



# 8a+ SICAV

## PROSPECTUS

June 2024



# 8A+ SICAV

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### Important notice

Subscriptions to 8a+ SICAV (the “Fund”) are only valid if they are made in accordance with the provisions of the current prospectus (the “Prospectus”) and the relevant key information document (the “KID”) accompanied by the most recent annual report available and, in addition, by the most recent semi-annual report if this was published after the most recent annual report. All the offering documents as well as the financial reports will be available for inspection on the website of the Fund under [www.ottoapiusicav.eu](http://www.ottoapiusicav.eu).

No one may use information other than that appearing in this Prospectus or the KIDs and in the documents mentioned therein as being available for consultation by the public. This Prospectus provides details of the general framework applicable to the Fund and must be read in conjunction with the appendices relating to each sub-fund of the Fund (a “Sub-fund”). These appendices are issued upon the launch of each Sub-fund and constitute an integral part of the Prospectus. The Prospectus and the relevant KIDs will be updated regularly to incorporate significant amendments. Investors are advised to check with the Fund that the Prospectus in their possession is the most recent one. The Fund is established in Luxembourg and has obtained the authorisation of the *Commission de surveillance du secteur financier* (“CSSF”), the supervisory authority for financial services in the Grand Duchy of Luxembourg. This authorisation should in no way be interpreted as an approval by the CSSF of the content of this Prospectus, the quality of the shares issued by the Fund (the “Shares”) or the quality of the investments that are held by the Fund.

This Prospectus may not be used to offer and promote sales in any jurisdiction or under any circumstances where such offers or promotions are not authorised by the competent authorities.

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

### US investors

The Shares have not been registered under the United States Securities Act of 1933 as amended nor has the Fund been registered under the Investment Fund Act of 1940, as amended. Consequently, the Shares may not be publicly offered or sold in the United States of America or in any of the territories subject to its jurisdiction and may not be offered to or for the benefit of, or purchased by, U.S. Persons (as defined in the articles of incorporation of the Fund). Applicants may be required to declare that they are not U.S. Persons and are not applying for Shares on behalf of any U.S. Person. It is recommended that investors obtain information on the laws and regulations (in particular, those relating to fiscal policy and currency controls) applicable in their jurisdiction of origin, of residence or of domicile as regards an investment in the Fund and that they consult their own financial adviser, solicitor or accountant on any issue relating to the contents of this Prospectus.

### Data protection

This section provides the investor with information on the Fund's processing of personal data provided by the investor or obtained by the Fund from him or through a third party in accordance with the Regulation (EU) 2016/679 of 27 April 2016 on the protection of natural persons regarding the processing of personal data and on the free movement of such data and repealing Directive 95/46/E ("GDPR").

It explains how the Fund processes personal data about investors (which may include non-individual investors subscribing in their capacity as nominees, intermediaries, authorised participants or in other such capacities) and, if applicable, individuals who invest in the Fund or who apply to invest in the Fund. For such purposes, the Fund is the data controller.

Where the investor, is a non-individual investor, then the Fund will process personal data about the directors, officers, trustees, employees, representatives, shareholders, investors, clients and ultimate beneficial owners or agents of the non-individual investor. This section also explains how the Fund processes personal data about these individuals and the investor should transmit this notice to such individuals or otherwise advise them of its content.

By applying for an investment or when making an investment in the Fund, the investor will provide the Fund with information that qualifies as personal data within the meaning of GDPR.

This includes information such as name, address, email address, date of birth, telephone numbers, business contact information, current employment, career history, current investments, historic investments, investment preferences and credit history, details relating to investment activity, contact and payment details, from which a data subject can be directly or indirectly personally identified, and includes information such as identification and account numbers and online identifiers.

The Fund may also process personal data obtained by the Fund through public sources.

The Fund processes personal data:

- where this is required by law:
  - in relation to the prevention of money laundering and terrorism financing and the prevention and detection of crime and fraud that require the Fund (either directly or through the Management Company or the Central Administration) to screen the investor's application against sanctions lists, as well as against other information obtained from publicly available sources and including information about criminal convictions;
  - to disclose information to regulators, government bodies and tax authorities. This includes the disclosure to the CSSF, the US Securities and Exchange Commission and the US Internal Revenue Service and other regulators and authorities as may be required from time to time for compliance with FATCA<sup>1</sup> and Directive 2014/107/EU of 9 December 2014 amending Directive 2011/16/EU as regards mandatory automatic exchange of information in the field of taxation;
- where the processing is necessary for the Fund to perform a contract with the investor, or to take steps at the investor's request prior to entering into a contract:

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<sup>1</sup> The term "FATCA" stands for the provisions commonly known as the Foreign Account Tax Compliance Act "Foreign Account Tax Compliance Act" which stem from Sections 1471 through 1474 of the US Internal Revenue Code of 1986, as amended (the "US Tax Code"), any current or future regulations or official interpretations thereof, and any agreement entered into pursuant to Section 1471(b) of the US Tax Code, or any fiscal or regulatory legislation, rules or practices adopted pursuant to any intergovernmental agreement entered into in connection with the implementation of these Sections of the US Tax Code.

- the Fund will process the investor's subscription agreement, administer his investment in Shares of the Fund and will maintain a register of Shareholders to reflect his ownership of Shares in the Fund;
  - to process, manage and administer the investor's Shares and any related accounts on an on-going basis;
  - the Fund will inform the investor about his investment in Shares of the Fund;
  - to fulfill the terms and conditions of, and any services required by, the investor in relation to the subscription agreement and the holding of the Shares and to execute all tasks that are carried out under the subscription agreement and in relation to his Shares;
- where the processing is in the legitimate interests of the Fund, or another person, unless the investor's interests, fundamental rights or freedoms outweigh these interests and provided that the Fund is acting in a fair, transparent and accountable manner and has taken appropriate steps to prevent such activity having any unwarranted impact on the investor and also noting the investor's right to object to such uses. These interests are:
    - protecting the rights and property of the Fund or its affiliates;
    - carrying out statistical analysis and market research, including for direct marketing purposes (providing information on products and services);
    - protecting the security of the Fund and its service provider's information technology; and
    - preventing and detecting fraud.
  - where the processing is based on the investor's consent.

The Fund shares the investor's personal data with:

- the Management Company;
- the Board of Directors;
- the service providers of the Fund, including the Central Administration and the Depository, and companies which such service providers appoint to assist them in administering the Fund. These service providers may each further process personal data, acting as a data processor, for the provision to the Fund of the services agreed under the relevant agreements;
- the service provider which carries out sanctions checks on the Fund's behalf. This service provider may also keep personal data which the Fund provides, or which the investor provides to it direct, in order for it to provide identity verification services to other organisations; and
- regulators, government bodies and tax authorities.

The Fund applies data security measures aimed at protecting personal data from unauthorised third party access under any form. The Fund will inform the investor in case of personal data breach in relation to the investor's personal data.

The Fund keeps the investor's personal data for the purposes outlined above and for as long as the investor is invested in the Fund. After the investor fully redeems his investment in the Fund and unless the Fund is obliged to hold it for a shorter or longer period under applicable law, the Fund may keep the investor's personal data for up to 10 years after that date in order to maintain

records in accordance with laws and regulations which apply to the Fund and to respond to any regulatory requests or questions.

To the extent the Fund is not permitted to delete the investor's data for legal, regulatory or technical reasons, the Fund may keep his data for longer than 10 years. In such circumstances, the Fund will ensure the investor's data and privacy is protected.

The investor has a right to access the investor's personal data and, if it is inaccurate, to request corrections to it. He may also ask the Fund to transfer some of his personal data to other organisations, in structured and machine readable form.

The investor has a right to request the Fund to erase or 'restrict' personal data in some circumstances. Where the Fund has asked for consent to process personal data the investor may withdraw his consent at any time. Where the Fund processes personal data because the processing is in its, or a third party's, legitimate interests, then the investor may object to this processing. However, if the objection or withdrawal means that the Fund cannot carry out its obligations to conduct sanctions checks, then it will not be able to process an application. If the investor withdraws consent or object to legitimate interest processing, this will not affect the lawfulness of any processing which the Fund has already carried out.

Investors also have a right to complain to a supervisory authority for data protection. This may either be the supervisory authority in the place of their habitual residence, their place of work, or the place where they consider that there has been a breach of data protection law. In Luxembourg, the supervisory authority is the *Commission Nationale pour la Protection des Données*. These rights may be limited – for example, where the Fund is required by law to process the investor's personal data. Where the Fund must process personal data in order to comply with law or in order to perform or enter into a contract with the investor, then the Fund will not be able to process the application unless the personal data are provided.

To exercise any of the rights mentioned above, the investor should contact the Fund.

The investor should also carefully read and consider the privacy disclosures contained in the subscription agreement.

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## 1. GENERAL INFORMATION

### 1.1. DESCRIPTION OF THE FUND

**8a+ SICAV** is a “*société d’investissement à capital variable*” formed as an umbrella structure under part I of the law of 17 December 2010 relating to undertakings for collective investment, as may be amended from time to time (the “**Law of 2010**”) and the law of 10 August 1915 on commercial companies, as may be amended from time to time (the “**Law of 1915**”) with registered office at 49, avenue J. F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg.

The Fund was created on 26 July 2012 for an unlimited period. The articles of incorporation of the Fund (the “**Articles**”) were published in the “*Mémorial C, Recueil des Sociétés et Associations*” (the “**Mémorial**”) of 6 August 2012 and have been filed with the Luxembourg *Registre de Commerce et des Sociétés* (“**RCSL**”). Any interested person may inspect the Articles at the RCSL, website: [www.rctl.lu](http://www.rctl.lu). The Fund is registered with the RCSL under the number B170470. The Articles authorise the board of directors of the Fund (the “**Board of Directors**”) to issue Shares, at any time, in different Sub-funds. Proceeds from the issue of Shares within each Sub-fund may be invested in transferable securities and other eligible assets corresponding to a particular geographical area, industrial sector or monetary zone, and/or particular types of equity, equity-related or transferable debt securities as the Board of Directors may from time to time determine.

