not significant harm to any environmental or social sustainable investment objective, a DNSH test (do not significant harm test) is run ex-post independently by the Management Company on the portfolio at least yearly.

As a general matter, the “do no significant harm” principle, as referred to in article 6 of the Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment, does not apply to this Sub-Fund since the investments underlying this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

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

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

The Investment Manager ensures that throughout its investment process, the financial product takes into account principal adverse impact indicators that are relevant to its investment strategy to select the sustainable investments that the financial product partially intends to make by systematically implementing the following sustainable investment pillars into its investment process: RBC policy, ESG integration guidelines, Stewardship, the forward-looking vision the '3Es' (Energy transition, Environmental sustainability, Equality & Inclusive Growth).

The RBC policy establishes a common framework across investments and economic activities that help identify industries and behaviours presenting a high risk of adverse impacts in violation of international norms. As part of the RBC Policy, sector policies provide a tailored approach to identify and prioritize principal adverse impacts based on the nature of the economic activity, and in many cases, the geography in which these economic activities take place.

The ESG Integration Guidelines includes a series of commitments, which are material to consideration of principal adverse sustainability impacts, and guides the internal ESG integration process. The proprietary ESG scoring framework includes an assessment of a number of adverse sustainability impacts caused by companies in which we invest. Outcome of this assessment may impact the valuation models as well as the portfolio construction depending on the severity and materiality of adverse impacts identified.

Thus, the Investment Manager considers principal adverse sustainability impacts throughout the investment process through the use of the internal ESG scores and construction of the portfolio with an improved ESG profile compared to its investment universe.

The Forward-looking perspective of the Investment Manager defines a set of objectives and developed performance indicators to measure how the researches, portfolios and commitments are aligned on three issues, the '3Es' (Energy transition, Environmental sustainability, Equality & inclusive growth) and thus support investment processes.

Furthermore, the Stewardship team regularly identifies adverse impacts through ongoing research, collaboration with other long-term investors, and dialogue with NGOs and other experts.

Principal adverse impacts on Groups	Principal adverse impacts on investment decisions	BNP ESG integration	RBC policy / Exclusion Policy	Forward looking 3E	BNP Stewardship
Greenhouse gas emissions	1. GHG emissions	YES	YES	YES	YES
	2. Carbon footprint	YES	YES	YES	YES
	3. GHG intensity of investee companies	YES	YES	YES	YES
	4. Exposure to companies active in the fossil fuel sector	YES	YES	YES	YES
	5. Share of non-renewable energy consumption and production	YES	YES	YES	YES
	6. Energy consumption intensity per high impact climate sector	YES		YES	YES
Biodiversity	7. Activities negatively affecting biodiversity sensitive areas	YES	YES	YES	YES
Water	8. Emissions to water	YES	YES	YES	YES
Waste	9. Hazardous waste ratio	YES	YES	YES	YES
Social and employee matters	10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	YES	YES	YES	YES
	11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises	YES	YES	YES	YES
	12. Unadjusted gender pay gap	YES		YES	YES
	13. Board gender diversity	YES		YES	YES
	14. Exposure to controversial weapons (antipersonnel mines, cluster munitions, chemical weapons and biological weapons)	N/A	YES	N/A	YES
Sovereign and Supranational issuers	15. GHG Intensity	YES		YES	YES
	16. Investee countries subject to social violations	YES	YES	YES	YES

The Management Company runs on an ex-post basis a DNSH test (do not significant harm test) independently. The DNSH test is based on several pillars among which:

- Norm based screen: to identify issuer based on the issuer's link with any breaches of international standards.
- Activity-based screens - the screening out of issuers based on their participation in activities with significant negative impacts on society or the environment; and
- Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained

- PAI evolution: quantitative data (where available) on PAI indicators is used to evaluate whether an issuer is involved in activities that cause significant harm to any environmental or social objective.

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

The investment universe of the financial product is periodically screened with a view to identify issuers that are potentially in violation or at risk of violation of the UN Global Compact Principles, OECD Guidelines for Multinational Enterprises and UN Guiding Principles on Business & Human Rights, including the principles and rights set out in the eight fundamental conventions identified in the Declaration of the International Labour Organisation on Fundamental Principles and Rights at Work and the International Bill of Human Rights.

If an issuer is found to be in serious and repeated violations of any of the principles, it will be placed on an 'exclusion list' and will not be available for investment. Existing investments should be divested from relevant portfolios based on market conditions but not later than three months after communication. Exceptions may be granted in cases where exclusions from actively managed portfolios would result in significant market risk versus the benchmark.” If an issuer is at risk of violating any of the principles, it is placed on a 'watch list' monitored, as appropriate.

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, The product considers principal adverse impacts on sustainability factors by systematically implementing the sustainable investment pillars defined below.

These pillars are covered by Investment Manager policies that set criteria to identify, consider and prioritise as well as address or mitigate adverse sustainability impacts caused by issuers.

The RBC policy/ exclusion policy establishes a common framework across investments and economic activities that help identify industries and behaviours presenting a high risk of adverse impacts in violation of international norms. As part of the RBC Policy, sector policies provide a tailored approach to identify and prioritize principal adverse impacts based on the nature of the economic activity, and in many cases, the geography in which these economic activities take place.

The ESG Integration Guidelines includes a series of commitments, which are material to consideration of principal adverse sustainability impacts, and guides the internal ESG integration process. The proprietary ESG scoring framework includes an assessment of a number of adverse sustainability impacts caused by companies in which the investment manager invest. Outcome of this assessment may impact the valuation models as well as the portfolio construction depending on the severity and materiality of adverse impacts identified.

Thus, the Investment Manager considers principal adverse sustainability impacts throughout the investment process through the use of the internal ESG scores and construction of the portfolio with an improved ESG profile compared to its investment universe.

The forward-looking perspective of the Investment Manager defines a set of objectives and developed performance indicators to measure how the researches, portfolios and commitments are aligned on three issues, the '3Es' (Energy transition, Environmental sustainability, Equality & inclusive growth) and thus support investment processes.

Furthermore, the Investment Manager regularly identifies adverse impacts through ongoing research, collaboration with other Long-term investors, and dialogue with NGOs and other experts.

Actions taken by the Investment Manager to address or mitigate principal adverse sustainability impacts depend on the severity and materiality of these impacts. These actions include the following provisions:

- Exclusion of issuers that are in violation of international norms and conventions and issuers that are involved in activities presenting an unacceptable risk to society and/or the environment
- Engagement with issuers with the aim of encouraging them to improve their environmental, social and governance practices and, thus, mitigate potential adverse impacts
- Ensuring all securities included in the portfolio have supportive ESG research
- Managing portfolios so that their aggregate ESG score is better than the relevant universe.

Further information on principal adverse impacts will be provided in an annex to the Sub-Fund’s annual report.

☐ No

What investment strategy does this financial product follow?

To achieve the investment objective of the financial product, the Investment Manager takes into account at each step of its investment process the Environmental, Social and Governance (ESG) criteria that the financial product promotes.

The investment universe of the financial product is thoroughly screened with a view to identify issuers that are in violation of the UN Global Compact Principles, OECD Guidelines for Multinational Enterprises and UN Guiding Principles on Business & Human Rights. Issuers failing to meet their fundamental obligations in the areas of human and labour rights, environment and corruption are excluded from the investment universe. The Investment Manager sector policies relating to companies operating in sensitive areas (controversial weapons, armaments, thermal coal etc.) are implemented in order to identify and exclude companies with the worst practices.

Then the Investment Manager integrates ESG ratings and criteria into the assessment of issuers. ESG ratings are built by BNP Paribas Asset Management's Sustainability Centre using a proprietary ESG methodology.

The investment manager constantly integrates the binding elements of the investment strategy described in the question below to construct an investment portfolio with a significantly improved ESG profile compared to its investment universe.

In addition, the Investment Manager relies on the internal sustainable investment methodology, as defined in the answer to the question *What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investments contribute to such objectives, to determine issuers that contribute to environmental and/or social objectives.*

An extra-financial strategy may comprise methodological limitations such as the ESG Investment Risk as defined by the investment manager.

The elements of the investment strategy to attain the environmental or social characteristics promoted by this financial product as described below are systematically integrated throughout the investment process.

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 Sub-Fund's investment strategy has the following binding elements:

  - The "ESG Filter" process as described in the section " *What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?"*

  - The "Exclusion List" made of companies that are to be excluded if their main business activity is among the following business areas (negative screening):

    - Armaments
    - Unconventional weapons (including Cluster bombs)
    - Gambling
    - Pornographic material
    - Tobacco
    - Unconventional Oil and Gas
    - Thermal coal

  If an issuer becomes excluded after investment, the Investment Manager should sell the security within a reasonable timeframe. However, it may continue to be held, if consent has been obtained from the Management Company.

  - The "Exclusion List" made of sovereign issuers in countries or federal state where the death penalty applies and with high corruption and ML/TF risk.

If an issuer becomes excluded after investment, the Investment Manager should sell the security within a reasonable timeframe. However, it may continue to be held, if consent has been obtained from the Management Company.

- The financial product shall have at least 95% of its assets (excluding ancillary liquid assets) covered by ESG analysis.

- The financial product shall invest at least 5% of its assets in 'sustainable investments' as defined in Article 2 (17) of the SFDR regulation.

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

The financial product does not commit to a minimum rate of reduction of the scope of investments prior to the application of its investment strategy.

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

The Investment Manager’s ESG scoring framework assesses corporate governance, before investing and on an ongoing basis, through a core set of standard key performance indicators for all sectors supplemented by sector specific metrics. The governance metrics and indicators to assess good governance practices such as sound management structures, employee relations, remuneration of staff and tax compliance include but are not limited to:

- Separation of power (e.g. Split CEO/Chair)
- Board diversity
- Executive pay (remuneration policy)
- Board Independence, and key committees independence
- Accountability of directors
- Financial expertise of the Audit Committee
- Respect of shareholders rights and absence of antitakeover devices
- The presence of appropriate policies (i.e. Bribery and corruption, whistleblower)
- Tax disclosure
- An assessment of prior negative incidents relating to governance

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

The Investment Manager ESG analysis goes beyond the framework to look at a more qualitative assessment of how the insights from the internal ESG model are reflected in the culture and operations of investee companies.

The good governance practice is assessed by the Management Company, after investment and on an ongoing basis, with the following indicators:

- The company must be listed in a major stock exchange in order to be considerate having a good governance, as in order to be listed several policy and procedure regarding governance must be in place; or
- The company should have a minimum Governance Pillar Score of 25 according to Refinitiv or equivalent third-party ESG rating provider.

What is the asset allocation planned for this financial product?

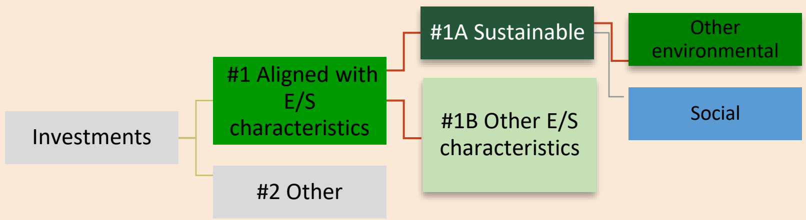
Asset allocation describes the share of investments in specific assets.

The minimum proportion of investments used to meet the environmental or social characteristics promoted by the financial product shall be at least 70%. For the avoidance of doubt, such a proportion is solely a minimum commitment and the real percentage of the investments of the financial product that attained the promoted environmental or social characteristics will be available in the annual report. The minimum proportion of sustainable investments of the financial product is 5%.

The remaining proportion of the investments may include:

- The proportion of assets that are not used to meet the environmental or social characteristics promoted by the financial product. These assets are used for investment purposes, or
- Instruments which are mainly used for liquidity, efficient portfolio management, and/or hedging purposes, notably cash, deposits and derivatives.

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.

#2Other 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.

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

The derivatives (if any) is currently not used to attain the environmental or social characteristics promoted by the Sub-Fund.

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

The Sub-Fund does not commit to invest a minimum proportion of sustainable investments with an environmental objective aligned with the EU Taxonomy. Therefore, the minimum percentage of environmentally sustainable investments aligned with the EU Taxonomy is 0% of the Sub-Fund's net assets. However, it may occur that part of the investments' underlying economic activities are aligned with the EU Taxonomy.

Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[1]?

☐ Yes:

In fossil gas   In nuclear energy

✖ No

[1] Fossil gas and/or nuclear related activities will 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

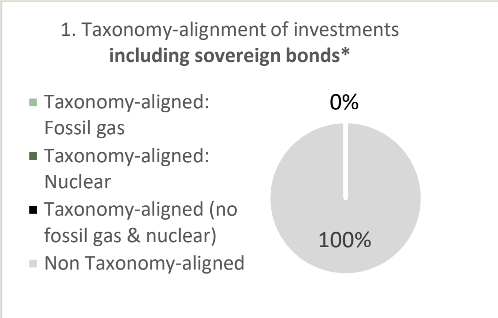
To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

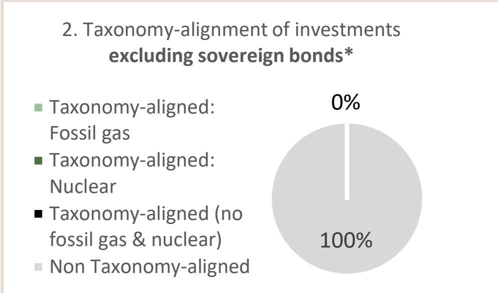
Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

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.

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

The 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.





This graph represents 100% of the total investments.

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

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

The Sub-Fund does not have a minimum share of investments in transitional and enabling activities, as it does not commit to a minimum proportion of environmentally sustainable investments aligned with the EU Taxonomy.

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

The minimum share of environmentally sustainable investments shall in total be at least 1% of the net assets of the Sub-Fund.

What is the minimum share of socially sustainable investments?

The minimum share of socially sustainable investments shall in total be at least 1% of the net assets of the Sub-Fund.

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

The remaining proportion of the investments may include:
- The proportion of assets that are not used to meet the environmental or social characteristics promoted by the financial product. These assets are used for investment purposes, or
- Instruments which are mainly used for liquidity, efficient portfolio management, and/or hedging purposes, notably cash, deposits and derivatives

In any case, the Investment Manager will ensure that those investments are made while maintaining the improvement of the ESG profile of the financial product. In addition, those investments are made in compliance with Investment Manager processes, including the following minimum environmental or social safeguards:
- The risk management policy. The risk management policy comprises procedures as are necessary to enable the management company to assess for each financial product it manages the exposure of that product to market, liquidity, sustainability and counterparty risks.
- The RBC policy, where applicable, through the exclusion of companies involved in controversies due to poor practices related to human and labour rights, environment, and corruption, as well as companies operating in sensitive sectors (tobacco, thermal coal,

controversial weapons, asbestos,…), as these companies are deemed to be in violation of international norms, or to cause unacceptable harm to society and/or the environment.

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?

This Sub-Fund has not designated a reference benchmark to determine whether it is aligned with the environmental and/or social characteristics that it promotes.

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

  This is not applicable as the Sub-Fund has not designated a reference benchmark.

