DEFINITIONS

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

Company	The Company is an investment company organised under Luxembourg law as a *société anonyme* qualifying as a *société d'investissement à capital variable* ("**SICAV**"). It comprises several Compartments.
Compartments	The Company offers investors, within the same investment vehicle, a choice between several Compartments which are distinguished mainly by their specific investment policy and/or by the currency in which they are denominated. The specifications of each Compartment are described in the Appendix to the Company's Prospectus. The assets and liabilities of each Compartment, as further described under GENERAL INFORMATION "5. Allocation of Assets and Liabilities among the Compartments" of the Company's Prospectus, shall be segregated from the assets and liabilities of those of the other Compartments, with creditors having recourse only to the assets of the Compartment concerned and where the liabilities cannot be satisfied out of the assets of the another Compartment. As between the shareholders and creditors, each Compartment will be deemed to be a separate entity. The Board of Directors may, at any time, decide on the creation of further Compartments and in such case, the Appendix to the Prospectus will be updated. Each Compartment may have one or more classes of shares.
Investment Manager	Söderberg & Partners Asset Management S.A.
NAV	The net asset value of a Compartment.
PAI Indicator(s)	The principal adverse impact indicators as listed in Annex I of the delegated regulation EU 2022/1288 supplementing SFDR.
Principal Adverse Impact or PAI	Negative, material, or potentially material effects on sustainability factors that result from, worsen, or are directly related to investment choices or advice performed by a legal entity.
Sustainable Finance Disclosures Regulation or SFDR	Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability - related disclosures in the financial services sector as amended from time to time.
Sustainable Investment(s)	Investment(s) determined as sustainable under article 2 (17) SFDR.

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: Söderberg & Partners Funds - Alternative R5
Legal entity identifier: 529900SD1N798C4UBA22

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 20 % 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?

In general, Söderberg & Partners Asset Management S.A. (the "**Investment Manager**") has a broad approach to responsible investments and thus a wide range of E/S characteristics are promoted by this financial product (the "**Compartment**"). As the Compartment is a fund-of-funds, the Investment Manager particularly focuses on the inclusion of funds with exposures to sustainable companies and on the engagement with those companies in order to continue to support companies in their transition towards alignment with the Sustainable Development Goals ("**SDGs**"). The following SDGs are prioritized by the Investment Manager ("**Targeted SDGs**"):

- Goal 6: Clean Water and Sanitation
- Goal 7: Affordable and Clean energy
- Goal 11: Sustainable Cities and Communities
- Goal 13: Climate Action

A reference benchmark is not used to attain the E/S characteristics promoted by the Compartment.

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

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

1- Percentage exposure of the Compartment to the sectors excluded classified as Unresolved, further described in the investment strategy section.
2- Percentage of the funds in which the Compartment invests ("**Target funds**") with a red sustainability rating ("**Sustainability rating**") generated by Söderberg & Partners Wealth Management AB ("**S&P WM**").
3- Percentage exposure of the Target funds with principal adverse impact indicators classified as Unresolved, further described below.

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?

As the Compartment is a fund-of-funds, the objectives of the sustainable investments that the Compartment partially intends to make can vary based on the investment philosophy of the Target funds. Therefore, the objectives are decided by the managers of the Target funds. The Investment Manager regularly reviews the objectives of the Target funds and ensures they are compliant with the Investment Manager's policy for responsible investments ("**Policy for Responsible Investments**").

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?

The Investment Manager considers principal adverse impacts of its investments in the Compartment on a look-through basis. The do no significant harm principle is thus principally applied by the Target funds on the portion of sustainable investments they make.

However, to mitigate negative externalities, the Investment Manager has a process in place to ensure that Target funds follow its rules for the exclusion of investee companies as stated in the Policy for Responsible Investments ("**Screening process**"). This entails that the Investment Manager conducts pre-investment and semi-annual screenings on whether the investee companies of the Target funds follow the exclusion criteria stated in the investment strategy section using an internal tool. The Investment Manager can accept deviations from the exclusion criteria if an investee company is transitioning towards a more sustainable business. If an investee company is flagged in a screening, the Investment Manager will discuss the investee company's progress with the Target fund, whereafter it is classified, using an internal tool based on data provided by external parties, as Resolved, Transitioning (clear action plan to resolve the violation) or Unresolved (in violation of the exclusion criteria). If the investment is classified as Unresolved after the first assessment, it will be discussed with the Investment Manager's responsible investment committee (the "**RI Committee**") to determine the appropriate action that needs to be taken, as explained in the investment strategy section.