The Board of Directors may further decide to issue within each Sub-fund two or more classes of Shares, the assets of which may be commonly invested pursuant to the specific investment policy for the particular Sub-fund concerned, although a separate sales and redemption mechanism, fee structure, category of targeted investors and other such characteristics may be designated to a particular class of Shares within each such Sub-fund.

The Sub-funds in issue at the date of this Prospectus and their specific features are fully described in the Appendix I - “*Description of the Sub-funds*” to this Prospectus. Should the Board of Directors decide to create additional Sub-funds, or issue different classes of Shares, Appendix I to this Prospectus will be updated accordingly. Each Sub-fund pursues an individualized investment strategy and consists of a segregated pool of assets dedicated to the respective investment strategy. The assets of each Sub-fund are segregated from those of other Sub-funds, and there is no liability between Sub-funds.

The value of the Shares may fluctuate and an investor (individually also the “**Shareholder**” and collectively the “**Shareholders**”), upon redemption of Shares may not get back the amount he initially invested. The levels and basis of, and relief from, taxation may change. There can be no assurance that the investment objectives of the Fund will be achieved. The Fund reserves the right to reject any application in whole or in part, in which event the application monies or any balance thereof will be returned to the applicant as soon as practicable. All references in the Prospectus to “EUR” and to “Euro” are to the legal currency of the European Monetary Union (currency in which the Shares are denominated).

The Board of Directors may decide to quote one or more classes of a Sub-fund on the Luxembourg Stock Exchange, the ATFund - a Multilateral Trading Facilities (“**MTF**”) managed by Borsa Italiana - or any other stock exchange, regulated market or MTF. Detailed information about the listing will be given for each Sub-fund.

## 1.2. OVERVIEW

<b>Board of Directors</b>	<b>Nicola Morelli Stefani (Chairman)</b> 8a+ Investimenti SGR Piazza Monte Grappa n. 4 I-21100 Varese Italy
	<b>Andrea Pastorelli</b> 8a+ Investimenti SGR Piazza Monte Grappa n. 4 I-21100 Varese Italy
	<b>Ilaria Saporiti</b> 8a+ Investimenti SGR Piazza Monte Grappa n. 4 I-21100 Varese Italy
	<b>Carlo Alberto Montagna</b> Independent Director - The Directors' Office 19, rue de Bitbourg L-1273 Luxembourg Grand Duchy of Luxembourg
<b>Depository</b>	<b>State Street Bank International GmbH, Luxembourg Branch</b> 49, avenue J.F. Kennedy L-1855 Luxembourg Grand Duchy of Luxembourg

<b>Central Administration, Registrar and Transfer Agent, Corporate, Domiciliary Agent and Paying Agent</b>	<b>State Street Bank International GmbH, Luxembourg Branch</b> 49, avenue J.F. Kennedy L-1855 Luxembourg Grand Duchy of Luxembourg
<b>Management Company</b>	<b>8a+ Investimenti SGR S.p.A.</b> Piazza Monte Grappa n. 4 I- 21100 Varese Italy
<b>Auditor</b>	<b>Deloitte Audit</b> 20, boulevard de Kockelscheuer L-1821 Luxembourg Grand Duchy of Luxembourg
<b>Legal adviser as to Luxembourg law</b>	<b>Dechert (Luxembourg) LLP</b> 29, Avenue de la Porte-Neuve L-2227 Luxembourg Grand Duchy of Luxembourg

## 2. MANAGEMENT, ADMINISTRATION, DEPOSITARY, DISTRIBUTION

### 2.1. THE BOARD OF DIRECTORS

The Board of Directors is responsible for all commitments of the Fund and for the overall management and control of the Fund. It may carry out all acts of management of the assets of each Sub-fund and in particular it may purchase, sell, subscribe or exchange any transferable securities and exercise all rights directly or indirectly attached to the Fund's assets. The Board of Directors determines the investment policy of each Sub-fund.

### 2.2. MANAGEMENT COMPANY

8a+ Investimenti SGR S.p.A. has been appointed to act as the management company of the Fund (the "**Management Company**"). The Management Company is responsible on a day-to-day basis, under the supervision of the Board of Directors, for providing investment management services, risk management services, administrative agency services, registrar and transfer agency services and marketing services.

The Management Company was incorporated in the form of a public limited company (*società per azioni*) for a limited duration (until 31 December 2040 which duration can be extended) under the laws of Italy. It is registered with the *Registro delle Imprese di Varese* under number 02933690121 and it is authorized as an Italian management company by a decision of the Governor of *Banca d'Italia* of 14 November 2006 and registered under number 37 (UCITS) and 91 (AIF) of the *Albo delle SGR* held by *Banca d'Italia* within the meaning of article 35 D.Lgs 58/98 (*Testo Unico della Finanza – TUF*) and registered under no. 5 of the Register of Italian ELTIF Managers pursuant to art. 4-quinquies.1 of the TUF and subject to the supervision of CONSOB, Via G.B. Martini 3, 00198 Rome ([www.consob.it](http://www.consob.it)). The Management Company has a subscribed and paid-up capital of EUR 1,863,600.

The rights and duties of the Management Company in the context of the aforesaid functions are governed by the management company services agreement entered on 28 February 2014 (the "**Management Company Services Agreement**") for an unlimited period, which may be terminated at any time by the Company or the Management Company upon a ninety days' prior written notice. The Management Company is entitled to delegate, at its own expense or at the expense of the relevant Sub-funds (as applicable), under its control and responsibility all or part of the services which were delegated to it.

The board of directors of the Fund has established a remuneration and incentive policy and practices in accordance with the Directive 2014/91/EU and in accordance with ESMA guidelines. Details of this policy and practices including a description of how remuneration and benefits are calculated, the identities of persons responsible for awarding the remuneration and benefits is available at:

<http://www.ottoapiusicav.eu/documents.asp?docurl=Remuneration%20and%20incentive%20policies%20and%20practices.pdf>

A hard copy of this policy and practices will be made available free of charge upon request.

The board of directors of the Management Company has established a remuneration policy in accordance with the Italian law and in accordance with ESMA guidelines (the "**Remuneration Policy**") which establishes remuneration policies and practices that are (i) consistent with and promote sound and effective risk management that neither encourage risk taking inconsistent with the risk profiles or the rules applicable to the Sub-funds nor impair compliance with the duty to act in the best interests of the Fund and (ii) in line with the business strategy, objectives, values and interests of the Management Company, the Fund and of its Shareholders, and includes measures to avoid conflicts of interest.

The Remuneration Policy covers fixed and variable remuneration components with malus and clawback provisions. Fixed and variable components of total remuneration are appropriately balanced, and the fixed component represents a sufficiently high proportion of the total remuneration to allow the operation of a fully flexible policy on variable remuneration components, including the possibility to pay no variable remuneration component.

The assessment of performance is set in a multi-year framework appropriate to the holding period recommended to the Shareholders to ensure that the assessment process is based on the longer-term performance of the Fund and its investment risks and that the actual payment of performance-based components of remuneration is spread over the same period.

The Management Company does not provide discretionary pension benefits.

Considering the Management Company's size, the board of directors of the Management Company has decided not to create a remuneration committee.

Details of the Policy, including, but not limited to, a description of how remuneration and benefits are calculated, the identities of persons responsible for awarding the remuneration and benefits is available at:

<https://www.ottoapiu.it/documentazione>

A hard copy of the Remuneration Policy will be made available free of charge upon request.

The Management Company generally takes into account certain Sustainability Risks as defined under SFDR in its investment management activity. The Management Company evaluates the adverse impacts of investment decisions made on a set of sustainability factors for UCITS, Other UCIs or their sub-funds which were classified under article 8 or article 9 of SFDR. The Management Company may evaluate the adverse impacts of investment decisions made on a uniform set of sustainability factors also with respect to all UCITS, Other UCIs or their sub-funds managed by the Management Company. Given the overall difficulties in collecting the necessary information and the resources required to put in place the necessary processes the set of sustainability factors used to assess the adverse impact may differ for each sub-fund.

### **2.3. INVESTMENT MANAGER, SUB-INVESTMENT MANAGER, INVESTMENT ADVISOR AND RISK MANAGER**

Pursuant to the Management Company Services Agreement, the Board of Directors has, under its control and responsibility, delegated the execution of the management of the portfolio of the Sub-funds to the Management Company. The Management Company may delegate, under its overall control and responsibility and subject to the Bank of Italy's prior approval, the management of the Sub-funds' portfolios to one or several investment managers (the "**Investment Manager**"). Investment Manager(s) may with the prior consent of the Management Company and the Bank of Italy, appoint sub-investment manager(s). Each agreement entered into between the Management Company and an Investment Manager as well as agreements entered into between an Investment Manager and a sub-investment manager will contain provisions with respect to the right of the appointing party (i.e., the Management Company or the respective Investment Manager) to give at any time further instructions to the relevant appointee to which the asset management functions are delegated (i.e., the Investment Manager or the respective sub-investment manager) or from withdrawing the mandate with immediate effect when this is in the interests of the Fund's investors.

The Management Company or the relevant (sub-) Investment Managers may be assisted by one or several investment advisors (the "**Investment Advisor**").

The Investment Advisor will assist the Management Company or the relevant (sub-) Investment Manager in connection with the investments and reinvestments of the Fund and its Sub-funds. In this respect, the Investment Advisor will act in a purely advisory capacity and may not deal, on a discretionary basis, on behalf of the Fund and its Sub-funds. The Investment Advisor can also employ, at its own expenses, the services of investment sub-advisors, with the express prior agreement of the Management Company or the (sub-) Investment Manager(s) as the case may be.

Furthermore, pursuant to the Management Company Services Agreement, the Board of Directors has appointed the Management Company as risk manager.

The Fund is covered by the Management Company's permanent risk management desk established in accordance with the D.Lgs 24 February 1998, n. 58 as from time to time amended, and the Banca d'Italia and CONSOB regulations transposing the EU law in the matter of organisational requirements and risk management.