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

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

  This is not applicable as the Sub-Fund has not designated a reference benchmark.

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

  This is not applicable as the Sub-Fund has not designated a reference benchmark.

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

  This is not applicable as the Sub-Fund has not designated a reference benchmark.

Where can I find more product specific information online?

More product-specific information can be found on the website:
https://neam.lu/lu/sustainability-related-disclosures/

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

Product name: NEF Ethical Corporate Bond - Euro

Legal entity identifier: 5493006FF9WQPFQWK638

Environmental and/or social characteristics

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.

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 **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 10% 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 will make a minimum of **sustainable investments 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?

NEF Ethical Corporate Bond - Euro (the "**Sub-Fund**") promotes environmental, social and governance ("**ESG**") characteristics while seeking to invest mainly in global bonds with a good ESG profile that will represent the investment universe. It will notably use an ESG rating as further explained in the other sections of this pre-contractual annex.

Regarding ESG characteristics, a wide range of environmental and social characteristics are considered on an ongoing basis, in particular climate change, pollution and waste, environmental improvement opportunities (such as green technologies and renewable energy) and social and employee matters (such as mitigation of work place accidents). Corporate governance as well as entrepreneurial behavior and business ethics (overall "good governance") are in any case prerequisites for an investment. There is no limitation to specific environmental or social characteristics.

The Sub-Fund has not designated a reference benchmark that it will replicate for the purpose of attaining the environmental and/or social characteristics promoted.

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

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

The attainment of the promoted environmental and social characteristics is assessed via the application of a proprietary ESG assessment methodology. The methodology applies a variety of ESG Criteria (the "**ESG Filter**") to assess the attainment of the promoted environmental and social characteristics based on good ESG rating (i.e. issuers having a rating greater than or equal to 40 as defined per Raiffeisen in-house ESG rating* or equivalent third-party ESG rating providers or 41.67 according to Refinitiv).

The Sub-Fund will invest in issuers with a good ESG rating. All issuer must have, in principle, an ESG rating.

Average ESG Portfolio Rating should not be below 66 (according to Refinitiv) or 65 according to the Raiffeisen in-house ESG rating.

If a rating issuer is downgraded below the above mentioned minimum score, the Investment Manager should sell the relevant securities within a reasonable timeframe. However, they may continue to be held, if consent has been obtained from the Management Company.

The Investment Manager can invest up to 5% of the portfolio assets under management in securities where no ESG rating is readily available, but where the Investment Manager has good reason to believe that the securities will receive a good ESG rating within a reasonable period of time by either a third-party ESG rating provider or the Investment Manager in-house research. Once the ESG rating or analysis becomes available, should it not be in line with the limits of the mandate, the course of action will follow the inadvertent breach policy.

In addition to the rating, the follows should be take into account:

a. <u>Sovereign issuers</u>: government bonds are allowed if they are issued by countries with a low corruption and ML/TF risk rating. Government bonds issued by country with high corruption and ML/TF risk are identified by either of the following:

   - FATF High Risk and monitored jurisdictions
   - EU, UN and OFAC Sanctions
   - Corruption Perception Index (CPI)
   - Know Your Country data (KYC)

Government bonds issued by country having a significant level of corruption or other predicate offences to ML/TF are forbidden.

Countries that apply the death penalty are excluded; in case of a Federation the exclusion is implemented only to the individual Federal State that apply the death penalty.

b. <u>Corporate bond issuers</u>: companies whose main business activity is in controversial sectors such as armament, gambling, tobacco, adult entertainment, coal, unconventional oil and gas are not investible.

c. The targeted open-ended UCIs/UCITS: those funds are included solely when all the following conditions are met:
   - They are at least classified as article 8 funds according to Regulation (EU) 2019/2088 (“SFDR”));
   - They consider principal adverse impacts of its investment decisions on sustainability factors; and
   - Their minimum percentage of sustainable investments is equal or higher than NEF Ethical Corporate Bond - Euro.

Green Bonds, Social Bonds, Sustainable Bonds, and all bonds linked to Sustainable / ESG / SDGs projects might be acceptable from issuers with good ESG profiles even if those issuers are flagged in the controversial sectors above.

** The Raiffeisen ESG indicator is used by the investment manager as an internal sustainability indicator. The Investment Manager continually analyses companies and sovereigns based on internal and external research sources. The results of this sustainability research are combined with a comprehensive ESG evaluation, including an ESG risk assessment, to create the so-called Raiffeisen ESG indicator. The Raiffeisen ESG indicator is measured on a scale from 0 to 100. The assessment also takes into account the relevant sector.*

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 will partially invest in sustainable investments according to article 2(17) SFDR.

The objectives of the sustainable investments addressed by the Investment Manager cover improvements in the areas of climate change, natural capital and biodiversity, pollution and waste, environmental improvement vectors (such as green technologies and renewable energy), human resources, product liability and safety, relationships with interest groups, and social improvement vectors (such as access to health care) compared with the traditional market. Good corporate governance, including business practices and business ethics, is a prerequisite for an investment in any case.

The sustainability of an economic activity is assessed by the Investment Manager on the basis of the internal Raiffeisen ESG corporate indicator.

The Raiffeisen ESG corporate indicator is the corporate-specific iteration of the Raiffeisen ESG indicator and is also measured on a scale of 0 to 100. The assessment also takes into account the relevant sector.

It combines a wide range of data points relating to environmental, social, and governance (ESG) factors. In addition to sustainability opportunities and risks, the contribution that the business activity makes to sustainable objectives along the entire value chain is examined and transformed into qualitative and quantitative ratings. An important part of this is the sustainable influence of the respective products and/or services (economic activity).

Climate protection bonds, also called green bonds, serve to raise financing for environmental projects. These are categorised as sustainable investments if the issuer is not excluded from investment based on the investment criteria listed below under “What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?" and if they comply with the Green Bond Principles of the International Capital Markets Association or the EU Green Bond Principles.

The financed projects normally fall into the following categories:

- Renewable energy,
- Energy efficiency,
- Sustainable waste management,
- Sustainable land use,
- Clean transport,
- Sustainable water management, or
- Sustainable buildings.

The project assessment generally includes an evaluation of whether there are material adverse impacts on environmental or social objectives.

Additionally, the partially investment in sustainable investments according to article 2(17) SFDR is ensured by the Management Company who runs ex-post independently checks on the portfolio at least quarterly.

The Management Company considers that, in order to be classified as sustainable investment, an investment should either:

1. Be aligned with the EU Taxonomy objectives. A company can be qualified as sustainable investment in case it has more than 20% of its revenues aligned with the EU Taxonomy, or
2. Contribute positively to one or more United Nations Sustainable Development goals (UN SDG) targets. Despite UN SDG targets both environmental and social matters, the ultimate target revolve around human society development in a sustainable way, therefore is meant to contribute to a social objective, or
3. Be a Green Bonds, Social Bonds, Sustainable Bonds, or bonds linked to Sustainable / ESG / SDGs projects which is meant to contribute to a social or environmental objective depending on the nature of the bond. Such bonds should follow guidelines concerning the use of proceeds such as ICMA or CBI or other recognized independent party.

Regarding point 2, the positive contribution is determined usually by using ISS SDG impact rating. However other equivalent SDG impact analysis could be used. ISS SDG impact rating ranges from -10 to +10. To contribute positively the ISS SDG impact rating should be at least 2.

The ISS SDG impact rating is based on 3 pillars:

- o Product and services identify contribution or obstruction to SDGs, based on revenues. The score is ranging from -10 to +10 based on the percentage of revenues contributing or obstructing with the goal, +10 imply a 100% contribution.
- o Operations management: evaluate impact along the value chain, based on corporate ESG practices and impact. The score is ranging from -10 to +10.
- o Controversies: identify alleged or verified failure to respect norms that obstruct SDG. The score ranges from 0 (no controversies) to -8 (large negative controversies).

Once these 3 ratings are compiled for each goal, both operation management and controversies are added together and compared to the product and services score. Then the following logic is applied: Highest positive score if only positive scores, Lowest negative score if only negative scores, sum of the positive and the negative score in case of mixed scores.

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.

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?

To avoid significant adverse impacts on an environmental or social sustainable investment objective, securities that violate negative criteria, as defined by the Investment Manager for this purpose, and relating to environmental and social objectives do not qualify as a sustainable investment.

Additionally, to confirm that the sustainable investments that the financial product partially makes, do not significant harm to any environmental or social sustainable investment objective, a DNSH test (do not significant harm test) is run ex-post independently by the Management Company on the portfolio at least yearly.

As a general matter, the “do no significant harm” principle, as referred to in article 6 of the Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment, does not apply to this Sub-Fund since the investments underlying this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

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

The Investment Manager takes into account such indicators as described in section: “*Does this financial product consider principal adverse impacts on sustainability factors?*”.

The Management Company runs on an ex-post basis a DNSH test (do not significant harm test) independently. The DNSH test is based on several pillars among which:

- Norm based screen: to identify issuer based on the issuer's link with any breaches of international standards;
- Activity-based screens: the screening out of issuers based on their participation in activities with significant negative impacts on society or the environment;
- Sustainability indicators: to ensure that minimum environmental, social and governance characteristics are attained;
- PAI evolution: quantitative data (where available) on PAI indicators is used to evaluate whether an issuer is involved in activities that cause significant harm to any environmental or social objective.

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

The positive and negative criteria contained in the investment strategy as listed below cover all aspects of the OECD Guidelines for Multinational Enterprises (such as avoidance of environmental destruction, corruption, and human rights violations as well as adherence to the core ILO labour standards). The Investment Manager continuously monitors various channels of information such as the media and research agencies to determine whether investments are affected by serious controversies.

In addition, the Sub-fund’s assets are assessed for potential violations of the OECD Guidelines for Multinational Enterprises by means of a screening tool from a recognised ESG research provider. A company that does not comply with the OECD Guidelines for Multinational Enterprises is not eligible for investment. A violation is assumed to exist if a company is involved in one or more controversial incidents in which there are credible allegations that the company or its management has caused substantial damage of a significant scope in violation of global standards.

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, the consideration of the principal adverse impacts of investment decisions on sustainability factors occurs through the below-mentioned negative criteria, through the integration of ESG research into the investment process (ESG Scores) and in stock-picking (positive criteria). The use of positive criteria includes the absolute and relative assessment of companies regarding stakeholder-related data, e.g., relating to employees, society, suppliers, business ethics and environment, as well as the absolute and relative assessment of countries regarding the sustainable development of factors such as the political system, human rights, social structures, environmental resources and climate change policy. Additionally, companies are encouraged to reduce the adverse sustainability impacts through corporate dialogue – a process known as “engagement”. These corporate engagement activities are conducted in the respective companies independent of any specific investment.

Companies		Negative criteria	Positive criteria	Engagement
Environment	Greenhouse gas emissions	✓	✓	✓
	Activities with adverse impacts on areas with protected biodiversity	✓	✓	
	Water (pollution, consumption)		✓	✓
	Hazardous waste		✓	✓
Social affairs and employment	Violations or lack of policy regarding the United Nations Global Compact (initiative for responsible corporate governance) and OECD guidelines for multinational companies; work accidents	✓	✓	✓
	Gender justice		✓	✓
	Controversial weapons	✓	✓	

Countries and supranational organizations		Negative criteria	Positive criteria
Environment	Greenhouse gas emissions	✓	✓
Social issues	Violation of social provisions in international agreements and conventions and the principles of the United Nations	✓	✓

Further information on principal adverse impacts will be provided in an annex to the Sub-Fund's annual report.

No

What investment strategy does this financial product follow?

The three pillars of sustainability environment (E), social (S) and responsible corporate governance (G) form the basis of every investment decision. This is done at several levels in the investment process linking traditional financial analysis with ESG analysis.

The integrated approach pursued by Raiffeisen KAG starts with an analysis focusing on internal and external data and information:

A corporate and sovereign ESG indicator developed by the Investment Manager on the basis of internal and external ESG data forms the centerpiece of the investment strategy.

The first pillar of the Raiffeisen ESG indicator for corporate stocks focuses on internal assessments linked to the so-called "Future-Themes", reflecting an evaluation of the potential of sectors and subsectors from a sustainability perspective. At present, the Future-Themes specifically include energy, infrastructure, commodities, technology, healthcare/nutrition/wellbeing, circular economy and mobility.

For the purpose of assessing countries, the Investment Manager has developed the Raiffeisen Sovereign Indicator. Various topics have been identified for the calculation that describe the level of sustainability of the sovereigns, both in their legislation and in their conduct towards the environment and the citizens. In the calculation model, these themes are represented by so-called factors, with each factor assigned to either the environment, social or governance category, and to one of the subcategories biodiversity, climate change mitigation, resources, environmental protection, basic needs, justice, human capital, satisfaction, institutions, politics, finance and transparency. Data from external research providers is also incorporated into the calculation.

Calculating the ESG corporate assessment **is the second pillar** of the investment process. This includes various scores from external partners, comprising a stakeholder assessment, an assessment of ESG risks, a corporate governance assessment, an assessment of controversies and an SDG assessment, as well as an assessment against the negative criteria defined by the Investment Manager. At this analysis level, a preselection is made of the overall investment universe.

In terms of sustainability, no company/issuer in this universe may violate the negative criteria established by the Investment Manager in order to avoid investments in controversial sectors and practices. The negative criteria are subject to constant monitoring and may be amended or adjusted on the basis of new information and developments on the market.

Negative criteria may have various backgrounds. Specifically, the Investment Manager differentiates between negative criteria that are related to the environment, social or socially motivated, connected with corporate governance, or linked to the theme "addiction", and negative criteria that are related to the preservation and dignity of natural life respectively (simply referred to as the theme "natural life"). Criteriology also serves to avoid scandals and the related, potentially negative adverse effects on prices.

Negative criteria do not necessarily mean the total exclusion of a sector or a business practice. In some cases, thresholds are established in consideration of the significance.

Some of the negative criteria mentioned are typically not discovered until after the occurrence of an event (for example, accusations of manipulating balance sheet figures) and therefore support the estimation of future behavior for an investment decision.

The third pillar in the corporate segment is the engagement rating, which involves a combination of three dimensions:

1. the intensity and form of engagement
2. communication

   This assesses the company's willingness to respond to questions raised by the Investment Manager, the frequency of communication and the swift and timely response to these questions.

3. the impact of the engagement

   This is an assessment of the company's implementation of its engagement objectives.

Where reputational risks are identified in the context of the engagement process, the company will be excluded from any investment. If engagement did not yet occur, the company is rated neutral.

At the end of the "green path", a broadly diversified portfolio is constructed from the selected companies and sovereigns on the basis of the above analyses, taking into account the ESG indicator, its development (ESG momentum) and fundamental aspects. During this process, particular importance is placed on the quality of the company and the business model. A high degree of sustainability and fundamental strength are of crucial importance for an investment.