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

The Investment Manager requires that Target funds take the principal adverse impacts on sustainability factors of their investee companies into account for the sustainable investments. In turn, the Investment Manager measures the principal adverse impacts on sustainability factors of the Target funds on a look-through basis. The Investment Manager will engage with Target funds on indicators that have deteriorated since last measured.

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 Manager monitors how the investee companies of all Target funds adhere to international norms and conventions through a norm-based screening based on UN Global Compact and the OECD Guidelines for Multinational Enterprises. The Investment Manager conducts pre-investment and semi-annual screenings using an internal tool where the data is provided by external parties, following the methodology of the Screening process, further explained above.

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 Compartment considers the following principal adverse impact indicators:

- Table 1 – Indicator 1: GHG emissions
- Table 1 – Indicator 2: Carbon footprint
- Table 1 – Indicator 3: GHG intensity of investee companies
- Table 1 – Indicator 4: Exposure to companies active in the fossil fuel sector
- Table 1 – Indicator 5: Share of non-renewable energy consumption and production
- Table 1 – Indicator 8: Emissions to water
- Table 1 – Indicator 9: Hazardous waste and radioactive waste ratio
- Table 2 – Indicator 6: Water usage and recycling
- Table 2 – Indicator 8: Exposure to areas of high water stress

The principal adverse impact indicators are selected because the Investment Manager considers that they correspond to the Targeted SDGs.

The Investment Manager requires that Target funds with a sustainable investment objective and Target funds that promote E/S characteristics consider principal adverse impacts on sustainability factors. The Investment Manager has a process in place to measure the principal adverse impacts on sustainability factors of the Target funds on a look-through basis ("**PAI process**"). The Investment Manager uses an internal tool based on data provided by external data providers for measuring and comparing principal adverse impacts of the Target funds pre-investment and on an annual basis. If a Target fund shows deterioration of a considered indicator between measurements, the investment will be flagged. The Investment Manager will discuss the progress of the indicator with the Target fund, whereafter the flagged investment can be classified as Resolved, Transitioning (clear action plan to improve the indicator in place) or Unresolved (no action is taken or plan in place). If the investment is flagged as Unresolved after the first assessment, it will be discussed with the Investment Manager's RI Committee to determine the appropiate action that needs to be taken, as explained in the investment strategy section.

More information on the principal adverse impacts is available in the Investment Manager's separate statement on the matter and its annual report.

☐ No

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

What investment strategy does this financial product follow?

The Investment Manager's view is that responsible investing is a requirement for long-term and sustainable value creation through sustainability factors (i.e., environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters) integration to foster a positive change. The Investment Manager therefore has a strong commitment to invest responsibly and environmental, social and governance ("**ESG**") issues are considered in the investment decisions. The Investment Manager conducts responsible investments based on three principal pillars as part of the Policy for Responsible Investments: exclusion screening, positive selection, and active engagement. The focus is on the inclusion of sustainable companies and engagement in order to continue to support companies in their transition towards alignment with the Targeted SDGs.

Exclusion screening: The Investment Manager's main principle is to use its influence to effect positive change in its investments, rather than to exclude and divest. However, the Investment Manager conducts exclusion when the ability to influence the Target fund or investee company to align its operations with the Targeted SDGs is limited, or when an investment does not show a willingness to comply with the Policy for Responsible Investments. The Investment Manager uses the application of exclusion filters in the portfolio construction process and conducts a pre-investment and semi-annual screening on whether the investee companies of the Target funds follow the full exclusion criteria:

- Companies that manufacture, modernize, sell, or buy products that are specially designed for controversial weapons or nuclear weapons.
- Companies for which thermal coal account for more than 10 % of the turnover.
- Companies with turnover derived from pornography or tobacco.
- Companies that violate international norms and conventions related to the environment, human rights, labour rights and business ethics, e.g., the UN Global Compact and the OECD guidelines for multinational companies.