#### **2.4. THE DEPOSITARY**

The Fund has appointed State Street Bank International GmbH, acting through its Luxembourg branch (the “**Depositary**”) as its depositary within the meaning of the Law of 2010 pursuant to the depositary agreement between them (the “**Depositary Agreement**”). State Street Bank International GmbH is a limited liability company organized under the laws of Germany, having its registered office at Brienner Str. 59, 80333 München, Germany and registered with the commercial register court, Munich under number HRB 42872. It is a credit institution supervised by the European Central Bank (ECB), the German Federal Financial Services Supervisory Authority (BaFin) and the German Central Bank. State Street Bank International GmbH, Luxembourg Branch is authorized by the CSSF in Luxembourg to act as depositary and is specialized in depositary, fund administration, and related services. State Street Bank International GmbH, Luxembourg Branch is registered in the RCSL under number B148186. State Street Bank International GmbH is a member of the State Street group of companies having as their ultimate parent State Street Corporation, a US publicly listed company.

The relationship between the Fund and the Depositary is subject to the terms of the Depositary Agreement. Under the terms of the Depositary Agreement, the Depositary is entrusted with following main functions:

- ensuring that the sale, issue, repurchase, redemption and cancellation of Shares are carried out in accordance with applicable law and the Articles;
- ensuring that the value of the Shares is calculated in accordance with applicable law and the Articles;
- carrying out the instructions of the Fund unless they conflict with applicable law and the Articles;
- ensuring that in transactions involving the assets of the Fund any consideration is remitted within the usual time limits;
- ensuring that the income of the Fund is applied in accordance with applicable law and the Articles;
- monitoring of the Fund's cash and cash flows;
- safe-keeping of the Fund's assets, including the safekeeping of financial instruments to be held in custody and ownership verification and record keeping in relation to other assets.

In the event of a loss of a financial instrument held in custody, determined in accordance with the relevant national implementation of the UCITS Directive, and in particular Article 18 of Commission Delegated Regulation (EU) 2016/438 of 17 December 2015 supplementing Directive 2009/65/EC of the European Parliament and of the Council with regard to obligations of depositaries, as amended, the Depositary shall return financial instruments of identical type or the corresponding amount to the Fund without undue delay.

The Depositary shall not be liable if it can prove that the loss of a financial instrument held in custody has arisen as a result of an external event beyond its reasonable control, the consequences of which would have been unavoidable despite all reasonable efforts to the contrary pursuant to the Law of 2010.

In case of a loss of financial instruments held in custody, the Shareholders may invoke the liability of the Depositary directly or indirectly through the Fund if this does not lead to a duplication of redress or to unequal treatment of the Shareholders.

The Depositary will be liable to the Fund for all other losses suffered by the Fund because of the Depositary's negligent or intentional failure to properly fulfil its obligations pursuant to the Law of 2010.

The Depositary shall not be liable for consequential or indirect or special damages or losses, arising out of or in connection with the performance or non-performance by the Depositary of its duties and obligations.

The Depositary has full power to delegate the whole or any part of its safe-keeping functions, but its liability will not be affected by the fact that it has entrusted to a third party some or all of the assets in its safekeeping. The Depositary's liability shall not be affected by any delegation of its safe-keeping functions under the Depositary Agreement.

The Depositary has delegated those safekeeping duties set out in Article 22(5)(a) of the UCITS Directive to State Street Bank and Trust Company with registered office at One Congress Street, Suite 1, Boston, MA 02114-2016 whom it has appointed as its global sub-custodian. State Street Bank and Trust Company as global sub-custodian has appointed local sub-custodians within the State Street Global Custody Network.

Information about the safe-keeping functions which have been delegated and the identification of the relevant delegates and sub-delegates are available at the registered office of the Fund or at the following internet site:

<http://www.statestreet.com/about/office-locations/luxembourg/subcustodians.html>

The Depositary is part of an international group of companies and businesses that, in the ordinary course of their business, act simultaneously for a large number of clients, as well as for their own account, which may result in actual or potential conflicts. Conflicts of interest arise where the Depositary or its affiliates engage in activities under the Depositary Agreement or under separate contractual or other arrangements. Such activities may include:

- (i) providing nominee, administration, registrar and transfer agency, research, agent securities lending, investment management, financial advice and/or other advisory services to the Fund;
- (ii) engaging in banking, sales and trading transactions including foreign exchange, derivative, principal lending, broking, market making or other financial transactions with the Fund either as principal and in the interests of itself, or for other clients.



In connection with the above activities the Depositary or its affiliates:

- (i) will seek to profit from such activities and are entitled to receive and retain any profits or compensation in any form and are not bound to disclose to, the Fund, the nature or amount of any such profits or compensation including any fee, charge, commission, revenue share, spread, mark-up, mark-down, interest, rebate, discount, or other benefit received in connection with any such activities;
- (ii) may buy, sell, issue, deal with or hold, securities or other financial products or instruments as principal acting in its own interests, the interests of its affiliates or for its other clients;
- (iii) may trade in the same or opposite direction to the transactions undertaken, including based upon information in its possession that is not available to the Fund;
- (iv) may provide the same or similar services to other clients including competitors of the Fund;
- (v) may be granted creditors' rights by the Fund which it may exercise.

The Fund may use an affiliate of the Depositary to execute foreign exchange, spot or swap transactions for the account of the Fund. In such instances the affiliate shall be acting in a principal capacity and not as a broker, agent or fiduciary of the Fund. The affiliate will seek to profit from these transactions and is entitled to retain and not disclose any profit to the Fund. The affiliate shall enter into such transactions on the terms and conditions agreed with the Fund.

Where cash belonging to the Fund is deposited with an affiliate being a bank, a potential conflict arises in relation to the interest (if any) which the affiliate may pay or charge to such account and the fees or other benefits which it may derive from holding such cash as banker and not as trustee.

The Investment Manager and the Management Company may also be a client or counterparty of the Depositary or its affiliates.

Potential conflicts that may arise in the Depositary's use of sub-custodians include four broad categories:

- (1) conflicts from sub-custodian selection and asset allocation among multiple sub-custodians influenced by
  - (a) cost factors, including lowest fees charged, fee rebates or similar incentives and
  - (b) broad two-way commercial relationships in which the Depositary may act based on the economic value of the broader relationship, in addition to objective evaluation criteria;
- (2) sub-custodians, both affiliated and non-affiliated, act for other clients and in their own proprietary interest, which might conflict with clients' interests;
- (3) sub-custodians, both affiliated and non-affiliated, have only indirect relationships with clients and look to the Depositary as its counterparty, which might create incentive for the Depositary to act in its self-interest, or other clients' interests to the detriment of clients; and
- (4) sub-custodians may have market-based creditors' rights against client assets that they have an interest in enforcing if not paid for securities transactions.

In carrying out its duties the Depositary shall act honestly, fairly, professionally, independently and solely in the interests of the Fund and its Shareholders.

The Depositary has functionally and hierarchically separated the performance of its depositary tasks from its other potentially conflicting tasks. The system of internal controls, the different

reporting lines, the allocation of tasks and the management reporting allow potential conflicts of interest and the depository issues to be properly identified, managed and monitored. Additionally, in the context of the Depository's use of sub-custodians, the Depository imposes contractual restrictions to address some of the potential conflicts and maintains due diligence and oversight of sub-custodians to ensure a high level of client service by those agents. The Depository further provides frequent reporting on clients' activity and holdings, with the underlying functions subject to internal and external control audits. Finally, the Depository internally separates the performance of its custodial tasks from its proprietary activity and follows a Standard of Conduct that requires employees to act ethically, fairly and transparently with clients.

Up-to-date information on the Depository, its duties, any conflicts that may arise, the safe-keeping functions delegated by the depository, the list of delegates and sub-delegates and any conflicts of interest that may arise from such a delegation will be made available to Shareholders on request.

The Depository and the Fund have entered into the Depository Agreement with effect of 18 March 2016, as it may be amended from time to time, for an unlimited period of time which may be terminated by each party upon a 90 (ninety) days prior written notice sent by registered mail. However, the Depository shall continue to act as Depository pending replacement and until all assets of the Fund have been transferred to the successor depository.

Since the Management Company's home Member State is not the same as that of the Fund, the Management Company and the Depository have entered into an agreement with effect as of 25 August 2014 which regulates the flow of information deemed necessary to allow the Depository to perform the functions described in articles 34(1), 34(2) and 34(3) of the Law of 2010 and in any other relevant laws, regulations or administrative provisions (the "**Operating Agreement**"). The Operating Agreement is structured in accordance with the guidance provided by the CSSF in the CSSF Regulation N° 10-4 transposing Commission Directive 2010/43/EU of 1 July 2010 implementing Directive 2009/65/EC of the European Parliament and of the council as regards organizational requirements conflicts of interest conduct of business risk management and content of the agreement between a depository and a management company.

## **2.5. THE CENTRAL ADMINISTRATION AND PAYING AGENT**

The Management Company, with the approval of the Fund, has delegated to State Street Bank International GmbH, Luxembourg Branch the central administration of the Fund including the functions of administrative agent, registrar and transfer agent and corporate and domiciliary agent (the "**Central Administration**").

The rights and duties of the Central Administration in the context of the aforesaid functions are governed by an "Administration Agency, Domiciliary, Corporate and Paying Agency, Registrar and Transfer Agency Agreement" (the "**Central Administration Agreement**"), entered into between the Central Administration, the Management Company and the Fund on 25 July 2014 for an unlimited period of time, which may be terminated at any time upon a three (3) months prior written notice sent by registered letter. The Central Administration Agreement may be terminated at any time by the Management Company with immediate effect when this is in the interest of the shareholders of the Fund. The Central Administration is entitled to delegate its tasks at its own expense and under its control and responsibility.

The Fund has further appointed the Central Administration as the domiciliary agent under which it grants to the Fund the right to establish its registered office at 49, avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg.

The Fund has further appointed the Central Administration as paying agent, responsible for the payment of distributions, if any, to Shareholders of the Fund. The Central Administration shall in addition be responsible for the payment of the redemption price of the Shares by the Fund.

## **2.6. THE DISTRIBUTION AGENTS AND NOMINEES**

The Fund and the Management Company may designate banks and/or financial institutions to act as distribution agents or intermediaries who may be involved in investment and redemption transactions.

Such distributors/nominees may be appointed for the purpose of assisting it in the distribution of the Shares in the countries in which they are marketed. Certain distributors/nominees may not offer all of the Shares of a Sub-fund or class or all of the subscription/redemption currencies to their customers. Customers are invited to consult their distributor/nominee for further details.