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 Sub-Fund's investment strategy has the following binding elements:

- The "ESG Filter" process as described in the section " W*hat sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?"* elaborate by the Sub-Fund, relative the ESG rating (positive screening);

- **Negative criteria for companies:**

  Environmental negative criteria (category "E")

  - Coal: production, mining, processing and use, and other related services
  - Unconventional Oil and Gas (including high-volume fracking and extraction of oil sands)

  Social negative criteria (category "S")

  - Armaments: services/products oriented toward armaments or warfare
  - Violation of human rights

- Infringement of labor laws (according to the protocol of the International Labour Organization)

Corporate governance negative criteria (category "G")

- Violation of the United Nations Global Compact criteria

- **Additional Negative criteria**
  - Gambling: in particular controversial forms
  - Tobacco: producers of end products
  - Pornography: producers

- **Negative criteria for countries (as issuers of government bonds)**
  - countries with high corruption and ML/TF risk
  - countries or federal state where the death penalty applies

The Investment Manager will follow the negative criteria as per the above elements. In particular, companies are to be excluded if their main business activity is among the above-listed negative criteria for companies and additional negative criteria.

For severe violation, that becames known after investment, the Investment Manager should sell the security within a reasonable timeframe. However, it may continue to be held, if consent has been obtained from the Management Company.

For violations of negative criteria by companies that are not obvious, such as moderate infringement of labor laws or cases of corruption, the Investment Manager initiates a so-called engagement process with the company and duly informs the Management Company. During this process, it is examined as to how the company reacts to the case and which precautions needs to be taken in the future. Then the Investment Manager decides, together with the Management Company, on whether to keep the position in the fund or sell it off.

- The financial product shall have at least 95% of its assets (excluding ancillary liquid assets) covered by the ESG analysis.
- The financial product shall invest at least 10% of its assets in 'sustainable investments' as defined in Article 2 (17) of the SFDR regulation.

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

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

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

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

When selecting investments, the Investment Manager pays attention to ensuring that governance criteria are noticeably integrated into the investment process. In addition, emphasis is placed on ensuring that the companies have solid active ownership processes in place.

The good governance practice is assessed by the Management Company, after investment and on an ongoing basis, following the below indicators:

- The company must be listed in a major stock exchange in order to be considered having a good governance, as in order to be listed several policies and procedure regarding governance must be in place; or
- The company should have a minimum Governance Pillar Score of 25 according to Refinitiv or equivalent third-party ESG rating provider.

What is the asset allocation planned for this financial product?

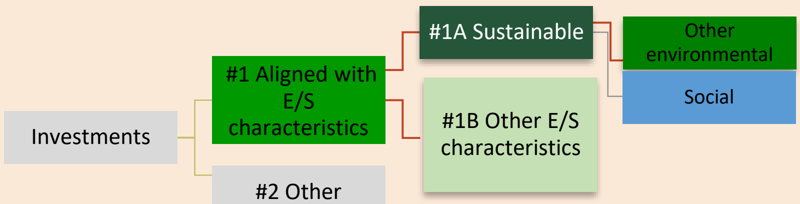
Asset allocation describes the share of investments in specific assets.

The Sub-Fund invests at least 70% of its net assets in assets that have been determined as “eligible” as per the ESG process in place (hence in investments that promote environmental and social characteristics (#1 Aligned with E/S characteristics)), including:

- a minimum of 10% in sustainable investments (#1A sustainable), among which a minimum of 5% will be invested in sustainable investments with an environmental objective and a minimum of 5% with a social objective.
- (#1B Other E/S characteristics) includes securities of issuers which are deemed to maintain favourable ESG characteristics but are not sustainable investments

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

Up to 30% of the investments are not aligned with these characteristics (#2 Other). A more detailed description of the specific asset allocation of this Sub-Fund can be found in the prospectus of this financial product.



#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.

#2Other 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.

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

The uses of derivatives (if any) is currently not used to attain the environmental or social characteristics promoted by the Sub-Fund.

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

The Sub-Fund does not commit to invest a minimum proportion of sustainable investments with an environmental objective aligned with the EU Taxonomy. Therefore, the minimum percentage of environmentally sustainable investments aligned with the EU Taxonomy is 0% of the Sub-Fund’s net assets. However, it may occur that part of the investments’ underlying economic activities are aligned with the EU Taxonomy.

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

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

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

- ***Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[2]?***

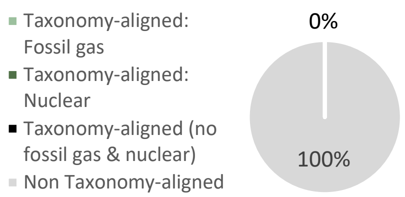
☐ Yes:

In fossil gas In nuclear energy

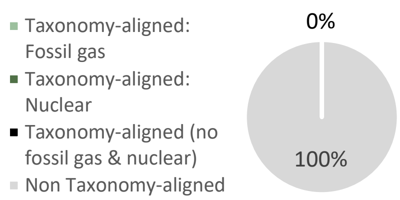
☒ No

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.

1. Taxonomy-alignment of investments **including sovereign bonds***



2. Taxonomy-alignment of investments **excluding sovereign bonds***



This graph represents 100% of the total investments.

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

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

The Sub-Fund does not have a minimum share of investments in transitional and enabling activities, as it does not commit to a minimum proportion of environmentally sustainable investments aligned with the EU Taxonomy.

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

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

The minimum share of environmentally sustainable investments shall in total be at least 5% of the net assets of the Sub-Fund.

What is the minimum share of socially sustainable investments?

The minimum share of socially sustainable investments shall in total be at least 5% of the net assets of the Sub-Fund.

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

This Sub-Fund promotes a predominant asset allocation in investments that are aligned with environmental and social characteristics (#1 Aligned with E/S characteristics) and that are partially sustainable. In addition, and on an ancillary basis, this Sub-Fund will invest into investments that are not considered aligned with the promoted characteristics (#2 Other). These remaining investments can include all asset classes as foreseen in the specific investment policy including cash and derivatives.

[2] Fossil gas and/or nuclear related activities will 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

This Sub-Fund does not consider any minimum environmental or social safeguards on these remaining investments.

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?

This Sub-Fund has not designated a reference benchmark to determine whether it is aligned with the environmental and/or social characteristics that it promotes.

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?***

  This is not applicable as the Sub-Fund has not designated a reference benchmark.

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

  This is not applicable as the Sub-Fund has not designated a reference benchmark.

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

  This is not applicable as the Sub-Fund has not designated a reference benchmark.

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

  This is not applicable as the Sub-Fund has not designated a reference benchmark.

Where can I find more product specific information online?

More product-specific information can be found on the website: https://neam.lu/lu/sustainability-related-disclosures/

Template 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: NEF Ethical Short Term Bond - Euro

Legal entity identifier: 5493008S1CPH51DP7054

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:** ___%	☒ 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 1% of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☒ 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	☒ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☒ with a social objective
☐ It will make a minimum of **sustainable investments 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?

NEF Ethical Short Term Bond - Euro (the "**Sub-Fund**") promotes some environmental, social and governance ("**ESG**") characteristics, it seeks to invest mainly in bonds with good quality Environmental, Social and Governance profiles. It will notably use an ESG rating as further explained in the other sections of this pre-contractual annex.

The Sub-Fund invests primarily in assets selected based on sustainability criteria. Sustainability is understood to mean ecological (Environment - E) and social (Social - S) criteria as well as good corporate and government management (Governance - G).

Corresponding criteria include limitation of CO_2 emissions (Environment) and labour relations (Social). When considering environmental and social characteristics, the Sub-Fund invests in assets of issuers that apply good corporate governance practices.

The Sub-Fund has not designated a reference benchmark that it will replicated for the purpose of attaining the environmental and/or social characteristics promoted.

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

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

The attainment of the promoted environmental and social characteristics is assessed via the application of a proprietary ESG assessment methodology. The methodology applies a variety of ESG criteria (the "**ESG Filter**") to assess the attainment of the promoted environmental and social characteristics, which are as follows:

All issuers must have an ESG rating. The Sub-Fund will invest in issuers with a ESG rating greater than or equal to 41.67 according to Refinitiv or equivalent third-party ESG rating providers or 30 as defined per Union Investment's in-house research – UniESG Score.*

Average ESG Portfolio Rating should not be below 66 according to Refinitiv or 45 according to UniESG Score or equivalent third-party ESG rating providers.

If an issuer is downgraded below such a rating, the Investment Manager should sell it within a reasonable timeframe. However, it may continue to be held, if consent has been obtained from the Management Company.

In addition, the Investment Manager can invest up to 5% of the Sub-Fund's net assets in securities where no ESG rating is readily available (i.e. securities for which the Investment Manager has no UniESG Score available), but only when the Investment Manager has good reason to believe that the securities will receive a good ESG rating within a reasonable period of time by either a third-party ESG rating provider or the Investment Manager in-house research.

Once the ESG rating or analysis becomes available, should it not be in line with the limits of the mandate, the course of action will follow the process as described for ESG rating downgrades.

Should a sovereign related issuer (e.g. agencies, local authorities, sovereign owned/sponsored/guaranteed, etc.) not be covered by Union Investment's internal ESG rating research or a third-party ESG rating providers, the same methodology as for all other issuers described above will apply.

Bonds issued by supranational issuers are accepted irrespective of the issuer and do not require a minimum ESG rating at individual issuer level.

In addition to the rating, the follows should be taking into account:

a. Corporate bond issuers: Issuers whose main business activity is carried out in controversial sectors such as armaments, coal, unconventional oil and gas, adult entertainment, gambling and tobacco are not investible.

b. Sovereign issuers: countries that apply the death penalty are excluded; in case of a Federation the exclusion is implemented only to the individual Federal State that apply the death penalty. Additionally government bonds are allowed if they are issued by countries with a low corruption and ML/TF risk rating. Government bonds issued by country with high corruption and ML/TF risk are identified by either of the following:

   - FATF High Risk and monitored jurisdictions
   - EU, UN and OFAC Sanctions

- Corruption Perception Index (CPI)
- Know Your Country data (KYC)

Government bonds issued by country having a significant level of corruption or other predicate offences to ML/TF are forbidden.

c. The targeted open-ended UCIs/UCITS: those funds are included solely when all the following conditions are met:

- They are at least classified as article 8 funds according to Regulation (EU) 2019/2088 (“SFDR”);
- They consider principal adverse impacts of its investment decisions on sustainability factors; and
- Their minimum percentage of sustainable investments is equal or higher than NEF Ethical Short Term Bond - Euro.

Green Bonds, Social Bonds, Sustainable Bonds, and all bonds linked to Sustainable / ESG / SDGs projects might be accepted irrespective of issuer, even if the latest is flagged in the controversial sectors above.

**The UniESG Score can be used to measure the degree of sustainability of companies and countries. All dimensions of sustainability - especially environmental, social, and good corporate governance - are taken into account in that score. The UniESG Score is the basis for the dynamic best-in-class approach, which avoids the worst-in-class companies and favours the best-in-class companies. This sustainability approach selects those companies that set the highest standards in terms of environmental, social, corporate governance and business model in an industry comparison.*

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 will partially invest in sustainable investments according to article 2(17) SFDR. Such sustainable investments will contribute to at least one of the UN SDGs that relate to environmental and/or social objectives.

Corresponding goals include the promotion of renewable energies and sustainable mobility, the protection of water and soil, and access to education and health.

Furthermore, a contribution is to be made to the areas of energy efficiency, green buildings, clean water, environmental protection, sustainable consumption and the social sector. Therefore, investments are made in assets of issuers whose products/services contribute to these objectives.

Additionally, the partially investment in sustainable investments according to article 2(17) SFDR is ensured by the Management Company who runs ex-post independently checks on the portfolio at least quarterly.

The Management Company considers that, in order to be classified as sustainable investment, an investment should either:

1. Be aligned with the EU Taxonomy objectives. A company can be qualified as sustainable investment in case it has more than 20% of its revenues aligned with the EU Taxonomy, or

2. Contribute positively to one or more United Nations Sustainable Development goals (UN SDG) targets. Despite UN SDG targets both environmental and social matters, the ultimate target revolve around human society development in a sustainable way, therefore is meant to contribute to a social objective, or
3. Be a Green Bonds, Social Bonds, Sustainable Bonds, or bonds linked to Sustainable / ESG / SDGs projects which is meant to contribute to a social or environmental objective depending on the nature of the bond. Such bonds should follow guidelines concerning the use of proceeds such as ICMA or CBI or other recognized independent party.

Regarding point 2, the positive contribution is determined usually by using ISS SDG impact rating. However other equivalent SDG impact analysis could be used. ISS SDG impact rating ranges from -10 to +10. To contribute positively the ISS SDG impact rating should be at least 2.

The ISS SDG impact rating is based on 3 pillars:

- Product and services identify contribution or obstruction to SDGs, based on revenues. The score is ranging from -10 to +10 based on the percentage of revenues contributing or obstructing with the goal, +10 imply a 100% contribution.
- Operations management: evaluate impact along the value chain, based on corporate ESG practices and impact. The score is ranging from -10 to +10.
- Controversies: identify alleged or verified failure to respect norms that obstruct SDG. The score ranges from 0 (no controversies) to -8 (large negative controversies).

Once these 3 ratings are compiled for each goal, both operation management and controversies are added together and compared to the product and services score. Then the following logic is applied: Highest positive score if only positive scores, Lowest negative score if only negative scores, sum of the positive and the negative score in case of mixed scores.

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.

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

In the case of investments in economic activities that contribute to environmental and/or social objectives, it must be ensured that these objectives are not significantly impaired. To ensure this, the economic activities of the issuers in whose assets investments are made are reviewed on the basis of certain indicators. Based on these indicators, an analysis is carried out by the Investment Manager to determine whether investments in issuers may have a significant adverse impact on sustainability factors ("Principal Adverse Impact" or "PAI"). In case that a significant harm is identified, the economic activity fails the DNSH assessment and cannot be considered as sustainable economic activity.

Additionally, to confirm that the sustainable investments that the financial product partially makes, do not significant harm to any environmental or social sustainable investment objective, a DNSH test (do not significant harm test) is run ex-post independently by the Management Company on the portfolio at least yearly.

As a general matter, the “do no significant harm” principle, as referred to in article 6 of the regulation (EU) 2020/852 of the European Parliament and of the council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment does not apply to this Sub-Fund since the investments underlying this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

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

The Investment Manager considers principal adverse impacts of its investments through a combination of internal process like, ESG rating, exclusion strategies of issuers associated with controversial conduct or activities and Engagement.

The PAI as per table 1 (notably) are taken into account as shown in the different processes below:

Principal adverse impacts on Groups	Principal adverse impacts on investment decisions	Union ESG Internal Score	Union Exclusion strategy	Engagement
Greenhouse gas emissions	1. GHG emissions	YES	YES	YES
	2. Carbon footprint	YES	YES	
	3. GHG intensity of investee companies	YES	YES	
	4. Exposure to companies active in the fossil fuel sector	YES	YES	
	5. Share of non renewable energy consumption and production	YES	YES	
	6. Energy consumption intensity per high impact climate sector	NO	YES	
Biodiversity	7. Activities negatively affecting biodiversity sensitive areas	YES	YES	YES
Water	8. Emissions to water	YES	YES	YES
Waste	9. Hazardous waste ratio	YES	YES	YES
Social and employee matters	10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	YES	YES	YES
	11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises	YES	YES	
	12. Unadjusted gender pay gap	YES	YES	
	13. Board gender diversity	YES	YES	
	14. Exposure to controversial weapons (antipersonnel mines, cluster munitions, chemical weapons and biological weapons)	NO	YES	

The Management Company runs on an ex-post basis a DNSH test (do not significant harm test) independently. The DNSH test is based on several pillars among which:

- Norm based screen: to identify issuer based on the issuer's link with any breaches of international standards;
- Activity-based screens: the screening out of issuers based on their participation in activities with significant negative impacts on society or the environment;
- Sustainability indicators: to ensure that minimum environmental, social and governance characteristics are attained; and
- PAI evolution: quantitative data (where available) on PAI indicators is used to evaluate whether an issuer is involved in activities that cause significant harm to any environmental or social objective.