No more than 5 % of an investee company's turnover may be derived from these activities, unless otherwise stated.

Furthermore, through the consideration of a set of principle adverse impact indicators that correspond to the Targeted SDGs, the Investment Manager flags Target funds that show deterioration of a considered indicator, and accordingly a deterioration in aligning with the Targeted SDGs. Target funds flagged as Unresolved after the first assessment and are in violation of the binding elements, follow the process of the RI Committee, as described hereafter.

Positive selection: In the management of the Compartment, the Investment Manager utilizes the Sustainability rating of funds generated by S&P WM. Target funds with a better Sustainability rating are preferred when selecting investments and the Compartment shall not be invested in Target funds with a red Sustainability rating as one of the binding elements detailed below. The Sustainability rating of the Target funds is an assessment based on self-reported information about fund managers' and fund companies' sustainability work. The rating covers two perspectives: Responsible ownership, which assesses how the fund managers as owners try to influence companies in a more sustainable direction, and Positive selection, which assesses the fund manager's internal processes and incentives to select companies that have a high sustainability performance. If a Target fund is downgraded to a red Sustainability rating, the Investment Manager will initiate a dialogue with S&P WM to bring clarity to the background and engage with the management of the Target fund to see what they must do to improve. It is then discussed with the Investment Manager's RI Committee to determine the appropriate action that needs to be taken, as detailed below. In addition, the Investment Manager's consideration of E/S characteristics is verified through a sustainability questionnaire that is addressed to the managers of the Target funds. The Compartment aims to primarily, where available, invest in Target funds with a sustainable investment objective. Secondarily, the Compartment aims to invest in Target funds that promote E/S characteristics, or in Target funds that demonstrate improvements of these characteristics, resulting in improved Sustainability ratings. Good governance practices are a precondition for all investments.

Active engagement: The Investment Manager wants to encourage Target funds and their investee companies to be compliant with international norms and conventions and manage their business in a more sustainable manner. The Investment Manager will engage for positive outcomes with the ambition of aligning corporate outputs with improving E/S characteristics based on the Target funds Sustainability ratings, exclusion screening results, and alignment with the Targeted SDGs.

The process of managing the overall responsible investing activities is coordinated internally within the

Söderberg & Partners Group, with an active input from the RI Committee. The RI Committee is involved in the process of updating and overseeing related policies and procedures adhering to the ESG management. The RI Committee discusses the investee companies based on the first and third binding elements of the Compartment, and Target funds based on the second binding element. The RI Committee focuses on Target funds and investee companies that can be influenced to apply a more sustainable solution so that they are not in violation of these elements. Should the monitoring show that the management of a Target fund is not sufficiently addressing a potential violation within one year of first being identified, i.e., no progress is made or no action plan is in place, the Investment Manager shall divest.

- ***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 binding elements of the investment strategy are:

  1- *The application of the exclusion criteria.* The Compartment is subject to an exclusion screening, which identifies companies that may be involved in controversial and nuclear weapons, pornography, tobacco, thermal coal, and international norms breaches. If a company is identified in the Screening process, an internal assessment of the company is conducted, whereafter it is discussed with the Investment Manager's RI Committee to determine the appropriate action that needs to be taken, e.g., engagement or divestment.

  2- *The exclusion of Target funds with a red Sustainability rating* If a Target fund is downgraded to a red Sustainability rating, the Investment Manager will initiate a dialogue with S&P WM to understand why and engage with the management of the Target fund to see what they must do to improve. It is then discussed with the Investment Manager's RI Committee to determine the appropriate action that needs to be taken, e.g., engagement or divestment.

  3- *The exclusion of Target funds with principal adverse impact indicators classified as Unresolved, and accordingly failing to align with the Targeted SDGs.* The Investment Manager flags Target funds that show deterioration of a considered indicator, and accordingly a deterioration in aligning with the Targeted SDGs. If a Target fund is identified in the PAI process, an internal assessment of the Target fund is conducted, whereafter it is discussed with the Investment Manager's RI Committee to determine the appropriate action that needs to be taken, e.g., engagement or divestment.

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

  Not applicable.