Distribution and Nominee agreements will be signed between the relevant distributor/nominee and the Management Company, and as the case may be, the Fund. Where the Management Company delegates the distribution function this mandate must not prevent it from giving at any time further instructions to the undertaking to which these functions are delegated or from withdrawing the mandate with immediate effect when this is in the interests of investors of the Fund.

Shareholders may subscribe for Shares by applying directly to the Fund without having to act through one of the distributors/nominees.

In accordance with the distribution and nominee agreements and, as the case may be, on the basis of a specific mandate given by the client when subscribing the Shares<sup>2</sup>, the Nominee will be recorded in the register of Shareholders in its own name, on behalf of the Shareholders. The terms and conditions of the Nominee agreements will stipulate, amongst other things, that a Shareholder who has invested in the Fund via a nominee may at all times revoke the nominee's mandate and require that the Shares subscribed shall be transferred to his/her name, as a result of which the Shareholder will be registered under his/her own name in the register of Shareholders with effect from the date on which the transfer instructions are received by the Central Administration from the nominee.

Copies of the various distribution and nominee contracts are available to Shareholders during normal office hours at the Fund's registered office and may also be required to the distributor/nominee.

Distributors and nominees are banks or financial intermediaries that pertain to a regulated group headquartered in a FATF (Financial Action Task Force on Money Laundering) jurisdiction. Such groups applying FATF provisions regarding money laundering issues to all its subsidiaries and affiliates.

A list of the distributors and nominees is available at the Fund's registered office and on the website <http://www.ottoapiusicav.eu/distributors.asp>

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<sup>2</sup>Upon subscription of the Shares, investors residing outside Luxembourg may grant a mandate to a local paying agent, to act as nominee in relation to the transactions concerning the participation in the Fund. On the basis of such a mandate the nominee, among other things, will send to the Fund the investors' requests for subscription, redemption and conversion on a cumulative basis, will be recorded in the register of shareholders in its own name with the words "on behalf of third parties" and will fulfil the duties relating to the exercise of voting rights on instructions of the investors. For any further detail Investors are invited to consult local documentation. The nominee shall keep and update an electronic book with details of the investors and the relevant shareholdings; the status of shareholder shall be evidenced through the confirmation letter sent to the investor by the nominee.

### 3. INVESTMENT POLICIES AND OBJECTIVES

The object of the Fund is the collective investment of its assets in transferable securities and such other eligible financial assets permitted by the Law of 2010, in order to spread the investment risks and to provide to the investors the benefit of the result of the management of its assets.

Furthermore, the Fund will, on a regular basis, (a) use financial derivative instruments for investment, hedging and efficient portfolio management purposes, and (b) exploit the techniques and instruments relating to transferable securities and money market instruments for the purpose of efficient portfolio management, under the conditions and within the limits set forth by law, regulation and administrative practice.

With respect to currency risks, the Fund intends to use financial derivative instruments for hedging purposes, unless otherwise stated for a Sub-fund in Appendix I. In any case, the Fund is also allowed to take net short position in currency derivatives up to 10% of the assets of the Sub-fund for the purpose of efficient portfolio management.

Details on such investment policies and restrictions as well as risk factors are outlined in the chapter 3.1-3.5 as well as in the Appendix I - “Description of the Sub-funds”.

The Board of Directors has adopted the following restrictions, as well as those outlined in Appendix I, relating to the investment of the Fund’s assets and its activities. These restrictions and policies may be amended from time to time by the Board of Directors in the interest of the Fund in which case this Prospectus will be updated and published under [www.ottoapiusicav.eu](http://www.ottoapiusicav.eu).

The investment restrictions imposed by Luxembourg law shall be complied with by each Sub-fund. Those restrictions in paragraph 3.1 D. and E. iv) below are applicable to the Fund as a whole.

#### 3.1. INVESTMENT IN TRANSFERABLE SECURITIES AND LIQUID ASSETS

A.1 The Fund will invest in:

- i. transferable securities and money market instruments admitted to an official listing on a stock exchange in any Member State of the European Union (EU), any Member State of the Organisation for the Economic Cooperation and Development (OECD), and any other State which the Board of Directors deems appropriate with regards to the investment objective of each Sub-fund (each an “**Eligible State**”); and/or
- ii. transferable securities and money market instruments dealt on another market which is regulated, operates regularly, and is recognised and open to the public in an Eligible State (a “**Regulated Market**”); and/or
- iii. recently issued transferable securities and money market instruments, provided that the terms of issue include an undertaking that application will be made for admission to official listing on an official stock exchange or another Regulated Market (an “**Eligible Market**”) and such admission is achieved within one year of the issue; and/or
- iv. units of undertakings for collective investment in transferable securities (“**UCITS**”) and/or of other undertakings for collective investment (“**Other UCIs**”) within the meaning of the first and second indent of Article 1(2) of Council Directive 2009/65/EC (the “**UCITS Directive**”) whether situated in an EU Member State or not, provided that:
  - such Other UCIs have been authorised under laws which provide that they are subject to supervision considered by the Luxembourg supervisory authority to be equivalent to that laid down in Community law and that a cooperation between authorities is sufficiently ensured,

- the level of protection for unitholders in such Other UCIs is equivalent to that provided for unitholders in a UCITS, and in particular that the rules on assets segregation, borrowing, lending, and uncovered sales of transferable securities and money market instruments are equivalent to the requirements of the UCITS Directive,
  - 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 UCITS or Other UCIs; and/or
- v. 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 it is subject to prudential rules considered by the Luxembourg supervisory authority as equivalent to those laid down in Community law and/or
- vi. financial derivative instruments, including equivalent cash-settled instruments, dealt in on a regulated market referred to in subparagraphs **i), ii) and iii)** above, and/or financial derivative instruments dealt in over-the-counter (“OTC derivatives”), provided that:
- the underlying consists of securities covered by this section 3.1 (A.1), financial indices, interest rates, foreign exchange rates or currencies, in which the Sub-funds may invest according to their investment objective;
  - the counterparties to OTC derivative transactions are credit institutions subject to prudential supervision, and belonging to the categories approved by the Luxembourg supervisory authority;
  - 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.

Unless specifically provided otherwise in Appendix I - “*Description of the Sub-funds*” for any specific Sub-fund, the Fund will invest in financial derivative instruments for hedging, efficient portfolio management, as well as for investment purposes, as more fully described in the section 3.4 “Financial Derivatives Instruments, Techniques and Other Instruments” below; and/or

- vii. money market instruments other than those dealt in on a Regulated Market, if the issuer or the issuer of such instruments is itself 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 European Union or the European Investment Bank, a non-EU Member State or, in case of a Federal State, by one of the members of the federation, or by a public international body one or more EU Member States belong to, or
  - issued by an undertaking any securities of which are dealt in on Regulated Markets, or

- issued or guaranteed by an establishment subject to prudential supervision, in accordance with criteria defined by Community law, or by an establishment which is subject to and complies with prudential rules considered by the Luxembourg supervisory authority to be at least as stringent as those laid down by Community law, or
- issued by other bodies belonging to categories approved by the Luxembourg supervisory authority provided that investments in such instruments are subject to investor protection equivalent to that laid down in the first, the second or the third indent above and provided that the issuer is a company whose capital and reserves amount to at least ten million Euro (EUR 10,000,000) and which presents and publishes its annual accounts in accordance with the fourth Directive 78/660/EEC, and 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.

**A.2** In addition, the Fund may invest a maximum of 10% of the net assets of any Sub-fund in transferable securities and money market instruments other than those referred to under 3.1 above.

- i.** Each Sub-fund may hold ancillary Liquid Assets.
- ii.** When the Management Company, the Investment Manager or the Sub-Investment Manager believes it is in the best interests of the Shareholders to do so, Management Company, the Investment Manager or the Sub-Investment Manager may, for cash management purposes, for the preservation of capital, for diversification and liquidity management purposes as well as for short-term defensive purposes invest up to 100% in cash and cash equivalents, bank deposits, debt securities, money market instruments, money market UCITS and Other UCIs or other liquid assets. During these periods, the relevant Sub-fund may not achieve its objective.

**B.**

- i.** Each Sub-fund may invest no more than 10% of its net assets in transferable securities or money market instruments issued by the same issuing body (and in the case of credit-linked securities both the issuer of the credit-linked securities and the issuer of the underlying securities). Each Sub-fund may not invest more than 20% of its net assets in deposits made with the same body. The risk exposure to a counterparty of a Sub-fund in an OTC derivative transaction may not exceed 10% of its net assets when the counterparty is a credit institution referred to in **3.1 A.1 v)** above or 5% of its net assets in other cases.
- ii.** Furthermore, where any Sub-fund holds investments in transferable securities and money market instruments of any issuing body which individually exceed 5% of the net assets of such Sub-fund, the total value of all such investments must not account for more than 40% of the 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 **C. i)**, a Sub-fund may not combine: investments in transferable securities or money market instruments issued by a single body; deposits made with a single body and/or exposures arising from OTC derivative transactions undertaken with a single body in excess of 20% of its net assets.

- iii.** The limit of 10% laid down in paragraph **C. i)** above shall be 35% in respect of transferable securities or money market instruments which are issued or guaranteed by

an EU Member State, its local authorities or by an Eligible State or by public international bodies of which one or more EU Member States are members.

- iv. The limit of 10% laid down in paragraph C. i) above shall be 25% in respect of debt securities which are issued by credit institutions having their registered office in an EU Member State and which are subject by law to a special public supervision for the purpose of protecting the holders of such debt securities, provided that the amounts resulting from the issue of such debt securities are invested, pursuant to applicable provisions of the law, in assets which are sufficient to cover the liabilities arising from such debt securities during the whole period of validity thereof and which are assigned to the preferential repayment of capital and accrued interest in the case of a default by such issuer.

If a Sub-fund invests more than 5% of its net assets in the debt securities referred to in the sub-paragraph above and issued by one issuer, the total value of such investments may not exceed 80% of the value of the net assets of such Sub-fund.

- v. The transferable securities and money market instruments referred to in paragraphs C. iii) and C. iv) are not included in the calculation of the limit of 40% referred to in paragraph C. ii).