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

The OECD Guidelines for Multinational Enterprises, the core labor standards of the International Labor Organization (ILO) and the United Nations Guiding Principles on Business and Human Rights are used in decisions on sustainable investments. To address this, the Investment Manager has issued guidelines that foresee these sets of rules. These guidelines are the "Human Rights Policy Statement" and the "Union Investment Engagement Policy" available on the Investment Manager website.

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, the Sub-Fund considers principle adverse impacts on sustainability factors. Indicators used to identify adverse impacts on sustainability factors from investments in companies are derived from the following categories: greenhouse gas emissions, biodiversity, water, waste and social and labour issues. For investments in securities of countries, indicators in the categories of environmental and social issues are taken into account.

When selecting the securities of companies, PAIs are taken into account in particular by (1) setting exclusion criteria, (2) evaluating using a sustainability rating (UniESG Score) and (3) conducting company dialogues.

The consideration of principal adverse impacts is detailed in the above section "How have the indicators for adverse impacts on sustainability factors been taken into account?".

Further information on principal adverse impacts will be provided in an annex to the Sub-Fund's annual report.

No

What investment strategy does this financial product follow?

This Sub-Fund seeks to achieve short term performance through investing mainly in transferable securities denominated in EUR, by respecting the Environmental, Social and Governance (ESG) principles.

Non-financial part of the investment strategy of the Sub-Fund:

ESG analysis is embedded into the Investment Manager's portfolio management systems. Indeed, the Investment Manager has taken the commitment to integrate ESG criteria into the investment process of the Sub-Fund, with an objective to invest in bonds issued by companies with a good quality ESG profile, in addition to the financial objectives.

The promotion of E/S characteristics is carried out by the Sub-Fund on a continuous basis as part of the investment process (i.e. adherence to the exclusion policy is monitored with strict pre-trade restrictions). In addition, risk management of the Management Company monitors adherence to the mandatory elements.

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 Sub-Fund has the following binding elements:

- The "ESG Filter" as described in the section " W*hat sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?"*relative to the minimum ESG rating and average ESG rating (positive screening);
- The "Exclusion List" made of companies that are to be excluded if their main business activity is carried out in any of the following business areas (negative screening):
    - Adult entertainment
    - Armaments (considering the revenues generated from services/products which are oriented toward armaments or warfare)
    - Coal
    - Gambling
    - Tobacco
    - Unconventional Oil & Gas

If an issuer main business activity becomes one of the above business areas after investment, the Investment Manager should sell the security within a reasonable timeframe. However, it may continue to be held, if consent has been obtained from the Management Company.

- The “Exclusion List” made of sovereign issuers in countries or federal states where death penalty applies and with high corruption and ML/TF risk.

If an issuer becomes excluded after investment the Investment Manager should sell the security within a reasonable timeframe. However, it may continue to be held, if consent has been obtained from the Management Company.

- The financial product shall have at least 95% of its assets (excluding ancillary liquid assets and derivatives) covered by the ESG analysis.

- The financial product shall invest at least 1% of its assets in 'sustainable investments' as defined in Article 2 (17) of the SFDR regulation.

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

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

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

The good governance practice is assessed by the Investment Manager, before investment and on an ongoing basis, with the following indicators:

For securities within the framework of the sustainable investment strategy of the sub-fund, it is assumed that the issuers of these securities apply good corporate governance practices. To this end, exclusion criteria are defined by the Investment Manager, that are based on the ten principles of the United Nations Global Compact.

The ten principles of the Global Compact include guidelines for dealing with human rights, labour rights, corruption and environmental violations. Companies should respect the protection of international human rights and ensure that they are not complicit in human rights abuses. They should work for the abolition of child labour and the elimination of all forms of forced labour, as well as the elimination of discrimination in respect of employment and occupation. They shall accelerate the development and diffusion of environmentally friendly technologies, promote environmental awareness and follow the precautionary principle in dealing with environmental problems. They shall work against all forms of corruption, including extortion and bribery.

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

In addition, the Investment Manager requires issuers to comply with good corporate governance standards with regard to, among other things, shareholder rights, composition and remuneration of the Executive Board and Supervisory Board, corporate actions, auditors and transparency. For this purpose, the Investment Manager analyses the corporate governance of the issuers. This analysis is based, among other things, on the annual or annual reports published by the issuers and is supported by data from various providers and research by proxy advisors.

The good governance practice is assessed by the Management Company, after investment and on an ongoing basis, with the following indicators:

- The company must be listed in a major stock exchange in order to be considerated having a good governance, as in order to be listed several policy and procedure regarding governance must be inplace;

- The company should have a minimum Governance Pillar Score of 25 according to Refinitiv or equivalent third-party ESG rating provider.

Asset allocation describes the share of investments in specific assets.

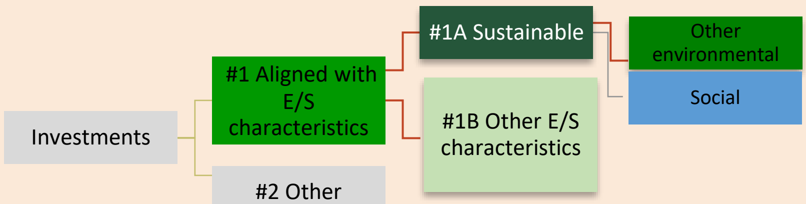
What is the asset allocation planned for this financial product?

The Sub-Fund invests at least 70% of its net assets in assets that have been determined as "eligible" as per the ESG process in place (hence in investments that are aligned with the promoted environmental and social characteristics (#1 Aligned with E/S characteristics), including:

- a minimum of 1% in sustainable investments (#1A sustainable), among which a minimum of 0.5% will be invested in sustainable investments with an environmental objective and a minimum of 0.5% with a social objective.
- (#1B Other E/S characteristics) includes securities of issuers which are deemed to maintain favourable ESG characteristics but are not sustainable investments.

Up to 30% of the investments might be not aligned with these characteristics (#2 Other). A more detailed description of the specific asset allocation of this Sub-Fund can be found in the prospectus of this financial product.

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.

#2Other 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.

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

The uses of derivatives (if any) is currently not used to attain the environmental or social characteristics promoted by the Sub-Fund.

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

The Sub-Fund does not commit to invest a minimum proportion of sustainable investments with an environmental objective aligned with the EU Taxonomy. Therefore, the minimum percentage of environmentally sustainable investments aligned with the EU Taxonomy is 0% of the Sub-Fund's net assets. However, it may occur that part of the investments' underlying economic activities are aligned with the EU Taxonomy.

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

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

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

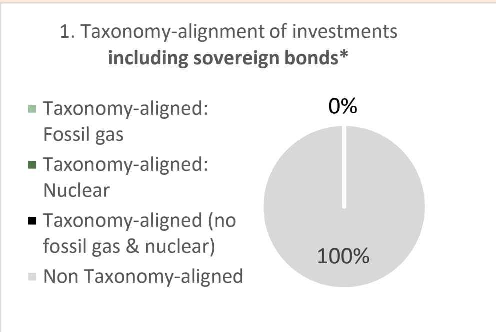
- ***Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[3]?***

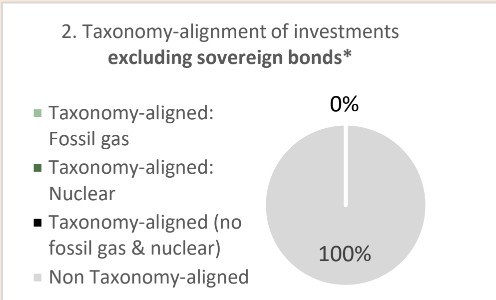
  ☐ Yes:

  ☐ 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.





This graph represents 100% of the total investments.

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

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

The Sub-Fund does not have a minimum share of investments in transitional and enabling activities, as it does not commit to a minimum proportion of environmentally sustainable investments aligned with the EU Taxonomy.

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

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

The minimum share of environmentally sustainable investments shall in total be at least 0,5% of the net assets of the Sub-Fund.

What is the minimum share of socially sustainable investments?

The minimum share of social sustainable investments shall in total be at least 0,5% of the net assets of the Sub-Fund.

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

This Sub-Fund promotes a predominant asset allocation in investments that are aligned with environmental and social characteristics (#1 Aligned with E/S characteristics) and that are partially sustainable. In addition, and on an ancillary basis, this Sub-Fund will invest into investments that are not considered aligned with the promoted characteristics (#2 Other).

[3] Fossil gas and/or nuclear related activities will 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

These remaining investments can include all asset classes as foreseen in the specific investment policy including cash and derivatives.

This Sub-Fund does not consider any minimum environmental or social safeguards on these remaining investments.

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?

This Sub-Fund has not designated a reference benchmark to determine whether it is aligned with the environmental and/or social characteristics that it promotes.

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?***

  This is not applicable as the Sub-Fund has not designated a reference benchmark.

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

  This is not applicable as the Sub-Fund has not designated a reference benchmark.

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

  This is not applicable as the Sub-Fund has not designated a reference benchmark.

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

  This is not applicable as the Sub-Fund has not designated a reference benchmark.

Where can I find more product specific information online?

More product-specific information can be found on the website: https://neam.lu/lu/sustainability-related-disclosures/

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

Product name: NEF Ethical Balanced Dynamic

Legal entity identifier: 222100E2RI278S3YF708

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.

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:** ___%	☒ 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 10% of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☒ 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	☒ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☒ with a social objective
☐ It will make a minimum of **sustainable investments 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?

NEF Ethical Balanced Dynamic (the "**Sub-Fund**") promotes some environmental, social and governance ("**ESG**") characteristics, it seeks to invest mainly in stocks and bonds issued by companies with good quality Environmental, Social and Governance (ESG) profiles. It will notably use an ESG rating as further explained in the other sections of this precontractual annex.

The ESG characteristics taken into account considers:

- the environmental aspect linked to limited carbon intensity.
- the social aspect linked to human rights in general.

The Investment Manager Amundi is committed to phase out thermal coal from its investments by 2030 in OECD countries and in 2040 in non-OECD countries.

The Sub-Fund has not designated a reference benchmark that it will replicate for the purpose of attaining the environmental and/or social characteristics promoted.

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

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

The attainment of the promoted environmental and social characteristics is assessed via the application of a proprietary ESG assessment methodology. The methodology applies a variety of ESG Criteria (the "**ESG Filter**") to assess the attainment of the promoted environmental and social characteristics, which are as follows:

a. Issuers whose main business activity is carried out in controversial sectors such as armaments, cluster bombs, nuclear weapons, nuclear energy or depleted uranium, coal, exploration and production of unconventional oil and gas extraction (covering "shale oil and gas" and "oil sands"), alcohol, gambling, pornographic material, and tobacco are not investible.

b. Sovereign issuers: countries that apply death penalty are excluded; in case of a Federation the exclusion is implemented only to the individual Federal State that applies death penalty.

c. The targeted open-ended UCIs/UCITS: those funds are included solely when all the following conditions are met:

- They are at least classified as article 8 funds according to Regulation (EU) 2019/2088 ("SFDR");
- They consider principal adverse impacts of its investment decisions on sustainability factors; and
- Their minimum percentage of sustainable investments is equal or higher than NEF Ethical Balanced Dynamic.

Additionally, all issuer must have an ESG rating. The Sub-Fund will invest in issuers with a good ESG rating (i.e. considered by the Management Company if their rating is greater than or equal to 41.67 according to Refinitiv or equivalent third-party ESG rating providers or E as defined per Amundi* in-house research).

Average ESG Portfolio Rating should not be below 66 (according to Refinitiv which is the service provider used by the Management Company) or C Rating (according to Amundi ESG Score which is Amundi internal ESG rating) or equivalent third-party ESG rating providers.

Should a sovereign related issuer, (e.g. agencies, local authorities, sovereign owned/sponsored/guaranteed, etc.) not be covered by Amundi in-house research or a third-party ESG rating providers, the relative country sovereign ESG rating will be used and the same methodology for sovereign issuers described below will apply.

If an issuer is downgraded below such a rating, the Investment Manager should sell it within a reasonable timeframe. However, it may continue to be held, if consent has been obtained from the Management Company.

In addition, the Investment Manager can invest up to 5% of the Sub-Fund portfolio AUM in securities where no ESG rating is readily available, but where the Investment Manager has good reason to believe that the securities will receive a good ESG rating within a reasonable period of time by either a third-party ESG rating provider or the Investment Manager in-house research.

Once the ESG rating or analysis becomes available, should it not be in line with the limits of the mandate, the course of action will follow the process as described for ESG rating downgrades.

Bonds issued by supranational issuers are accepted irrespective of the issuer and do not require a minimum ESG rating at individual issuer level.

Green Bonds, Social Bonds, Sustainable Bonds, and all bonds linked to Sustainable / ESG / SDGs projects might be accepted even if the issuer is flagged in the controversial sectors above.

**ESG analysis framework of Amundi is comprised of 38 criteria. These criteria were designed to either assess how sustainability issues might affect the issuer as well as the quality of the management of this dimension. The output of each the scores for the 38 criteria are translated into an ESG rating from A to G. At the end of this process, companies are attributed an ESG rating from A to G. The ESG rating of an issuer is a weighted average of the scoring for E, S and G dimensions, each dimension being itself the weighted average of the internal reference values.*

- ***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 will partially invest in sustainable investments according to article 2(17) SFDR.

The objectives of the sustainable investments are to invest in investee companies that seek to meet two criteria:

1. Follow best environmental and social practices; and
2. Avoid making products or providing services that harm the environment and society.

In order for the investee company to be deemed to contribute to the above objective it must be a "best performer" within its sector of activity on at least one of its material environmental or social factors.

The definition of "best performer" relies on Amundi's proprietary ESG methodology which aims to measure the ESG performance of an investee company. In order to be considered a "best performer", an investee company must perform with the best top three rating (A, B or C, out of a rating scale going from A to G) within its sector on at least one material environmental or social factor. Material environmental and social factors are identified at a sector level. The identification of material factors is based on Amundi ESG analysis framework which combines extra-financial data and qualitative analysis of associated sector and sustainability themes. Factors identified as material result in a contribution of more than 10% to the overall ESG score. For energy sector for example, material factors are: emissions and energy, biodiversity and pollution, health and security, local communities and human rights. For a more complete overview of sectors and factors, please refer to the Amundi ESG Regulatory Statement available at https://about.amundi.com/esg-documentation

The sustainable nature of an investment is assessed at investee company level.