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

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

  To assess good governance practices, the Compartment excludes companies that are in breach of international norms and conventions, whilst including with respect to sound management structures, employee relations, remuneration of staff, and tax compliance. As aforementioned, the investments are aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights, including the principles and rights set out in the eight fundamental conventions identified in the Declaration of the International Labour Organisation on Fundamental Principles and Rights at Work and the International Bill of Human Rights.

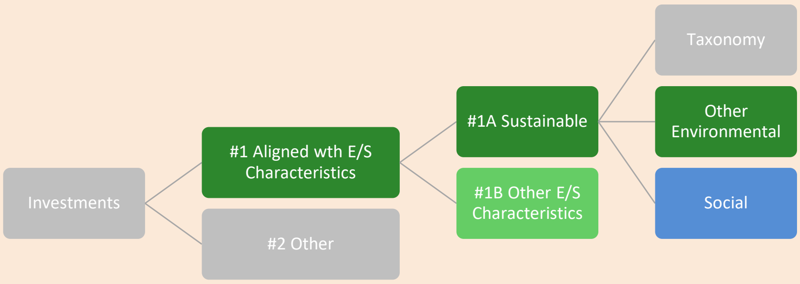
What is the asset allocation planned for this financial product?

Asset allocation describes the share of investments in specific assets.

The Compartment is expected to invest at least 75 % of its net asset value ("**NAV**") in investments that qualify as aligned with E/S characteristics (#1) and at least 20 % of its NAV in investments that qualify as sustainable investments (#1A).

The Compartment is allowed to invest up to 25 % of its NAV in cash, cash equivalents, and/or hedging instruments (#2 Other).

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



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

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

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

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

  Not applicable.

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

The Compartment does not currently commit to invest in any "sustainable investment" within the meaning of the EU Taxonomy regulation, but only within the meaning of the Regulation (EU) 2019/2088 (the "**SFDR**"). However, the position will be kept under review as the underlying rules are finalised and the availability of reliable data increases over time.

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.

- ***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

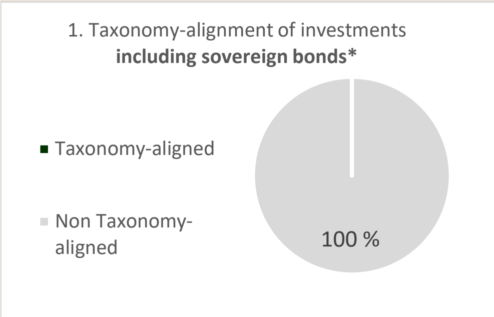
☒ No

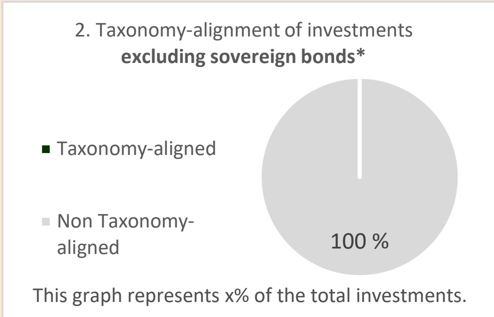
[3] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas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

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

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

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





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

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

The minimum share of investments in transitional and enabling activities is 0 %.

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 sustainable investments with an environmental objective that are not aligned with the EU Taxonomy is 1 %. These investments could be aligned with the EU Taxonomy, but the Investment Manager is not currently in a position to specify the exact proportion of the Compartment's underlying investments which take into account the EU criteria for environmentally sustainable economic activities. However, the position will be kept under review as the underlying rules are finalised and the availability of reliable data increases over time.

What is the minimum share of socially sustainable investments?

The minimum share of socially sustainable investments is 1 %.

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

The Compartment may from time-to-time hold, on an ancillary basis, cash reserves. The Investment manager may also invest in financial derivative instruments. Their use need not be limited to hedging the Investment Manager's assets, they may also be part of the investment strategy or for efficient portfolio management purposes. This category may also include investments for which relevant data is not available. There are no expressed minimum environmental or social safeguards for these types of 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?

Not applicable.

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

Where can I find more product specific information online?

More product-specific information can be found on the website: www.soderbergpartners.lu/our-funds/alternative-r5/