The limits set out in paragraphs C. i), C. ii), C. iii) and C. iv) above may not be aggregated and, accordingly, the value of investments in transferable securities and money market instruments issued by the same body, in deposits or derivative instruments made with this body, effected in accordance with paragraphs C. i), C. ii), C. iii) and C. iv) may not, in any event, exceed a total of 35% of each Sub-fund's net assets.

Companies which are included in the same group for the purposes 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 in this paragraph C.

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

Without prejudice to the limits in paragraph D., the limits laid down in this paragraph C. shall be 20% for investments in shares and/or bonds issued by the same body when the aim of a Sub-fund's investment policy is to replicate the composition of a certain stock or bond index which is recognised by the Luxembourg supervisory authority, provided the composition of the index is sufficiently diversified; the index represents an adequate benchmark for the market to which it refers; it is published in an appropriate manner. The limit laid down in the sub-paragraph above is raised to 35% where it proves to be justified by exceptional market conditions, in particular in regulated markets where certain transferable securities or money market instruments are highly dominant provided that investment up to 35% is only permitted for a single issuer.

- vi. **Where any Sub-fund has invested 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 by an Eligible State which is an OECD Member State, or by public international bodies of which one or more EU Member States are members, the Fund may invest 100% of the net assets of any Sub-fund in such securities and money market instruments provided that such Sub-fund must hold securities from**



**at least six different issues and the value of securities from any one issue must not account for more than 30% of the net assets of the Sub-fund.**

Subject to having due regard to the principle of risk spreading, a Sub-fund is not required to comply with the limits set out in this paragraph **C.** for a period of 6 months following the date of its authorisation.

- C.**
- i.** The Fund may not acquire shares carrying voting rights which would enable the Fund to exercise significant influence over the management of the issuing body.
  - ii.** The Fund may acquire no more than **a)** 10% of the nonvoting shares of any single issuing body, **b)** 10% of the value of debt securities of any single issuing body, **c)** 10% of the money market instruments of the same issuing body, and/or **d)** 25% of the units of the same UCI. However, the limits laid down in **b), c)** and **d)** above may be disregarded at the time of acquisition if at that time the gross amount of the debt securities or of the money market instruments or the net amount of securities in issue cannot be calculated.

The limits set out in paragraph **D. i)** and **ii)** above shall not apply to: transferable securities and money market instruments issued or guaranteed by an EU Member State or its local authorities; transferable securities and money market instruments issued or guaranteed by any other Eligible State; transferable securities and money market instruments issued by public international bodies of which one or more EU Member States are members; or shares held in the capital of a company incorporated in a non-EU Member State 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 holding represents the only way in which such Sub-fund's assets may invest in the securities of the issuing bodies of that State, provided, however, that such company in its investment policy complies with the limits laid down in Articles 43, 46 and 48 (1) and (2) of the Law of 2010; shares held by one or more investment companies in the capital of subsidiary companies which, exclusively on its or their behalf carry on only the business of management, advice, or marketing in the Country where the subsidiary is located, with regard to the redemption of shares at the request of the Shareholders.

- D.** Each Sub-fund may invest more than 10% of its net assets in units of UCITS or Other UCIs. The following limits shall apply:
- i.** Each Sub-fund may acquire units of the UCITS and/or Other UCIs referred to in paragraph **A.1 iv)**, provided that no more than 20% of a Sub-fund's net assets be invested in the units of a single UCITS or Other UCI.
  - ii.** For the purpose of the application of this limit, each compartment of a UCITS or of a UCI with multiple compartments is to be considered as a separate issuer provided that the principle of segregation of the obligations of the various compartments *vis-à-vis* third parties is ensured.
  - iii.** Investments made in units of Other UCIs may not in aggregate exceed 30% of the net assets of a Sub-fund.
  - iv.** When a Sub-fund invests in the units of UCITS and/or Other UCIs that are managed, directly or by delegation, by the same management company or by any other company with which the management company is linked by common management or control, or by a substantial direct or indirect holding, that management company or other company may not charge subscription or redemption fees on account of the Sub-fund's investment in the units of such UCITS and/or UCIs.



In respect of a Sub-fund's substantial investments in UCITS and Other UCIs linked to the Fund as described in the preceding paragraph, the total management fee (including any performance and/or advisory fee, if any) charged to such Sub-fund and each of the UCITS or Other UCIs concerned shall not exceed 5% of the relevant net assets under management. The Fund will indicate in its annual report the total management fees charged both to the relevant Sub-fund and to the UCITS and Other UCIs in which such Sub-fund has invested during the relevant period.

- v. The 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. In case of a UCITS or Other UCI with multiple Sub-funds, this restriction is applicable by reference to all units issued by the UCITS/UCI concerned, all Sub-funds combined.
- vi. The underlying investments held by the UCITS or Other UCIs in which the Sub-funds invest do not have to be considered for the purpose of the investment restrictions set forth under **3.1. C.** above.

### **3.2. INVESTMENT RESTRICTIONS**

- E. The Fund will not make investments in precious metals or certificates representing these.
- F. The Fund may not enter into transactions involving commodities or commodity contracts.
- G. The Fund will not purchase or sell real estate properties or any option, right or interest therein, provided the Fund may invest in securities secured by real estate properties or interests therein or issued by companies which invest in real estate properties or interests therein.
- H. The Fund may not carry out uncovered sales of transferable securities, money market instruments or other financial instruments referred to in **3.1. A.1 iv), vi) and vii)**.
- I. The Fund may not borrow for the account of any Sub-fund, other than amounts which do not in aggregate exceed 10% of the net assets of the Sub-fund, and then only as a temporary measure. For the purpose of this restriction back-to-back loans are not considered to be borrowings.

The Fund may acquire movable and immovable property which is essential for the direct pursuit of its business.

### **3.3. OTHER INVESTMENT RESTRICTIONS**

- A. The Fund may not make loans to other persons or act as a guarantor on behalf of third parties provided that this restriction shall not prevent the Fund from acquiring transferable securities or money market instruments or other financial instruments referred to in paragraph **3.1. A.1 iv), vi) and vii)** which are not fully paid.
- B. The Fund needs not comply with the limits laid down in this chapter 3 when exercising subscription rights attached to transferable securities or money market instruments which form part of its assets.

If the limits referred to in paragraph (B) are exceeded for reasons beyond the control of the Fund, or as a result of the exercise of subscription rights, the Fund must, as a priority, take all steps as necessary within a reasonable period of time to rectify that situation, taking due account of the interests of its Shareholders.

### 3.4. FINANCIAL DERIVATIVE INSTRUMENTS, TECHNIQUES AND OTHER INSTRUMENTS

#### 3.4.1. FINANCIAL DERIVATIVE INSTRUMENTS

##### A. General provisions

For the purpose of efficient portfolio management of its assets and for hedging purposes, as well as for investment purposes to meet the Fund's investment objectives, the Fund may use financial derivative instruments involving transferable securities and money market instruments, under the conditions and within the limits set forth by law, regulation and administrative practice.

##### B. Use of financial derivative instruments

- i. Under no circumstances these operations may cause the Fund to diverge from its investment objectives as set forth in the Articles or this Prospectus.
- ii. The Fund shall ensure that the global exposure of each Sub-fund relating to financial derivative instruments does not exceed the total net assets of that Sub-fund. The Fund's overall risk exposure shall consequently not exceed 200% of its total net assets. In addition this overall risk exposure may not be increased by more than 10% by means of temporary borrowings (as referred in paragraph 3.2 D., above) so that it may not exceed 210% of any Fund's total net assets under any circumstances.
- iii. The global exposure relating to the financial derivative instruments is calculated as indicated in the Appendix I - "*Description of the Sub-funds*"
- iv. The risk exposure to any counterparty in an OTC derivative transaction may not exceed 10 % of the Sub-fund's net assets when the counterparty is a credit institution referred to in section 3.1 A.1 v) above or 5 % of its net assets in other cases.
- v. Investment in financial derivative instruments shall only be made provided that the exposure to the underlying assets does not exceed in aggregate the investment limits set forth in i) to vii) of section 3.1 C. above. When the Sub-fund invests in index-based financial derivative instruments, these investments do not have to be combined to the limits set forth in i) to vii) of section 3.1 C.
- vi. When a Transferable Security or Money Market Instrument embeds a derivative, the latter must be considered when complying with the requirements of these restrictions.
- vii. The Sub-funds do not currently enter total return swaps. Should the Board of Directors decide to provide for such possibility, this Prospectus will be updated prior to the entry into force of such decision for the relevant Sub-fund to comply with the disclosure requirements of Regulation (EU) No 2015/2365 of the European Parliament and of the Council of 25 November 2015 on transparency of securities financing transactions and of reuse ("**SFTR**").

#### 3.4.2. OTHER SPECIAL INVESTMENT TECHNIQUES AND INSTRUMENTS

Unless otherwise specified in Appendix I - "*Description of the Sub-funds*", the Fund does not intend to use any special techniques and instruments (the "**Techniques**") or enter any arrangement regarding Techniques.

Under no circumstances must the recourse to transactions involving Techniques cause the Fund to diverge from the investment objectives set out in this Prospectus.

**A. General provisions**

(i) Securities lending:

The Fund may enter into securities lending transactions only in accordance with the applicable provisions of the Law of 2010, CSSF Circular 08/356 on the rules applicable to undertakings for collective investment when they employ certain techniques and instruments relating to Transferable Securities and Money Market Instruments, as amended, supplemented or replaced (“**Circular 08/356**”), CSSF Circular 14/592 regarding the ESMA Guidelines on ETFs and other UCITS issues, as amended, supplemented or replaced (“**Circular 14/592**”) and the ESMA Guidelines and Recommendations 2014/937 dated 1 August 2014 regarding Guidelines for competent authorities and other UCITS management companies (“**ESMA 2014/937**”). The Fund must ensure that it is able at any time to recall any security that has been lent out or terminate any securities lending agreement into which it has entered.

The Sub-funds do not currently enter into securities lending transactions. Should the Board of Directors decide to provide for such possibility, this Prospectus will be updated prior to the entry into force of such decision in order for the Fund to comply with the disclosure requirements of SFTR.