Additionally, the partially investment in sustainable investments according to article 2(17) SFDR is ensured by the Management Company who runs ex-post independently checks on the portfolio at least quarterly.

The Management Company considers that, in order to be classified as sustainable investment, an investment should either:

1. Be aligned with the EU Taxonomy objectives. A company can be qualified as sustainable investment in case it has more than 20% of its revenues aligned with the EU Taxonomy, or
2. Contribute positively to one or more United Nations Sustainable Development goals (UN SDG) targets. Despite UN SDG targets both environmental and social matters, the ultimate target revolve around human society development in a sustainable way, therefore is meant to contribute to a social objective, or
3. Be a Green Bonds, Social Bonds, Sustainable Bonds, or bonds linked to Sustainable / ESG / SDGs projects which is meant to contribute to a social or environmental objective depending on the nature of the bond. Such bonds should follow guidelines concerning the use of proceeds such as ICMA or CBI or other recognized independent party.

Regarding point 2, the positive contribution is determined usually by using ISS SDG impact rating. However other equivalent SDG impact analysis could be used. ISS SDG impact rating ranges from -10 to +10. To contribute positively the ISS SDG impact rating should be at least 2.

The ISS SDG impact rating is based on 3 pillars:

- Product and services identify contribution or obstruction to SDGs, based on revenues. The score is ranging from -10 to +10 based on the percentage of revenues contributing or obstructing with the goal, +10 imply a 100% contribution.
- Operations management: evaluate impact along the value chain, based on corporate ESG practices and impact. The score is ranging from -10 to +10.
- Controversies: identify alleged or verified failure to respect norms that obstruct SDG. The score ranges from 0 (no controversies) to -8 (large negative controversies).

Once these 3 ratings are compiled for each goal, both operation management and controversies are added together and compared to the product and services score. Then the following logic is applied: Highest positive score if only positive scores, Lowest negative score if only negative scores, sum of the positive and the negative score in case of mixed scores.

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?

To ensure sustainable investments do no significant harm ('DNSH'), Amundi utilises two filters:

- The first DNSH filter relies on monitoring the mandatory Principal Adverse Impacts indicators in Annex 1, Table 1 of the RTS where robust data is available (e.g.GHG intensity of investee companies) via a combination of indicators (e.g.carbon intensity) and specific thresholds or rules (e.g. that the investee company's carbon intensity does not belong to the last decile of the sector). Amundi already

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.

considers specific Principal Adverse Impacts within its exclusion policy as part of Amundi's Responsible Investment Policy. These exclusions, which apply on the top of the tests detailed above, cover the following topics: exclusions on controversial weapons, violations of UN Global Compact principles, coal and tobacco.

- Beyond the specific sustainability factors covered in the first filter, Amundi has defined a second filter, which does not take the mandatory Principal Adverse Impact indicators above into account, in order to verify that the company does not badly perform from an overall environmental or social standpoint compared to other companies within its sector which corresponds to an environmental or social score superior or equal to E using Amundi's ESG rating.

Additionally, to confirm that the sustainable investments that the financial product partially makes, do not significant harm to any environmental or social sustainable investment objective, a DNSH test (do not significant harm test) is run ex-post independently by the Management Company on the portfolio at least yearly.

As a general matter, the "do no significant harm" principle, as referred to in article 6 of the regulation (EU) 2020/852 of the European Parliament and of the council of 18 June 2020 on the establishment of a framework to facilitate sustainable does not apply to this Sub-Fund since the investments underlying this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

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

The indicators for adverse impacts have been taken into account as detailed in the first do not significant harm (DNSH) filter above:

The first DNSH filter relies on monitoring of mandatory Principal Adverse Impacts indicators in Annex 1, Table 1 of the RTS where robust data is available via the combination of following indicators and specific thresholds or rules:

- Have a CO2 intensity which does not belong to the last decile compared to other companies within its sector (only applies to high intensity sectors),
- Have a Board of Directors' diversity which does not belong to the last decile compared to other companies within its sector,
- Be cleared of any controversy in relation to work conditions and human rights, and
- Be cleared of any controversy in relation to biodiversity and pollution.

Amundi already considers specific Principal Adverse Impacts within its exclusion policy as part of Amundi's Responsible Investment Policy. These exclusions, which apply on the top of the tests detailed above, cover the following topics: exclusions on controversial weapons, Violations of UN Global Compact principles, coal and tobacco.

The Management Company runs on an ex-post basis a DNSH test (do not significant harm test) independently. The DNSH test is based on several pillars among which:

- Norm based screen: to identify issuer based on the issuer's link with any breaches of international standards;
- Activity-based screens: the screening out of issuers based on their participation in activities with significant negative impacts on society or the environment;

- Sustainability indicators: to ensure that minimum environmental, social and governance characteristics are attained;
- PAI evolution: quantitative data (where available) on PAI indicators is used to evaluate whether an issuer is involved in activities that cause significant harm to any environmental or social objective.

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

The OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights are integrated into Amundi ESG scoring methodology. Amundi proprietary ESG rating tool assesses issuers using available data from different data providers.

For example the Amundi model has a dedicated criteria called "Community Involvement & Human Rights" which is applied to all sectors in addition to other human rights linked criteria including socially responsible supply chains, working conditions and labor relations. Furthermore, Amundi conduct controversy monitoring on a, at minimum, quarterly basis which includes companies identified for human rights violations. When controversies arise, analysts will evaluate the situation and apply a score to the controversy (using Amundi proprietary scoring methodology) and determine the best course of action. Controversy scores are updated quarterly to track the trend and remediation efforts.

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, the Sub-Fund management considers all the mandatory Principal Adverse Impacts as per Annex 1, Table 1 of the RTS applying to the Sub-Fund's strategy and relies on a combination of exclusion policies (normative and sectorial), ESG rating integration into the investment process, engagement and voting approaches:

- **Exclusion**: Amundi has defined normative, activity-based and sector-based exclusion rules covering some of the key adverse sustainability indicators listed by the Disclosure Regulation.
- **ESG factors integration**: Amundi has adopted minimum ESG integration standards applied by default to its actively managed open-ended funds (exclusion of G rated issuers and better weighted average ESG score higher than the applicable benchmark). The 38 criteria used in Amundi ESG rating approach were also designed

to consider key impacts on sustainability factors, as well as quality of the mitigation undertaken are also considered in that respect.

- **Engagement**: Engagement is a continuous and purpose driven process aimed at influencing the activities or behaviour of investee companies. The aim of engagement activities can fall into two categories: to engage an issuer to improve the way it integrates the environmental and social dimension, to engage an issuer to improve its impact on environmental, social, and human rights-related or other sustainability matters that are material to society and the global economy.
- **Vote**: Amundi's voting policy responds to a holistic analysis of all the long-term issues that may influence value creation, including material ESG issues. For more information, please refer to Amundi's Voting Policy[4].
- **Controversies monitoring**: Amundi has developed a controversy tracking system that relies on three external data providers to systematically track controversies and their level of severity. This quantitative approach is then enriched with an in-depth assessment of each severe controversy, led by ESG analysts and the periodic review of its evolution. This approach applies to all of Amundi's funds.

For any indication on how mandatory Principal Adverse Impact indicators are used, please refer to the Amundi ESG Regulatory Statement available at https://about.amundi.com/esg-documentation

#	Metric	Action taken
CLIMATE AND OTHER ENVIRONMENT-RELATED INDICATORS - CORPORATES		
1	**GHG emissions (Scope 1, 2, 3 and total)**	*Engagement:* part of Amundi's engagement focusing on transition towards a low carbon economy *Voting:* part of Amundi's voting priority theme on energy transition *ESG score integration:* included under the environmental pillar of Amundi's proprietary ESG model
2	**Carbon footprint**	*Engagement:* part of Amundi's engagement focusing on transition towards a low carbon economy *Voting:* part of Amundi's voting priority theme on energy transition *ESG score integration:* included under the environmental pillar of Amundi's proprietary ESG model
3	**GHG intensity of investee companies**	*Engagement:* part of Amundi's engagement focusing on transition towards a low carbon economy *Voting:* part of Amundi's voting priority theme on energy transition *ESG score integration:* included under the environmental pillar of Amundi's proprietary ESG model
4	**Exposure to companies active in the fossil fuel sector**	*Engagement:* part of Amundi's engagement focusing on transition towards a low carbon economy *Voting:* part of Amundi's voting priority theme on energy transition *Exclusion Policy:* part of Amundi's exclusion policy dedicated to coal and to unconventional hydrocarbons
5	**Share of non-renewable energy consumption and production**	*Engagement:* part of Amundi's engagement focusing on transition towards a low carbon economy *ESG Score Integration:* included under the environmental pillar of Amundi's proprietary ESG model
6	**Energy consumption intensity per high impact climate sector**	*Engagement:* part of Amundi's engagement focusing on transition towards a low carbon economy *ESG score integration:* included under the environmental pillar of Amundi's proprietary ESG model
7	**Activities negatively affecting biodiversity sensitive areas**	*Engagement policy:* part of Amundi's engagement focusing on natural capital preservation *Controversy monitoring:* screening among a large universe of issuers taking into account flags on biodiversity and land use *ESG score integration:* included under the environmental pillar of Amundi's proprietary ESG model
8	**Emissions to water**	*Engagement:* part of Amundi's engagement focusing on natural capital preservation *Controversy monitoring:* screening among a large universe of issuers taking into account flags on biodiversity and waste *ESG score integration:* included under the environmental pillar of Amundi's proprietary ESG model
9	**Hazardous waste ratio**	*Engagement:* part of Amundi's engagement focusing on natural capital preservation *Controversy monitoring:* screening among a large universe of issuers taking into account flags on toxic emission, effluents and waste *ESG Score Integration:* included under the environmental pillar of Amundi's proprietary ESG mode
INDICATORS FOR SOCIAL AND EMPLOYEE, RESPECT FOR HUMAN RIGHTS, ANTI-CORRUPTION AND ANTI-BRIBERY MATTERS - CORPORATES		

4 https://about.amundi.com/files/nuxeo/dl/0522366c-29d3-471d-85fd-7ec363c20646

10	**Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines**	*Exclusion:* issuers that violate, repeatedly and seriously, one or more of the ten principles of the Global Compact, without credible corrective action are excluded *Engagement:* part of Amundi's engagement focusing on social cohesion *Vote:* part of Amundi's voting policy on companies with controversial social practices *Controversy monitoring:* screening among a large universe of issuers taking into account flags on UNGC breaches
11	**Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines**	*Engagement:* part of Amundi's engagement focusing on strong governance for sustainable development. *Vote:* part of Amundi's voting policy on companies with controversial social practices *Controversy monitoring:* screening among a large universe of issuers taking into account flags on public policies and governance incidents
12	**Unadjusted gender pay gap**	*Engagement:* part of Amundi's engagement focusing on a social cohesion. *Voting:* part of Amundi's voting priority theme on social cohesion. *Controversy monitoring:* screening among a large universe of issuers taking into account flags on labor relations employee management
13	**Board gender diversity**	*Engagement:* making gender diversity mainstream is part of Amundi's engagement policy via the launch in 2020 of the 30% Club France Investor Group which Amundi became co-chair. *Vote:* part of Amundi's voting policy on companies with controversial social practices
14	**Exposure to controversial weapons**	*Exclusion policy:* controversial weapons are excluded as per Amundi's weapons exclusion policy. As part of our exclusion policy, Amundi can engage with specific issuers to confirm their exposure to controversial weapons *Vote:* part of Amundi's voting policy on companies with controversial social practices
INDICATORS APPLICABLE TO INVESTMENTS IN SOVEREIGNS AND SUPRANATIONALS		
15	**GHG intensity**	*ESG Score Integration:* part of Amundi ESG sovereign methodology under the environmental pillar
16	**Investee countries subject to social violations**	*Exclusion:* Countries on the European Union (EU) sanction list with a sanction consisting of asset freezing, and a sanction index at the highest level (considering both United States and EU sanctions) are excluded, after formal review and validation from Amundi's Rating Committee

Further information on principal adverse impacts will be provided in an annex to the Sub-Fund's annual report.

☐ No

What investment strategy does this financial product follow?

The Sub-Fund is an ethical and balanced sub-fund, whose objective is to achieve capital appreciation, by respecting ESG principles on medium/long term, through an active allocation of the risk mainly in bonds and equities.

Non-financial part of the investment strategy of the Sub-Fund:

ESG analysis is embedded into the Investment Manager's portfolio management systems. Indeed, the Investment Manager has taken the commitment to integrate ESG criteria into the investment process of the Sub-Fund, with an objective to invest mainly in stocks and bonds issued by companies with a good quality ESG profile, in addition to the financial objectives.

The promotion of E/S characteristics is carried out by the Sub-Fund on a continuous basis as part of the investment process (i.e. adherence to the exclusion policy is monitored with strict pre-trade restrictions). In addition, risk management of the Mangement Company monitors adherence to the mandatory elements. In this manner, the Sub-Fund uses the environmental and social indicators to assess whether the promoted objective is achieved.

As for the stocks and bonds, the Sub-Fund seeks to invest mainly in stocks and bonds issued by issuers with a good quality ESG profile.

As for the government and supranational bonds, the Sub-Fund invests in securities issued by OECD member countries and countries that launched enhanced engagement with the OECD and/or supranational organizations and entities with rating IG.

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 Sub-Fund has the following binding elements:

- The “ESG Filter” as described in the section “*What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?”* relative to the minimum ESG rating and average ESG rating (positive screening);
- The “Exclusion List” made of companies that are to be excluded if their main business activity is carried out in any of the following business areas (negative screening):
    - Adult entertainment
    - Alcohol
    - Armaments
    - Cluster bombs
    - Coal
    - Exploration and production of unconventional oil & gas extraction (covering “shale oil and gas” and “oil sands”) %
    - Gambling
    - Nuclear weapons, nuclear energy or depleted uranium
    - Tobacco

If an issuer main business activity becomes one of the above business areas after investment, the Investment Manager should sell the security within a reasonable timeframe. However, it may continue to be held, if consent has been obtained from the Management Company.

- The “Exclusion List” made of sovereign issuers in countries or federal states where death penalty applies

If an issuer becomes excluded after investment the Investment Manager should sell the security within a reasonable timeframe. However, it may continue to be held, if consent has been obtained from the Management Company.

- The financial product shall have at least 95% of its assets (excluding ancillary liquid assets) covered by the ESG analysis.
- The financial product shall invest at least 10% of its assets in 'sustainable investments' as defined in Article 2 (17) of the SFDR regulation.

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

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

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

To assess good governance practices of the investee companies, the Investment Manager relies on Amundi ESG scoring methodology. Amundi’s ESG scoring is based on a proprietary ESG analysis framework, which accounts for 38 general and sector-specific criteria, including governance criteria. In the Governance dimension, Amundi assess an issuer’s ability to ensure an effective corporate governance framework that guarantees it will meet its long-term objectives (e.g. guaranteeing the issuer’s value over the long term). The governance sub-criteria considered are: board structure, audit and control, remuneration, shareholders’ rights, ethics, tax practices and ESG strategy. Amundi ESG Rating scale contains seven grades, ranging from A to G, where A is the best and G the worst rating. G-rated companies are excluded from investment universe.

Each corporate security (shares, bonds, single name derivatives, ESG equity and fixed income ETFs) included in investment portfolios has been assessed for good governance practices applying a normative screen against UN Global Compact (UN GC) principles on the associated issuer. The assessment is performed on an ongoing basis. Amundi’s ESG ratings Committee monthly reviews lists of companies in breach of the UN GC leading to rating downgrades to G. Divestment from securities downgraded to G is carried out by default within 90 days.

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

Amundi Stewardship Policy (engagement and voting) related to governance complements this approach.

The good governance practice is assessed by the Management Company after investment and on an ongoing basis, with the following indicators:

- The company must be listed in a regulated market exchange in order to be considerate having a good governance, as in order to be listed several policy and procedure regarding governance must be in place; or
- The company should have a minimum Governance Pillar Score of 25 according to Refinitiv or equivalent third-party ESG rating provider.

Asset allocation describes the share of investments in specific assets.

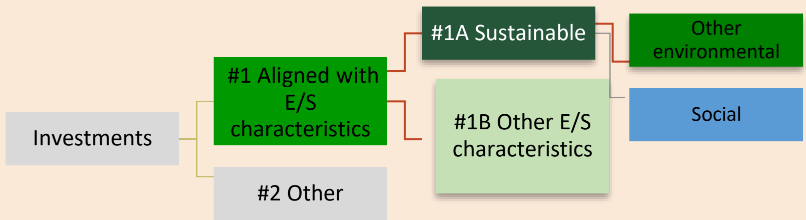
from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

What is the asset allocation planned for this financial product?

The Sub-Fund invests at least 70% of its net assets in assets that have been determined as “eligible” as per the ESG process in place (hence in investments that are aligned with the promoted environmental and social characteristics (#1 Aligned with E/S characteristics), including:

- a minimum of 10% in sustainable investments (#1A sustainable), among which a minimum of 5% will be invested in sustainable investments with an environmental objective and a minimum of 5% with a social objective.
- (#1B Other E/S characteristics) includes securities of issuers which are deemed to maintain favourable ESG characteristics but are not sustainable investments.

Up to 30% of the investments might be not aligned with these characteristics (#2 Other). A more detailed description of the specific asset allocation of this Sub-Fund can be found in the prospectus of this financial product.



#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.

#2Other 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.

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

The uses of derivatives (if any) is currently not used to attain the environmental or social characteristics promoted by the Sub-Fund.

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

The Sub-Fund does not commit to invest a minimum proportion of sustainable investments with an environmental objective aligned with the EU Taxonomy. Therefore, the minimum percentage of environmentally sustainable investments aligned with the EU Taxonomy is 0% of the Sub-Fund’s net assets. However, it may occur that part of the investments’ underlying economic activities are aligned with the EU Taxonomy.

Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[5]?

[5] Fossil gas and/or nuclear related activities will 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

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.

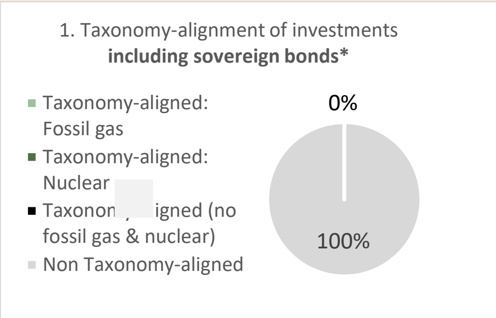
Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

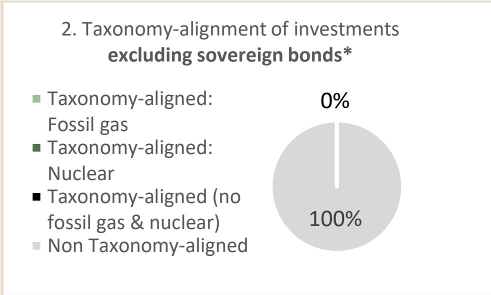
☐ Yes:

☐ 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.





This graph represents 100% of the total investments.

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

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

  The Sub-Fund does not have a minimum share of investments in transitional and enabling activities, as it does not commit to a minimum proportion of environmentally sustainable investments aligned with the EU Taxonomy.

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

The minimum share of environmentally sustainable investments shall in total be at least 5% of the net assets of the Sub-Fund.

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 socially sustainable investments?

The minimum share of socially sustainable investments shall in total be at least 5% of the net assets of the Sub-Fund.

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

This Sub-Fund promotes an asset allocation in investments that are aligned with environmental and social characteristics (#1 Aligned with E/S characteristics) and that are partially sustainable. In addition, and on an ancillary basis, this Sub-Fund will invest into investments that are not considered aligned with the promoted characteristics (#2 Other). These remaining investments can include all asset classes as foreseen in the specific investment policy including cash and derivatives.

This Sub-Fund does not consider any minimum environmental or social safeguards on these remaining investments.

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?

This Sub-Fund has not designated a reference benchmark to determine whether it is aligned with the environmental and/or social characteristics that it promotes.

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?***

  This is not applicable as the Sub-Fund has not designated a reference benchmark.

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

  This is not applicable as the Sub-Fund has not designated a reference benchmark.

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

  This is not applicable as the Sub-Fund has not designated a reference benchmark.

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

  This is not applicable as the Sub-Fund has not designated a reference benchmark.

Where can I find more product specific information online?

More product-specific information can be found on the website: https://neam.lu/lu/sustainability-related-disclosures/

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

Product name: NEF Ethical Balanced Conservative

Legal entity identifier: 549300VJBQJ1VJ63E142

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.

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 **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 5% 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 will make a minimum of **sustainable investments 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?

NEF Ethical Balanced Conservative (the "**Sub-Fund**") promotes some environmental, social and governance ("**ESG**") characteristics, it seeks to invest mainly in stocks and bonds issued by companies with good quality Environmental, Social and Governance profiles. It will notably use an ESG rating as further explained in the other sections of this precontractual annex.

The Sub-Fund invests primarily in assets selected based on sustainability criteria. Sustainability is understood to mean ecological (Environment - E) and social (Social - S) criteria as well as good corporate and government management (Governance - G).

Corresponding criteria include limitation of CO2 emissions (Environment) and labour relations (Social).

When considering environmental and social characteristics, the Sub-Fund invests in assets of issuers that apply good corporate governance practices.

The Sub-Fund has not designated a reference benchmark that it will replicate for the purpose of attaining the environmental and/or social characteristics promoted.

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

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

The attainment of the promoted environmental and social characteristics is assessed via the application of a proprietary ESG assessment methodology. The methodology applies a variety of ESG criteria (the "**ESG Filter**") to assess the attainment of the promoted environmental and social characteristics, which are as follows:

<u>a. Issuers whose main business activity is carried out in controversial sectors</u> such as armaments, coal, unconventional oil and gas, alcohol, gambling, adult entertainment and tobacco are not investible.

<u>b. Sovereign issuers</u>: countries that apply the death penalty are excluded; in case of a Federation the exclusion is implemented only to the individual Federal State that apply the death penalty. Additionally government bonds are allowed if they are issued by countries with a low corruption and ML/TF risk rating. Government bonds issued by country with high corruption and ML/TF risk are identified by either of the following:

- FATF High Risk and monitored jurisdictions
- EU, UN and OFAC Sanctions
- Corruption Perception Index (CPI)
- Know Your Country data (KYC)

Government bonds issued by country having a significant level of corruption or other predicate offences to ML/TF are forbidden.

<u>c. The targeted open-ended UCIs/UCITS</u>: those funds are included solely when all the following conditions are met:

- They are at least classified as article 8 funds according to Regulation (EU) 2019/2088 ("SFDR");
- They consider principal adverse impacts of its investment decisions on sustainability factors; and
- Their minimum percentage of sustainable investments is equal or higher than NEF Ethical Balanced Conservative.

Additionally, all issuers must have an ESG rating. The Sub-Fund will invest in issuers with a ESG rating greater than or equal to 41.67 according to Refinitiv or equivalent third-party ESG rating providers or 30 as defined per Union Investment's in-house research – UniESG Score.*

Average ESG Portfolio Rating should not be below 66 according to Refinitiv or 45 according to UniESG Score or equivalent third-party ESG rating providers.

Should a sovereign related issuer (e.g. agencies, local authorities, sovereign owned/sponsored/guaranteed, etc.) not be covered by Union Investment's internal

ESG rating research or a third-party ESG rating providers, the same methodology for sovereign issuers described below will apply.

If an issuer is downgraded below such a rating, the Investment Manager should sell it within a reasonable timeframe. However, it may continue to be held, if consent has been obtained from the Management Company.

In addition, the Investment Manager can invest up to 5% of the Sub-Fund's net assets in securities where no ESG rating is readily available (i.e. securities for which the Investment Manager has no UniESG Score available), but only when the Investment Manager has good reason to believe that the securities will receive a good ESG rating within a reasonable period of time by either a third-party ESG rating provider or the Investment Manager in-house research.

Once the ESG rating or analysis becomes available, should it not be in line with the limits of the mandate, the course of action will follow the process as described for ESG rating downgrades.

Bonds issued by supranational issuers are accepted irrespective of the issuer and do not require a minimum ESG rating at individual issuer level.

Green Bonds, Social Bonds, Sustainable Bonds, and all bonds linked to Sustainable / ESG / SDGs projects might be accepted irrespective of issuer, even if the latest is flagged in the controversial sectors above.

**The UniESG Score can be used to measure the degree of sustainability of companies and countries. All dimensions of sustainability - especially environmental, social, and good corporate governance - are taken into account in that score. The UniESG Score is the basis for the dynamic best-in-class approach, which avoids the worst-in-class companies and favours the best-in-class companies. This sustainability approach selects those companies that set the highest standards in terms of environmental, social, corporate governance and business model in an industry comparison.*

- ***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 will partially invest in sustainable investments according to article 2(17) SFDR. Such sustainable investments will contribute to at least one of the UN SDGs that relate to environmental and/or social objectives.

Corresponding goals include the promotion of renewable energies and sustainable mobility, the protection of water and soil, and access to education and health.

Furthermore, a contribution is to be made to the areas of energy efficiency, green buildings, clean water, environmental protection, sustainable consumption and the social sector. Therefore, investments are made in assets of issuers whose products/services contribute to these objectives.

Additionally, the partially investment in sustainable investments according to article 2(17) SFDR is ensured by the Management Company who runs ex-post independently checks on the portfolio at least quarterly.

The Management Company considers that, in order to be classified as sustainable investment, an investment should either:

1. Be aligned with the EU Taxonomy objectives. A company can be qualified as sustainable investment in case it has more than 20% of its revenues aligned with the EU Taxonomy, or
2. Contribute positively to one or more United Nations Sustainable Development goals (UN SDG) targets. Despite UN SDG targets both environmental and social matters, the ultimate target revolve around human society development in a sustainable way, therefore is meant to contribute to a social objective, or
3. Be a Green Bonds, Social Bonds, Sustainable Bonds, or bonds linked to Sustainable / ESG / SDGs projects which is meant to contribute to a social or environmental objective depending on the nature of the bond. Such bonds should follow guidelines concerning the use of proceeds such as ICMA or CBI or other recognized independent party.

Regarding point 2, the positive contribution is determined usually by using ISS SDG impact rating. However other equivalent SDG impact analysis could be used. ISS SDG impact rating ranges from -10 to +10. To contribute positively the ISS SDG impact rating should be at least 2.

The ISS SDG impact rating is based on 3 pillars:

- Product and services identify contribution or obstruction to SDGs, based on revenues. The score is ranging from -10 to +10 based on the percentage of revenues contributing or obstructing with the goal, +10 imply a 100% contribution.
- Operations management: evaluate impact along the value chain, based on corporate ESG practices and impact. The score is ranging from -10 to +10.
- Controversies: identify alleged or verified failure to respect norms that obstruct SDG. The score ranges from 0 (no controversies) to -8 (large negative controversies).

Once these 3 ratings are compiled for each goal, both operation management and controversies are added together and compared to the product and services score. Then the following logic is applied: Highest positive score if only positive scores, Lowest negative score if only negative scores, sum of the positive and the negative score in case of mixed scores.

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.

In the case of investments in economic activities that contribute to environmental and/or social objectives, it must be ensured that these objectives are not significantly impaired. To ensure this, the economic activities of the issuers in whose assets investments are made are reviewed on the basis of certain indicators. Based on these indicators, an analysis is carried out by the Investment Manager to determine whether investments in issuers may have a significant adverse impact on sustainability factors ("Principal Adverse Impact" or "PAI"). In case that a significant harm is identified, the economic activity fails the DNSH assessment and cannot be considered as sustainable economic activity.

Additionally, to confirm that the sustainable investments that the financial product partially makes, do not significant harm to any environmental or social sustainable investment objective, a DNSH test (do not significant harm test) is run ex-post independently by the Management Company on the portfolio at least yearly.

As a general matter, the “do no significant harm” principle, as referred to in article 6 of the regulation (EU) 2020/852 of the European Parliament and of the council of 18 June 2020 on the establishment of a framework to facilitate sustainable does not apply to this Sub-Fund since the investments underlying this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

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

The Investment Manager considers principal adverse impacts of its investments through a combination of internal process like, ESG rating, exclusion strategies, of issuers associated with controversial conduct or activities and engagement. The PAI as per table 1 (notably) are taken into account as shown in the different processes below:

Principal adverse impacts on Groups	Principal adverse impacts on investment decisions	Union ESG Internal Score	Union Exclusion strategy	Union Engagement
Greenhouse gas emissions	1. GHG emissions	YES	YES	YES
	2. Carbon footprint	YES	YES	
	3. GHG intensity of investee companies	YES	YES	
	4. Exposure to companies active in the fossil fuel sector	YES	YES	
	5. Share of non renewable energy consumption and production	YES	YES	
	6. Energy consumption intensity per high impact climate sector	NO	YES	
Biodiversity	7. Activities negatively affecting biodiversity sensitive areas	YES	YES	YES
Water	8. Emissions to water	YES	YES	YES
Waste	9. Hazardous waste ratio	YES	YES	YES
Social and employee matters	10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	YES	YES	YES
	11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises	YES	YES	
	12. Unadjusted gender pay gap	YES	YES	
	13. Board gender diversity	YES	YES	
	14. Exposure to controversial weapons (antipersonnel mines, cluster munitions, chemical weapons and biological weapons)	NO	YES	

The Management Company runs on an ex-post basis a DNSH test (do not significant harm test) independently. The DNSH test is based on several pillars among which:

- Norm based screen: to identify issuer based on the issuer's link with any breaches of international standards;

- Activity-based screens: the screening out of issuers based on their participation in activities with significant negative impacts on society or the environment;

- Sustainability indicators: to ensure that minimum environmental, social and governance characteristics are attained;

- PAI evolution: quantitative data (where available) on PAI indicators is used to evaluate whether an issuer is involved in activities that cause significant harm to any environmental or social objective.