(ii) Repurchase agreements:

The Fund may enter sale with right of repurchases transactions (“*opérations à réméré*”) as well as reverse repurchase transactions (“*vente de titres à réméré*”) and repurchase agreement transactions (“*opérations de prise en pension*”) in accordance with the provisions of Circular 08/356, Circular 14/592 and ESMA 2014/937.

When entering in to reverse repurchase agreements the Fund must ensure that it is able at any time to recall the full amount of cash or to terminate the reverse repurchase agreement either on an accrued basis or on a mark-to-market basis. When the cash is recallable at any time on a mark-to-market basis, the mark-to-market value of the reverse repurchase agreement should be used for the calculation of the net asset value of the relevant Sub-fund.

The Fund must ensure that when entering a repurchase agreement it must be able at any time to recall any securities subject to the repurchase agreement or to terminate the repurchase agreement into which it has entered.

The Sub-funds do not currently enter the type of transactions mentioned in the first paragraph above. Should the Board of Directors decide to provide for such possibility, this Prospectus will be updated prior to the entry into force of such decision in order for the Fund to comply with the disclosure requirements of SFTR.

**B. Efficient portfolio management**

The Techniques mentioned in this section are used only for the purpose of efficient portfolio management and must fulfil the following criteria:

- i) they are economically appropriate and realised in a cost-effective manner,
- ii) they are entered for one or more of the following specific aims:
  - a) to reduce risks,
  - b) to reduce costs,

c) to generate additional capital or income for a Sub-fund with a level of risk which is consistent with the risk profile of the relevant Sub-fund and the risk diversification rules applying to such Sub-fund and set out in Appendix I - “Description of the Sub-funds”,

iii) their risks are adequately captured by the risk management process of the Fund.

Where it is decided for a Sub-fund to use Techniques or to enter into any arrangements in this respect, it is not expected that conflicts of interest may arise when using Techniques for the purpose of efficient portfolio management since the Fund will ensure that its counterparties always are (a) financial institutions from Luxembourg, another EEA member state or from third countries where they are subject to prudential supervision rules considered by the CSSF as equivalent to those prescribed by Community law and/or (b) counterparties specialised in this type of transactions. It will further ensure that its counterparties are not related parties to the Depositary.

If applicable, direct and indirect operational costs and fees arising from the application of the Techniques will be deducted from the revenues of the Sub-funds. They should under normal circumstances not be higher than 20% of the market value of the relevant transaction. Direct and indirect costs and fees should not include hidden revenue. Positive returns arising from the use of Techniques will be solely for the benefit of the relevant Sub-fund(s). Any direct and indirect operational costs and fees incurred and the identity of the counterparty(ies) to these Techniques will be disclosed in the annual report of the Fund.

Before a Sub-fund enters any arrangement regarding Techniques, the Management Company or, where applicable, the relevant Investment Manager will be required to (a) carefully estimate the expected costs and fees and to compare them with the applicable market standard (if any) and (b) evaluate whether the use of the Technique is in the best interest of the Shareholders of the relevant Sub-fund(s).

The net exposures (i.e., the exposures of a Sub-fund less the collateral received by this Sub-fund) to a counterparty arising from the use of Techniques shall be considered in the 20% limit provided for in Article 43(2) of the Law of 2010 pursuant to point 2 of Box 27 of ESMA Guidelines 10-788.

By derogation of the preceding paragraph a Sub-fund may be fully collateralised in different transferable securities and money market instruments issued or guaranteed by an EU Member State, one or more of its local authorities, a third country, or a public international body to which one or more EU Member States belong. Such Sub-fund should receive securities from at least six (6) different issues, but securities from any single issue should not account for more than 30% of the Sub-fund’s net asset value. A Sub-fund that intends to be fully collateralised in securities issued or guaranteed by a Member State, one or more of its local authorities, a third country, or a public international body to which one or more Member States belong should disclose this fact in the relevant Special Section. The relevant Special Section should also set out the Member States, local authorities, or public international bodies issuing or guaranteeing securities which the Sub-fund is able to accept as collateral for more than 20% of its net asset value.

The Fund will further respect all rules established by the CSSF in relation to the Techniques, and in particular the rules set out in Circular 08/356, Circular 14/592, ESMA 2014/937 and any additional laws, regulations and provisions, which may apply to such transactions.

### C. Management of collateral

The Fund will ensure that it receives (directly or through a collateral agent) a call guarantee to each application of a Technique amounting to at least 90% (after haircut) of the global valuation (interests, dividends, and other eventual rights included) of the securities lent (the “**Collateral**”).

During the duration of the relevant transaction, the Collateral cannot be sold or given as a security or pledged, except when the Fund has other means of coverage. Where the Fund enters into Techniques, Collateral received by a Sub-fund must normally take the form of:

- i. bank deposits at sight, such as cash held in current accounts with a bank accessible at any time, in order to cover current or exceptional payments, or for the time necessary to reinvest in eligible assets provided under article 41(1) of the Law of 2010 or for a period of time strictly necessary in case of unfavourable market conditions (the “**Liquid Assets**”);
- ii. bonds issued or guaranteed by an OECD Member State or by their local public authorities or by supranational institutions and undertakings with EU, regional or world-wide scope (“**Sovereign Bonds**”);
- 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 (“**Money Market UCIs**”);
- iv. shares or units issued by UCITS investing mainly in bonds/shares mentioned in (v) and (vi) below (“**Non-Sophisticated UCITS**”);
- v. bonds issued or guaranteed by first class issuers offering an adequate liquidity (“**First Class Bonds**”); or
- vi. shares admitted to or dealt in on a Regulated Market, on the condition that these shares are included in a main index (“**Main Index Shares**”);

and must at all times comply with the requirements of paragraph 43 of the ESMA Guidelines 2014/937 (“**Eligible Collateral**”).

The Fund must value on a daily basis the Eligible Collateral received. The Fund will apply haircuts which depend on issuer, rating, maturity and guarantees to control and management of the Eligible Collateral (the “**Haircut**”). The Haircut is part of the counterparty risk process. It will take into account the level of risk related to the holding of the underlying asset(s) of the Eligible Collateral by the relevant Sub-fund. Consequently, the agreement concluded between the Fund and the counterparty must include provisions to the effect that the counterparty must provide additional Eligible Collateral at very short term in case the value of the Eligible Collateral already granted appears to be insufficient in comparison with the amount to be covered following the application of the Haircut.

The Fund will apply the following maximum Haircuts in respect of the value of each of Eligible Collateral received:

- i. of 5 % with respect to Liquid Assets, whereby no Haircut will be applied with respect to cash;
- ii. of 5% with respect to Sovereign Bonds;
- iii. of 10% with respect to Money Market UCIs;
- iv. of 10% with respect to Non-Sophisticated UCITS;

- v. of 20% with respect to First Class Bonds;
- vi. of 20% with respect to Main Index Shares;

Furthermore, the Collateral agreement must, if appropriate, provide for safety margins that take into consideration exchange risks or market risks inherent to the assets accepted as Collateral.

The Collateral agreements shall also take into consideration exchange risks or market risks inherent to the assets accepted as Collateral. The Collateral agreement must further ensure that the Fund is able to claim its rights under the Collateral, which means that the Collateral must be available at all times, either directly or through the intermediary of the counterparty or its wholly-owned subsidiary, in such a manner that the Fund is able to appropriate or realise the assets given as Collateral, without delay, if the counterparty does not comply with its obligation to return the securities. Collateral given under any form other than cash or shares/units of a UCI/UCITS must be issued by an entity not affiliated to the counterparty. Non-cash collateral received will not be sold, re-invested or pledged.

Collateral given under the form of cash can only be:

- deposited with credit institutions which either have their registered office in Luxembourg, another EEA Member State or are otherwise subject to prudential rules considered by the CSSF as equivalent to those laid down in EU law;
- invested in highly liquid government bonds;
- 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; or
- invested in Short-Term Money Market Funds as defined in the Guidelines on a Common Definition of European Money Market Funds issued by European Securities and Markets Authority (“ESMA”).

### 3.5. DISCLOSURE UNDER SFDR

The classification by the Management Company of each Sub-fund under 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 (“SFDR”) is disclosed for each Sub-fund in the applicable Appendix to this Prospectus.

The disclosure under SFDR summarises the way sustainability risks (the “Sustainability Risks”) are integrated in the investment decision process of each of these Sub-funds and the results of the assessment on the likely impacts of Sustainability Risks on the return of each of these Sub-funds. Sustainability Risk means any environmental, social or governance event or condition that, if it occurs, could cause an actual or a potential material negative impact on the value of the investment.

Unless otherwise stated for a relevant Sub-fund in the applicable Appendix, Sustainability Risks are not assessed for:

- Transferable securities issued by governments, international organisations, municipalities as well as national and international agencies on the basis of the complexity to assess Sustainability Risks on this type of issuers and the limited impact the occurrence of a Sustainability Risk may have on the value and the return of the transferable securities issued by this type of issuers;

- UCITS and Other UCIs due to the complexity to assess Sustainability Risks on a look-through basis and the limited impact the Management Company may have on the management of the UCITS and the Other UCIs as well as on the limited impact the occurrence of a Sustainability Risk at the level of an individual investment may have on the performance of the relevant Sub-fund due to the double layer of risk spreading; and
- Money market instruments, exchanged-traded funds and financial derivative instruments on interests and instruments other than shares and bonds issued by private issuers on the basis that the occurrence of a Sustainability Risk at the level of the issuer, where possible, is generally considered as limited on such instruments.

## 4. RISK FACTORS

The Fund employs a risk-management process which enables to monitor and measure at any time the risk of the positions and their contribution to the overall risk profile of the portfolios.

However, investors should be aware that any investment implies to take risks and that there is no guarantee that the Sub-funds will reach their investment objectives, nor preserve the capital invested. Variations in the net asset value depend on the values of the instruments in which each Sub-fund invests. Consequently, investors should be aware that the total of their investment might not be returned when redeeming their Shares.

In relation to financial derivative instruments the Fund employs a process for accurate and independent assessment of the value of *Over the Counter* (OTC) derivatives.