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

The OECD Guidelines for Multinational Enterprises, the core labor standards of the International Labour Organization (ILO) and the United Nations Guiding Principles on Business and Human Rights are used in decisions on sustainable investments. To address this, the Investment Manager has issued guidelines that foresee these sets of rules. These guidelines are the "Human Rights Policy Statement" and the "Union Investment Engagement Policy" available on the Investment Manager website.

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, the Sub-Fund considers principle adverse impacts on sustainability factors. Indicators used to identify adverse impacts on sustainability factors from investments in companies are derived from the following categories: greenhouse gas emissions, biodiversity, water, waste and social and labour issues. For investments in securities of countries, indicators in the categories of environmental and social issues are taken into account.

When selecting the securities of companies, PAIs are taken into account in particular by (1) setting exclusion criteria, (2) evaluating using a sustainability rating (UniESG Score) and (3) conducting company dialogues.

The consideration of principal adverse impacts is detailed in the above section "How have the indicators for adverse impacts on sustainability factors been taken into account?".

Further information on principal adverse impacts will be provided in an annex to the Sub-Fund's annual report.

No

What investment strategy does this financial product follow?

The Sub-Fund is an ethical and balanced sub-fund, whose objective is to achieve capital appreciation, by respecting ESG principles on medium/long term, through an active allocation of the risk mainly in bonds and equities.

Non-financial part of the investment strategy of the Sub-Fund:

ESG analysis is embedded into the Investment Manager's portfolio management systems. Indeed, the Investment Manager has taken the commitment to integrate ESG criteria into the investment process of the Sub-Fund, with an objective to invest mainly in stocks and bonds issued by companies with a good quality ESG profile, in addition to the financial objectives.

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

The promotion of E/S characteristics is carried out by the Sub-Fund on a continuous basis as part of the investment process (i.e. adherence to the exclusion policy is monitored with strict pre-trade restrictions). In addition, risk management of the Management Company monitors adherence to the mandatory elements. In this manner, the Sub-Fund uses the environmental and social indicators to assess whether the promoted objective is achieved.

As for the stocks and bonds, the Sub-Fund seeks to invest mainly in stocks and bonds issued by issuers with a good quality ESG profile.

As for the government and supranational bonds, the Sub-Fund invests in securities issued by OECD member countries and countries that launched enhanced engagement with the OECD and/or supranational organizations and entities with rating IG.

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

The Sub-Fund has the following binding elements:

- The "ESG Filter" as described in the section " W*hat sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?"*relative to the minimum ESG rating and average ESG rating (positive screening);

- The "Exclusion List" made of companies that are to be excluded if their main business activity is carried out in any of the following business areas (negative screening):
    - Adult entertainment
    - Alcohol
    - Armaments (considering the revenues generated from services/products which are oriented toward armaments or warfare)
    - Coal
    - Gambling
    - Tobacco
    - Unconventional Oil & Gas

If an issuer main business activity becomes one of the above business areas after investment, the Investment Manager should sell the security within a reasonable timeframe. However, it may continue to be held, if consent has been obtained from the Management Company.

- The “Exclusion List” made of sovereign issuers in countries or federal state where the death penalty applies and with high corruption and ML/TF risk.

  If an issuer main business activity becomes one of the above business areas after investment, the Investment Manager should sell the security within a reasonable timeframe. However, it may continue to be held, if consent has been obtained from the Management Company.

- The financial product shall have at least 95% of its assets (excluding ancillary liquid assets) covered by the ESG analysis.

- The financial product shall invest at least 5% of its assets in 'sustainable investments' as defined in Article 2 (17) of the SFDR regulation.

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

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

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

The good governance practice is assessed by the Investment Manager, before investment and on an ongoing basis, with the following indicators:

For securities within the framework of the sustainable investment strategy of the sub-fund, it is assumed that the issuers of these securities apply good corporate governance practices. To this end, exclusion criteria are defined by the Investment Manager, that are based on the ten principles of the United Nations Global Compact.

The ten principles of the Global Compact include guidelines for dealing with human rights, labour rights, corruption and environmental violations. Companies should respect the protection of international human rights and ensure that they are not complicit in human rights abuses. They should work for the abolition of child labour and the elimination of all forms of forced labour, as well as the elimination of discrimination in respect of employment and occupation. They shall accelerate the development and diffusion of environmentally friendly technologies, promote environmental awareness and follow the precautionary principle in dealing with environmental problems. They shall work against all forms of corruption, including extortion and bribery.

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

In addition, the Investment Manager requires issuers to comply with good corporate governance standards with regard to, among other things, shareholder rights, composition and remuneration of the Executive Board and Supervisory Board, corporate actions, auditors and transparency. For this purpose, the Investment Manager analyses the corporate governance of the issuers. This analysis is based, among other things, on the annual or annual reports published by the issuers and is supported by data from various providers and research by proxy advisors.

The good governance principle is assessed by the Management Company, after investment and on an ongoing basis, following the below indicators:

- The company must be listed in a major stock exchange in order to be considered having a good governance, as in order to be listed several policy and procedure regarding governance must be inplace;
- The company should have a minimum Governance Pillar Score of 25 according to Refinitiv or equivalent third-party ESG rating provider.

Asset allocation describes the share of investments in specific assets.

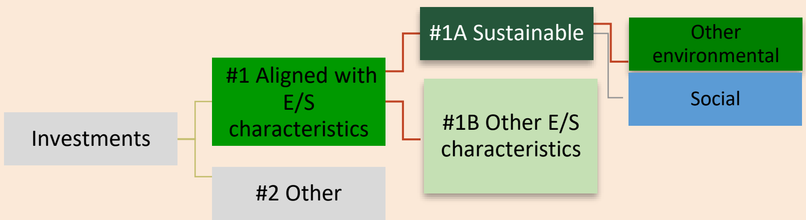
What is the asset allocation planned for this financial product?

The Sub-Fund invests at least 70% of its net assets in assets that have been determined as “eligible” as per the ESG process in place (hence in investments that are aligned with the promoted environmental and social characteristics (#1 Aligned with E/S characteristics), including:

- a minimum of 5% in sustainable investments (#1A sustainable), among which a minimum of 1% will be invested in sustainable investments with an environmental objective and a minimum of 1% with a social objective.
- (#1B Other E/S characteristics) includes securities of issuers which are deemed to maintain favourable ESG characteristics but are not sustainable investments

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

Up to 30% of the investments might be not aligned with these characteristics (#2 Other). A more detailed description of the specific asset allocation of this Sub-Fund can be found in the prospectus of this financial product.



#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.

#2Other 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.

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

The uses of derivatives (if any) is currently not used to attain the environmental or social characteristics promoted by the Sub-Fund.

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

The Sub-Fund does not commit to invest a minimum proportion of sustainable investments with an environmental objective aligned with the EU Taxonomy. Therefore, the minimum percentage of environmentally sustainable investments aligned with the EU Taxonomy is 0% of the Sub-Fund's net assets. However, it may occur that part of the investments' underlying economic activities are aligned with the EU Taxonomy.

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

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

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

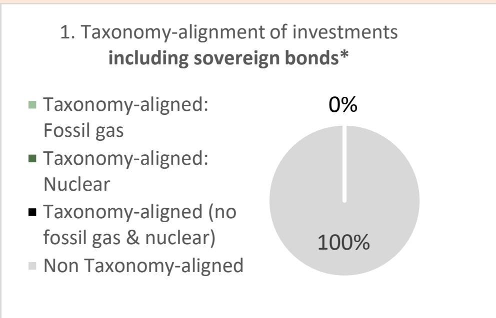
- ***Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[6]?***

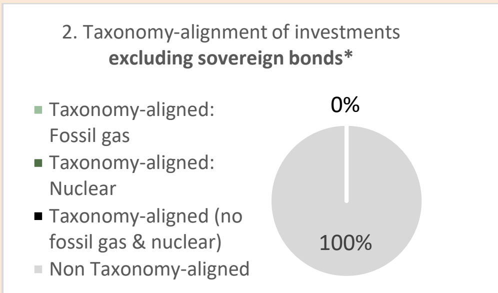
Yes:

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.





This graph represents 100% of the total investments.

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

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

The Sub-Fund does not have a minimum share of investments in transitional and enabling activities, as it does not commit to a minimum proportion of environmentally sustainable investments aligned with the EU Taxonomy.

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

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

The minimum share of environmentally sustainable investments shall in total be at least 1% of the net assets of the Sub-Fund.

What is the minimum share of socially sustainable investments?

[6] Fossil gas and/or nuclear related activities will 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 minimum share of socially sustainable investments shall in total be at least 1% of the net assets of the Sub-Fund.

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

This Sub-Fund promotes a predominant asset allocation in investments that are aligned with environmental and social characteristics (#1 Aligned with E/S characteristics) and that are partially sustainable. In addition, and on an ancillary basis, this Sub-Fund will invest into investments that are not considered aligned with the promoted characteristics (#2 Other). These remaining investments can include all asset classes as foreseen in the specific investment policy including cash and derivatives.

This Sub-Fund does not consider any minimum environmental or social safeguards on these remaining investments.

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?

This Sub-Fund has not designated a reference benchmark to determine whether it is aligned with the environmental and/or social characteristics that it promotes.

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

  This is not applicable as the Sub-Fund has not designated a reference benchmark.

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

  This is not applicable as the Sub-Fund has not designated a reference benchmark.

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

  This is not applicable as the Sub-Fund has not designated a reference benchmark.

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

  This is not applicable as the Sub-Fund has not designated a reference benchmark.

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

Where can I find more product specific information online?

More product-specific information can be found on the website: https://neam.lu/lu/sustainability-related-disclosures/

Template pre-contractual disclosure for the financial products referred to in Article 9, paragraphs 1 to 4a, of Regulation (EU) 2019/2088 and Article 5, first paragraph, of Regulation (EU) 2020/852

Product name: NEF Ethical Global Trends SDG

Legal entity identifier: 549300DNUKGH7RL05J13

Sustainable investment objective

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.

Does this financial product have a sustainable investment objective?

☒ **Yes**	☐ **No**
☐ It will make a minimum of **sustainable investments with an environmental 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
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ 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	☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☐ with a social objective
☒ It will make a minimum of **sustainable investments with a social objective:** 85%	☐ It promotes E/S characteristics, but **will not make any sustainable investments**

Sustainability indicators measure how the sustainable objectives of this financial product are attained.

What is the sustainable investment objective of this financial product?

NEF Ethical Global Trends SDG (the "**Sub-Fund**") seeks to invest mainly in stocks issued by companies with good quality Environmental, Social and Governance (ESG) profiles that contribute to the achievement of the Sustainable Development Goals (SDGs) as defined by the United Nations understanding that SDG compliance is a prerequisite for the investment. Concretely, the Sub-Fund has a sustainable approach to the investments by only investing in companies that can, directly or indirectly, help the achievement of the SDGs, as stated by the UN.

All companies must have a SDG score assessed by the Investment Manager through its own sustainable analysis while each component of the portfolio has to pass the SDGs test performed by the Investment Manager.

Finally, this Sub-Fund has not designated a reference benchmark for the purpose of attaining the sustainable investment objective.

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

The following indicators are used to assess the attainment of the promoted social characteristics:

- The percentage of investee companies with a positive SDG score, based on the Investment Manager proprietary methodology;

- The percentage of investee companies which the Investment Manager engaged upon their functionality to Sustainable Development Goals and the minimization of their negative impact during the year; and

- The percentage of holdings that are in violation of the OECD Guidelines for Multinational Enterprises, ILO standards, UNGPs, or UNGC.

Additionally, the investment in sustainable investments according to article 2(17) SFDR is ensured by the Management Company who runs ex-post independently checks on the portfolio at least quarterly.

The Management Company considers that, in order to be classified as sustainable investment, an investment should either:

4. Be aligned with the EU Taxonomy objectives. A company can be qualified as sustainable investment in case it has more than 20% of its revenues aligned with the EU Taxonomy, or
5. Contribute positively to one or more United Nations Sustainable Development goals (UN SDG) targets. Despite UN SDG targets both environmental and social matters, the ultimate target revolve around human society development in a sustainable way, therefore is meant to contribute to a social objective, or
6. Be a Green Bonds, Social Bonds, Sustainable Bonds, or bonds linked to Sustainable / ESG / SDGs projects which is meant to contribute to a social or environmental objective depending on the nature of the bond. Such bonds should follow guidelines concerning the use of proceeds such as ICMA or CBI or other recognized independent party.

Regarding point 2, the positive contribution is determined usually by using ISS SDG impact rating. However other equivalent SDG impact analysis could be used. ISS SDG impact rating ranges from -10 to +10. To contribute positively the ISS SDG impact rating should be at least 2.

The ISS SDG impact rating is based on 3 pillars:

- Product and services identify contribution or obstruction to SDGs, based on revenues. The score is ranging from -10 to +10 based on the percentage of revenues contributing or obstructing with the goal, +10 imply a 100% contribution.
- Operations management: evaluate impact along the value chain, based on corporate ESG practices and impact. The score is ranging from -10 to +10.
- Controversies: identify alleged or verified failure to respect norms that obstruct SDG. The score ranges from 0 (no controversies) to -8 (large negative controversies).
- Once these 3 ratings are compiled for each goal, both operation management and controversies are added together and compared to the product and services

score. Then the following logic is applied: Highest positive score if only positive scores, Lowest negative score if only negative scores, sum of the positive and the negative score in case of mixed scores.

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.

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

While the principal adverse impacts ("**PAIs**") analysis run by the Investment Manager takes into consideration the negative impact of the whole portfolio, according to a number of factors set by regulator (named Adverse sustainability indicator), the do not significantly harm ("**DNSH**") analysis takes into consideration the negative impact of a single investee companies included in the portfolio, according to the same above-mentioned factors (Adverse sustainability indicator). The focus of the DNSH analysis run by the Investment Manager is not the intensity recorded for each factor, but its dynamics. To resume, it is important that the investee company demonstrates an improving trend, that shows that the company is gradually minimizing the negative impact of its business.

In addition, to confirm that the Sub-Fund's sustainable investments do not significant harm to any environmental or social sustainable investment objective, a DNSH test (do not significant harm test) is run ex-post independently by the Management Company on the Sub-Fund's portfolio at least quarterly.

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

The Investment Manager considers and mitigates adverse impacts of its investments on society and environment through a combination of internal process like ESG rating, exclusion strategies, DNSH analysis, Controversies analysis, Minimum Safeguards analysis, engagement, PAI evolution analysis.

Regarding Table 1 Principal Adverse Impacts are taken into account in the different processes as shown in the following table:

Principal adverse impacts	ESG Score	Exclusion strategy	DNSH analysis	Minimum Safeguard	Controversies	Engagement	PAI evolution analysis
1. GHG emissions	yes		Yes			Yes	yes
2. Carbon footprint	yes		Yes			Yes	yes
3. GHG intensity of investee companies	yes		Yes			Yes	yes
4. Exposure to companies active in the fossil fuel sector		yes	Yes			Yes	yes
5. Share of non renewable energy consumption and production	yes		Yes			Yes	yes
6. Energy consumption intensity per high impact climate sector	yes		Yes			Yes	yes
7. Activities negatively affecting biodiversity sensitive areas	yes		Yes		Yes	Yes	yes
8. Emissions to water + (Emissions to Water / revenues)*	yes		Yes			Yes	yes
9. Hazardous waste ratio + (hazardous waste / revenues)*	yes		Yes			Yes	yes
10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises			Yes	Yes	Yes	Yes	yes
11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises			Yes	Yes	Yes	Yes	yes
12. Unadjusted gender pay gap			Yes		Yes	Yes	yes

13. Board gender diversity			Yes			Yes	yes
14. Exposure to controversial weapons (antipersonnel mines, cluster munitions, chemical weapons and biological weapons)		yes	Yes			Yes	yes

*****The delegated Investment Manager will also consider those two PAIs as a % of revenues, not just on absolute value (tons).