The risks herein described are characteristics of the investment policies of every Sub-fund. Nevertheless, the present list is not exhaustive and all the detailed risks do not concern all Sub-funds. Specific risk considerations (if any) are outlined for each Sub-fund in Appendix I - “Description of the Sub-funds”.

### 4.1. GENERAL RISKS

The performance of the Shares or the possibility to purchase, sell, or redeem may be affected by changes in general economic conditions, uncertainties such as political developments (including Brexit), changes in government policies, the imposition of restrictions on the transfer of capital and changes in regulatory requirements and extreme market conditions (such as the Covid-19 pandemic).

### 4.2. INVESTMENT IN EQUITIES

The Sub-funds can be exposed to equity markets movements and the value of its assets may fluctuate. Therefore, no assurance can be given that the investors will get back the full amount invested.

### 4.3. INVESTMENTS IN OTHER INVESTMENT FUNDS (UCITS OR UCIS)

The general provisions of the Fund’s investment policy provide for investments in open-ended UCITS and Other UCIs. Such structures normally give the opportunity to redeem their shares at any net asset value calculation. Under extraordinary circumstances, such investments could not be redeemed promptly; this would have an indirect impact on the net asset value calculation and liquidity of the Sub-fund, preventing it from facing its own redemption requests.

Closed-end funds may be considered as transferable securities provided that they meet the criteria set by Directive 2007/16/EC of 19 March 2007 to qualify as such.



#### **4.4. FINANCIAL DERIVATIVE INSTRUMENTS**

For the purposes of investment, efficient portfolio management and hedging, the Sub-funds may use options, futures, credit default swaps (CDS) and other instruments, as described in this chapter.

Transactions in financial derivative instruments carry a high degree of risk. The use of these instruments can result in a higher volatility in the Share price of the Sub-funds. The principal risks relating to the use of financial derivative instruments are the possible lack of a liquid secondary market for closing out the position, unanticipated market or currency movements or a counterparty default. This list is not exhaustive.

#### **4.5. HIGH-YIELD DEBT SECURITIES**

Certain High Yield Bonds rated below investment grade are very speculative, involve comparatively greater risks than higher quality securities, including price volatility, and may be questionable as to principal and interest payments. The attention of the potential investor is drawn to the type of high-risk investment that the Sub-funds are authorised to make. Compared to higher-rated securities, lower-rated High Yield Bonds generally tend to be more affected by economic and legislative developments, changes in the financial condition of their issuers, have a higher incidence of default and be less liquid. The Sub-funds may also invest in High Yield Bonds issued by emerging market issuers that may be subject to greater social, economic and political uncertainties or may be economically based on relatively few or closely interdependent industries.

Corporate debt securities may bear Fixed Coupon or Fixed and Contingent Coupon or Variable Coupon and may involve equity features such as conversion or exchange rights or warrants for the acquisition of stock of the same or a different issuer (e.g. synthetic convertibles) or participation based on revenue, sales or profits.

#### **4.6. LOWER RATED DEBT SECURITIES**

Securities rated below investment grade or assigned equivalent ratings by the Board of Directors are considered speculative and may be questionable as to repayment of principal and interest. Such securities involve higher credit or liquidity risk.

- High Credit Risk: Lower rated debt securities, commonly referred to as “junk bonds” are subject to a substantially higher degree of credit risk than investment grade debt securities. During recessions, a high percentage of issuers of lower rated debt securities may default on payments of principal and interest. The price of a lower rated debt security may therefore fluctuate drastically due to unfavourable news about the issuer or the economy in general.
- High Liquidity Risk: During recessions and periods of broad market declines, lower rated debt securities could become less liquid, meaning that they will be harder to value or sell at a fair price.

#### **4.7. CREDIT DEFAULT SWAPS (“CDS”) TRANSACTIONS**

The purchase of credit default swap protection allows the Sub-funds, on payment of a premium, to protect itself against the risk of default by an issuer. In the event of default by an issuer, settlement can be effected in cash or in kind. In the case of a cash settlement, the purchaser of the CDS protection receives from the seller of the CDS protection the difference between the nominal value and the attainable redemption amount. Where settlement is made in kind, the purchaser of the CDS protection receives the full nominal value from the seller of the CDS



protection and in exchange delivers to him the security which is the subject of the default, or an exchange shall be made from a basket of securities. The detailed composition of the basket of securities shall be determined at the time the CDS contract is concluded. The events which constitute a default and the terms of delivery of bonds and debt certificates shall be defined in the CDS contract. The Sub-funds can, if necessary, sell the CDS protection or restore the credit risk by purchasing call options. Upon the sale of credit default swap protection, the Sub-funds incurs a credit risk comparable to the purchase of a bond issued by the same issuer at the same nominal value. In either case, the risk in the event of issuer default is in the amount of the difference between the nominal value and the attainable redemption amount.

Besides the general counterparty risk, upon concluding credit default swap transactions there is also a risk of the counterparty being unable to establish one of the payment obligations which it must fulfil. The Sub-funds will ensure that the counterparties involved in these transactions are selected carefully and that the risk associated with the counterparty is limited and closely monitored.

#### **4.8. TRANSACTIONS IN WARRANTS, OPTIONS, FUTURES, SWAPS AND CONTRACTS FOR DIFFERENCE (CFD)**

Some of the Sub-funds may seek to protect or enhance the returns from the underlying assets by using warrants, options, futures, CFD and swap contracts and enter forward foreign exchange transactions in currency. The ability to use these strategies may be limited by market conditions and regulatory limits and there can be no assurance that the objective sought to be attained from the use of these strategies will be achieved. Participation in the warrants, options, or futures markets and in swap contracts and in currency exchange transactions involves investment risks and transaction costs to which the Sub-funds would not be subject if the Sub-funds did not use these strategies. If the Investment Manager's and/or the Investment Advisor's predictions of movements in the direction of the securities, foreign currency and interest rate markets are inaccurate, the adverse consequences to a Sub-fund may leave the Sub-fund in a worse position than if such strategies were not used. Risks inherent to warrants, options, foreign currency, swaps, CFD, futures contracts and options on futures contracts include, but are not limited to: **(a)** dependence on the Investment Manager's and/or the Investment Advisor's ability to predict correctly movements in the direction of interest rates, securities prices and currency markets; **(b)** imperfect correlation between the price of options and futures contracts and options thereon and movements in the prices of the securities or currencies being hedged; **(c)** the fact that skills needed to use these strategies are different from those needed to select portfolio securities; **(d)** the possible absence of a liquid secondary market for any particular instrument at any time; and **(e)** the possible inability of a Sub-fund to purchase or sell a portfolio security at a time that otherwise would be favourable for it to do so, or the possible need for a Sub-fund to sell a portfolio security at a disadvantageous time. Where a Sub-fund enters swap or CFD transactions it is exposed to a potential counterparty risk. In case of insolvency or default of the swap or CFD counterparty, such event would affect the assets of the Sub-fund.

The use of forward on currencies involves a counterparty risk. The counterparty risk is the risk that the counterparty of a transaction defaults before the final settlement of the financial flows of the transaction itself. Counterparty risk is a particular case of credit risk, characterized by the fact that exposure, due to the financial nature of the contract between the parties, is uncertain and may vary over time depending on the trend of underlying market factors. Counterparty risk is a particular case of credit risk on transactions with OTC financial derivatives and credit derivatives that have the following characteristics: 1) generating an exposure equal to their positive fair value; 2) having a future market value that evolves according to the underlying market variables; 3) generating a cash exchange or the exchange of financial instruments or goods against cash. In

order to mitigate the counterparty risk, collateral may be exchanged. Such guarantees can only be made through liquidity in Euros, the valuation of which will not be subject to any valuation haircut. Guarantees cannot be reinvested or given as collateral and will be deposited on bank accounts of intermediaries that meet the requirements of internal procedures.

#### **4.9. DEPOSITARY RISK**

The Fund's securities are principally held by the Depositary or its correspondents and are segregated from the Depositary's or the correspondents' own assets. No segregation applies in case of cash held on deposit with the Depositary or its correspondents.

#### **4.10. EMERGING MARKETS RISK**

Potential investors should also be aware that some of the Sub-funds may invest in companies established in emerging countries and which may be therefore exposed to a higher degree of risk in these countries than in more developed ones.

Such risks, which can have adverse effects on portfolio holdings of a Sub-fund, may include (but are not limited to):

- restrictions in respect of investments and the repatriation of invested funds;
- increased government involvement with negative influence the development of the private sectors;
- less developed legal and fiscal environment and the increased risk of substantial changes;
- limited regulation of the securities markets;
- limitations on investor rights and on rights of information;
- potentially limited legal recourse for the Sub-fund;
- enhanced volatility of markets in comparison to more developed countries potentially fuelled by currency fluctuations;
- lower liquidity of the securities markets, which may lead to a Sub-fund being forced at times to sell certain securities at “fire prices”;
- adverse effects from deflation and inflation;
- underdevelopment of the custodial and/or settlement systems; and
- uncertainty to the ownership of a Sub-fund's investments.

For the avoidance of doubt, these risks might exist even in developed countries. However, it is generally considered that these risks are increased where an investment is made or made in relation with emerging countries.

#### **4.11. SETTLEMENT AND CREDIT RISKS**

The trading and settlement practices of some of the stock exchanges or markets on which a Sub-fund may invest may not be the same as those in more developed markets, which may increase settlement risk and/or result in delays in realising investments made by a Sub-fund. In addition, a Sub-fund will be exposed to credit risk on parties with whom it trades and will bear the risk of settlement default. The Depositary may be obliged to settle transactions on a delivery free of payment basis where this form of settlement is common market practice. Shareholders should be aware, however, that this may result in a loss to a Sub-fund if a transaction fails to settle and the Depositary will not be liable to the relevant Sub-fund or the Shareholders for such a loss.

#### **4.12. START-UP RISKS AND HIGH-RISK SECTORS**

A Sub-fund may also invest in developing companies or in companies belonging to high-tech sectors. The volatility of these securities - which may directly impact the value - should not be ignored.

#### **4.13. SECTOR RISK**

A Sub-fund may as well invest in securities issued by newly created companies or companies active in specific fast developing sectors.