Those processes are used to verify to what extent the company works to minimise the negative impact of its business, as well as its attitude to reduce it.

The Management Company runs on an ex-post basis a DNSH test (do not significant harm test) independently. The DNSH test is based on several pillars among which:

- Norm based screen: to identify issuer based on the issuer's link with any breaches of international standards;

- Activity-based screens: the screening out of issuers based on their participation in activities with significant negative impacts on society or the environment;

- Sustainability indicators: to ensure that minimum environmental, social and governance characteristics are attained;

- PAI evolution: quantitative data (where available) on PAI indicators is used to evaluate whether an issuer is involved in activities that cause significant harm to any environmental or social objective.

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

The sustainable investments are aligned with the OECD Guidelines for Multinational Enterprises and the United Nations Guiding Principles on Business and Human Rights, including the principles and rights set forth in the 8 fundamental conventions identified in the International Labor Organization's Declaration on Fundamental Principles and Rights at Work and the International Bill of Human Rights, based on the Refinitiv data or, lacking those data, at the best of its knowledge. Should violations occur in these areas, the investment manager will first engage with the company and then, if the violation persists, a liquidation procedure for the investment will be enacted.

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

✖ Yes, the Sub-Fund considers principal adverse impacts of its investment decisions on sustainability factors.

The Investment Manager identifies principal adverse impacts on sustainability factors through various means, such as data providers and analysis on sustainable matters and publicly available information. Where information relating to any of the indicators used is not readily available, a best effort will be used to assess the adverse impacts, including a description of any reasonable assumptions used and cooperation with third party data providers.

The principal adverse impacts are further considered in the DNSH assessment as described above in section "How have the indicators for adverse impacts on sustainability factors been taken into account?".

Further information on principal adverse impacts will be provided in an annex to the Sub-Fund's annual report.

☐ No

What investment strategy does this financial product follow?

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

<u>*Non-financial part of the investment strategy of the Sub-Fund*</u>*:*

The Sub-Fund seeks to invest mainly in stocks issued by companies with good quality Environmental, Social and Governance (ESG) profiles and that contribute to the achievement of the Sustainable Development Goals as defined by the United Nations as described in the following sections.

The SDG compliance is a prerequisite for the investment. The ESG risk analysis is integrated in the fundamentals and valuation analysis of the company.

The Investment Manager analyses the practices used by the companies in the domains of environmental, social and governance on a continuous basis as part of the stock selection process, as one of the instruments to minimize the negative impact of the investments.

The ESG profile of the company is assessed through both:

- a quantitative analysis, based on a variety of ESG issues provided by Refinitiv, a third-party provider specialized in the assessment of sustainability risks, that measures firm's relative ESG performance, commitment and effectiveness using publicly reported data. Refinitiv analysis does not have any particular negative or positive bias on the different industries. It attributes a score based on the practices of each company relative to its comparable peers within the same industry. This allows to hold companies in controversial sectors that are nonetheless needed to the communities, provided that those companies stand out for in terms of ESG practices. This methodology is well combined with an exclusion policy in order to exclude sectors that the fund deem negative and not absolutely necessary.

- qualitative analysis made by the Investment Manager to verify the reliability of the data of the provider. When the Investment Manager finds material mistakes or incongruencies, it reperform the ESG analysis according to its proprietary model, conceptually consistent with Refinitiv, and proposes it to the Management Company for approval.

All issuers must have an ESG rating from Refinitiv above a minimum threshold (single C plus – , i.e., companies in the upper part of the second quartile of the Refinitiv classification, that include firms with satisfactory relative ESG performance) and the average ESG portfolio rating should be above a minimum threshold (65).

The Investment Manager will not invest in ESG unrated securities. In case ESG rating is not available from Refinitiv, ESG rating based on the Investment Manager's own internal rating or other sources can be used only with the prior explicit authorization of the Management Company and only if properly disclosed.

The sustainable investment objective of the Sub-Fund is carried out on a continuous basis as part of the investment process (i.e. in line with the exclusion policy, it is continuosly enacted through portfolio monitoring. In addition, risk management of the Management Company monitors adherence to the mandatory elements. In this manner, the Sub-Fund uses the sustainability indicators to assess whether the promoted sustainable objective is achieved.

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

  The Sub-Fund's investment strategy has the following binding elements:

  - The SDG compliance is a prerequisite for the investment. The Fund is solely invested in companies that hold a positive SDG score based on the Investment Manager's internally developed SDG analysis;
  - The Sub-Fund may invest up to 10% in other UCITS or UCIs. Those funds are included solely when all the following conditions are met:
    - They are at least classified as article 8 funds according to Regulation (EU) 2019/2088 ("SFDR"), more precisely as article 8+ (in this case, sub-fund classified as, so-called, "article 8+" are sub-funds that have a 100% commitment to invest in sustainable investments (excluding cash and hedging derivatives);
    - They consider principal adverse impacts of its investment decisions on sustainability factors.
  - The Sub-Fund will not invest in companies that are in breach of the OECD Guidelines for Multinational Enterprises, ILO standards, UNGPs, or UNGC, based on the Refinitiv data or, lacking those data, at the best of its knowledge. Should violations occur across any company held in the portfolio, the investment manager will first engage with the company and then, if the violation persists, a liquidation procedure for the investment will be enacted;
  - ESG rating section (i.e. all issuers must have a minimum ESG rating not be below 41.67 according to Refinitiv and the average ESG portfolio rating should not be below 65 from Refinitiv, or equivalent as per Investment Manager internal score);

  If an issuer's rating is downgraded to below the above mentioned minimum score, the Investment Manager should sell the relevant securities within a reasonable timeframe. However, they may continue to be held, if consent has been obtained from the Management Company.

  Furthermore, in consideration of the fact that the ESG classifications are still in their infancy and very often they are not consistent among the different providers, the Investment Manager can also invest in companies that are below such a minimum rating (single C plus Refinitiv), provided that the company is judged pivotal in the achievements of one or more SDGs and that the low ESG rating can be duly justified.

- An exclusion list will be made of companies that are to be excluded if their main business activity is among the following business areas:
  - Armaments (considering the revenues generated from services/products which are oriented toward armaments or warfare)
  - Coal
  - Gambling
  - Integrated Oil and Gas
  - Oil and Gas Exploration and Production
  - Oil and Gas Drilling
  - Oil-related Services and Equipment
  - Pornographic material
  - Tobacco

The Investment Manager will follow the exclusion list as per the above elements.

If an issuer main business activity becomes one of the above business areas after investment, the Investment Manager should sell the relevant securities within a reasonable timeframe. However, they may continue to be held, if consent has been obtained from the Management Company.

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

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

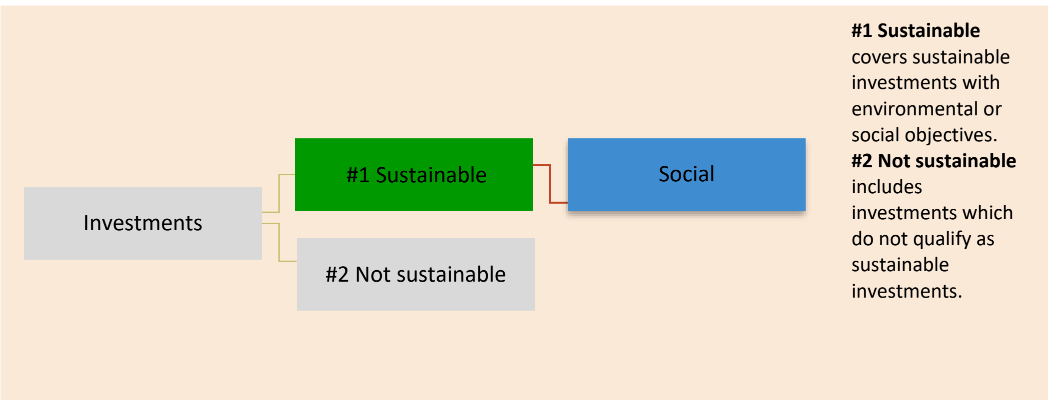
All investments are subject to good governance policy (sound management structures, employee relations, remuneration of staff and tax compliance) while taking into account the size, the risks and the resources of the company.

Addionally to ensure the respect of good governance, the Sub-Fund will only invest in publicly traded company as a minimum safeguard, as several policy and audit are taken place before a company goes public. Issuer minimum Governance ESG rating should not be below 25 according to Refinitiv or equivalent as per the Investment Manager internal score.

Asset allocation describes the share of investments in specific assets.

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

This Sub-Fund invests at least 85% of its net assets in investments that are sustainable (#1 Sustainable). Within this category, 100% of the Sub-Fund’s assets are sustainable investments with a social objective.



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

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 ad among others have greenhouse gas emission levels

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

Derivatives are currently not used to attain the sustainable investment objective of the Sub-Fund.

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

Not applicable.

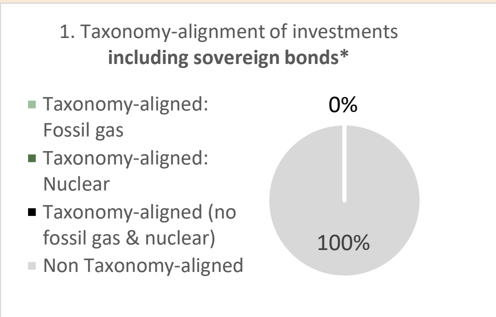
Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[7]?

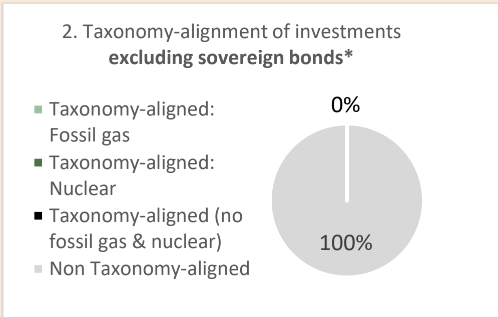
☐ Yes:

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.





This graph represents 100% of the total investments.

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

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

The Sub-Fund does not have a minimum share of investments in transitional and enabling activities, as it does not commit to a minimum proportion of sustainable investments aligned with the EU Taxonomy.

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

Not applicable.

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

[7] Fossil gas and/or nuclear related activities will 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 does intend to make a minimum allocation to socially sustainable investments of 85% pursuant to Article 2(17) SFDR.

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

This Sub-Fund promotes investments that are sustainable. In addition, and on an ancillary basis, this Sub-Fund could invest into investments that are not sustainable, estimated between 0-15%, being exclusively cash and derivatives. The Sub-Fund may make use of cash for liquidity purposes and derivatives for hedging management.

The remaining "other" investments can include all asset classes as foreseen in the specific investment policy that can be used by the portfolio management for performance, diversification to the benefit of the investors.

Minimum environmental or social safeguards apply to the underlying securities.

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

This Sub-Fund has not designated a reference benchmark to determine whether it is aligned with the environmental and/or social characteristics that it promotes.

- ***How does the reference benchmark take into account sustainability factors in a way that is continuously aligned with the sustainable investment objective?***

  This is not applicable as the Sub-Fund has not designated a reference benchmark.

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

  This is not applicable as the Sub-Fund has not designated a reference benchmark.

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

  This is not applicable as the Sub-Fund has not designated a reference benchmark.

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

  This is not applicable as the Sub-Fund has not designated a reference benchmark.

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

Where can I find more product specific information online?

More product-specific information can be found on the website: https://neam.lu/lu/sustainability-related-disclosures/

ADDITIONAL INFORMATION FOR INVESTORS IN THE FEDERAL REPUBLIC OF GERMANY

NEF (the “Fund”) has notified its intention to distribute its units in Germany and permission for distribution of its units in the Federal Republic of Germany is granted for the following sub-funds mentioned in this Prospectus:

- NEF - Global Equity
- NEF - Euro Equity
- NEF - Emerging Market Equity
- NEF - Global Bond
- NEF – Ethical Bond - Euro
- NEF - Emerging Market Bond
- NEF - Risparmio Italia
- NEF - U.S. Equity
- NEF - Pacific Equity
- NEF – Ethical Corporate Bond - Euro
- NEF - Ethical Balanced Dynamic
- NEF - Ethical Balanced Conservative

No notification pursuant to Sec. 310 of the German Capital Investment Code (*Kapitalanlagegesetzbuch*) has been filed for the following sub-funds and the units in these subfunds may not be marketed to investors in the Federal Republic of Germany:

- **NEF - Ethical Short Term Bond - Euro**
- **NEF - Target 2025**
- **NEF - Ethical Global Trends SDG**
- **NEF - Target 2028**
- **NEF – Conservative**

Stockselection GmbH, with registered office at Eschenheimer Anlage 26, 60318 Frankfurt am Main, Germany, has been appointed to act as information agent for the Fund in the Federal Republic of Germany (the "**German Information Agent**").

Applications for the redemptions and conversion of units may be sent to the Central Administration Agent in Luxembourg, namely CACEIS Bank Luxembourg - until 31 December 2016 (and CACEIS Bank, Luxembourg Branch - as from 1 January 2017) at 5, Allée Scheffer, L-2520 Luxembourg. All payments to investors, including redemption proceeds and potential distributions, may, upon request, be paid through said Central Administration Agent.

The Prospectus, the Key Investor Information Documents, the Consolidated Management Regulations of the Fund and the Annual and Semi-Annual Reports may be obtained, free of charge, in hard copy form at the registered office of the German Information Agent during normal opening hours. The issue, redemption and conversion prices of the units, and the unitholders notices, are also available at the German Information Agent.
The issue, redemption and conversion prices, and the unitholders notices will be published on the website of the Fund’s Management Company Nord Est Asset Management: www.neam.lu

In addition, communications to investors in the Federal Republic of Germany will be provided to investors by means of a durable medium in accordance with Section 167 of the German Investment Code in the following cases:

1. suspension of the redemption of the shares or units of the Fund;
2. termination of the Fund’s management or the winding-up of the Fund;
3. amendments to the fund rules which are inconsistent with existing investment principles, affect material investor rights, or relate to remuneration or the reimbursement of expenses that may be taken

out of the Fund’s assets, including the reasons for the amendments and the rights of investors, the information must be communicated in an easily understandable form and manner and must indicate where and how further information may be obtained;

4. merger of the Fund in the form of information on the proposed merger which must be drawn up in accordance with Article 43 of Directive 2009/65/EC;
5. conversion of the Fund into a feeder fund or any change to a master fund in the form of information which must be drawn up in accordance with Article 64 of Directive 2009/65/EC.