Traditionally, these sectors and specific markets are more volatile and their respective currencies experience periods of important fluctuations. Further to the risks inherent to any investment in transferable securities, the investors must be aware of political risks, changes in exchange rates control and in fiscal environment which could have a direct impact on the value and liquid assets of the portfolio of these Sub-funds.

#### **4.14. SUSTAINABILITY RISKS**

Many economic segments and industries where a relevant Sub-fund may invest or be otherwise exposed to may be subject to Sustainability Risks. Factors driving Sustainability Risks include changes in law, regulations, industry standards, consumer preference and influence from media, social groups and non-governmental organisations.

The occurrence of Sustainability Risks may have a material impact on the operations, the financial and the business model of an issuer of securities which have been directly or indirectly acquired by one of the Sub-funds. The value and/or the income of such a security may decrease which will ultimately have an adverse impact on the performance of the Sub-fund.

#### **4.15. CURRENCY RISK**

The currency risk occurs when the net asset value of a Sub-fund is denominated in a different currency from the investor's own reference currency or when the assets are denominated in a different currency from the valuation currency in which the portfolio is evaluated. There is a probability for investors to have larger profits or losses since the currency risk is added to the usual investment risk.

The Board of Directors can decide to limit the currency risk by using techniques and instruments hedging the currency risk. Hedging against all currency risks may also result impossible or unjustified.

#### **4.16. FISCAL RISK**

Some income of the Fund's portfolios, consisting of dividends and interests, may be subject to payment of withholding tax at various rates or may be subject to other market fees in their country of origin.

#### **4.17. RISK RELATING TO TECHNIQUES AND INSTRUMENTS**

The principal risk when lending securities is that the borrower might become insolvent or refuse to honor its obligations to return the securities. In this event, a Sub-fund could experience delays in recovering its securities and may possibly incur a capital loss.

A Sub-fund may also 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 from a relevant counterparty. A decline in the value of such investment of the cash Collateral would reduce the amount of Collateral available to be returned by the Sub-fund to the relevant

counterparty at the conclusion of the Collateral agreement. 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 relevant counterparty, thereby resulting in a loss to the Sub-fund.

## 5. NET ASSET VALUE

### 5.1. NET ASSET VALUE CALCULATION

The net asset value per Share of each Sub-fund, expressed in the relevant valuation currency as specified in the Appendix I - *“Description of the Sub-funds”*, is calculated by the Central Administration under the supervision of the Management Company and, ultimately, the Board of Directors. The valuation currency of all the current Sub-funds and of the Fund is the Euro.

The net asset value per Share is calculated on every bank Business Day in Luxembourg (the **“Valuation Day”**). **“Business Day”** means for each Sub-fund any working day in Luxembourg on which banks are fully open for business during regular business hours and on which the principal Regulated Markets on which a substantial proportion of the securities held by that Sub-fund are listed are open for business.

The frequency of the net asset value calculation and the Valuation Day are specified for each Sub-fund in Appendix I - *“Description of the Sub-funds”*. The net asset value per Share is computed, for each Sub-fund, by dividing the net assets of such Sub-fund by the total number of Shares issued by the relevant Sub-fund. In case of legal or bank holiday in Luxembourg, the Valuation Day shall be the next following Business Day in Luxembourg.

**A.** The assets of the different Sub-funds shall include the following:

- i.** all cash on hand and on deposit, including interest due but not yet received as well as interests accrued on these deposits up to the Valuation Day;
- ii.** all bills and demand notes and accounts receivable (including the results of securities sold insofar in case proceeds have not yet been collected);
- iii.** all securities, units or shares in undertakings for collective investment, stocks, debt securities, options or subscription rights, financial instruments and other investments and transferable securities owned by the Fund;
- iv.** all dividends and distribution proceeds to be received by the Fund in cash or securities insofar in case the Fund is aware of such;
- v.** all interest accrued but not yet received and all interest produced until the Valuation Day on securities owned by the Fund, unless this interest is included in the principal amount of such assets;
- vi.** the incorporation expenses of the Fund, insofar as they have not yet been written off;
- vii.** all other assets of whatever kind and nature, including prepaid expenses.

**B.** The value of these assets shall be determined as follows:

- i.** the value of any cash on hand or on deposit, bills and demand notes and accounts receivable, prepaid expenses, dividends and interests declared or due but not yet received shall be deemed to be the full value of such assets, unless it is unlikely that such value be received, in which case the value thereof shall be determined by deducting such amount the Fund may consider appropriate to reflect the true value of these assets;

- ii. the valuation of securities and/or financial derivative instruments listed on an official stock exchange or dealt in on another regulated market which operates regularly, is recognised and open to the public, is based on the last available price and, if such security and/or financial derivative instrument is traded on several markets, on the basis of the last available price known on the market considered to be the main market for trading this security and/or financial derivative instrument. If the last available price is not representative, the valuation shall be based on the probable sales value estimated by the Board of Directors (or the relevant agent) with prudence and in good faith;
- iii. securities not listed on a stock exchange or dealt in on another regulated market which operates regularly, is recognised and open to the public shall be assessed on the basis of the probable sales value estimated with prudence and in good faith;
- iv. shares or units in open-ended undertakings for collective investment shall be valued at their last available calculated net asset value, as reported by such undertakings;
- v. the value of each position in each currency, security or derivative instrument based on currencies or interest rates will be determined on the basis of quotations provided by a pricing service selected by the Fund. Instruments for which no such quotations are available will be valued on the basis of quotations provided by dealers or market makers in such instruments selected by the Fund; and positions in instruments for which no quotations are available from pricing services, dealers or market makers shall be determined prudently and in good faith by the Board of Directors (or the relevant agent) in its reasonable judgement;
- vi. liquid assets and money market instruments may be valued at nominal value plus any accrued interest or on an amortised cost basis;
- vii. swaps are valued at their fair value based on the underlying securities as well as on the characteristics of the underlying commitments or otherwise in accordance with usual accounting practices;
- viii. all other securities and other assets will be valued at fair market value as determined in good faith pursuant to procedures established by Board of Directors (or the relevant agent).

The Board of Directors (or the relevant agent) is authorised to apply other appropriate valuation principles for the assets of the Fund and/or the assets of a given Sub-fund if the aforesaid valuation methods prove to be impossible or inappropriate due to extraordinary circumstances or events.

Securities and other assets expressed in a currency other than the valuation currency of the respective Sub-fund shall be converted into that valuation currency on the basis of the last available exchange rate.

**C. The liabilities of the Fund shall include:**

- i. all loans, bills matured and accounts due;
- ii. all known liabilities, whether matured or not, including all matured contractual obligations that involve payments in cash or in kind (including the amount of any unpaid dividends declared by the Fund);

- iii. all reserves, authorised or approved by the Board of Directors, in particular those established to cover for potential depreciation on some of the Fund's investments;
- iv. all other liabilities of the Fund, of whatever kind and nature except for those represented by the Fund's own resources.

To assess the amount of such other liabilities, the Fund shall consider all fees and expenses payable by it, including, without limitation:

- a. the establishment cost of the Fund and those for subsequent amendments to the Prospectus, the Articles and other legal documents;
- b. the expenses payable to the Management Company, Investment Managers, Investment Advisors, the Depositary, correspondents, the Central Administration, other administrative and domiciliary agents, paying agents or other agents, employees of the Fund, as well as the permanent representatives of the Fund in jurisdictions where it is subject to registration,
- c. the costs for legal and tax advice as well as advice on risk management and compliance,
- d. the establishments of reports including the annual financial report and the semi-annual financial reports,
- e. the costs for advice and support to comply with SFDR and other regulatory requirements including license fees in this regard;
- f. the Auditors' costs and fees,
- g. the costs for promoting, printing, and publishing sales documents (including brochures and other type of marketing materials),
- h. the cost of convening and holding General Meetings and meetings of the Board of Directors, reasonable travelling, and other expenses of the members of the Board of Directors as well as directors' fees,
- i. the costs of registration statements, subscriptions to professional associations and other organisations in Luxembourg, which the Fund will decide to join in its own interest and in that of its Shareholders,
- j. all taxes and duties charged by governmental authorities and stock exchanges,
- k. the annual registration fee as well as taxes or other fees payable to the supervisory authorities; and
- l. the costs relating to the distribution of dividends, the costs of publication of the issue and redemption prices as well as any other operating costs, including financial costs, bank charges and brokerage incurred at purchase or sale of assets or otherwise as well as any other administrative charges.

For the valuation of the amount of such liabilities, the Fund shall take into account administrative and other expenses of a regular or periodic nature on a *pro-rata temporis* basis.

- v. the assets, liabilities, charges and expenses which are not attributable to a Sub-fund shall be attributed to all the Sub-funds, in equal proportions or as long as justified by the amounts concerned, to the *pro-rata* of their respective net assets.

D. Each Share of the Fund to be redeemed is considered as an issued and existing Share until the close of business on the Valuation Day applicable to the redemption of such Share and its price shall be considered as a liability of the Fund from the close of business on such day and this, until the relevant price is paid.

Each Share to be issued by the Fund in accordance with subscription applications received, shall be considered as having been issued as from the close of business on the Valuation Day of its issue price and such price shall be considered as an amount to be received by the Fund until the Fund shall have received it.

As far as possible, each investment or divestment disposed by the Fund until the Valuation Day shall be taken into account by the Fund.

## **5.2. SUSPENSION OF THE CALCULATION OF NET ASSET VALUE, ISSUE AND REDEMPTION OF SHARES**

The Board of Directors is authorised to suspend temporarily the calculation of the net asset value of one or several Sub-funds, as well as the issue, the redemption and the conversion of Shares under the following circumstances:

- vii. for any period during which a market or stock exchange which is the main market or stock exchange on which a substantial part of the Fund's investments is listed from time to time, is closed for periods other than regular holidays, or when trading on such markets is subject to major restrictions, or suspended;
- viii. when the political, economic, military, monetary or social situation, or natural catastrophes or beyond the Fund's responsibility or control, makes the disposal of its assets impossible under reasonable and normal conditions, without being seriously prejudicial to the interests of the Shareholders;
- ix. during any breakdown in communications networks normally used to determine the value of any of the Fund's investments or current prices on any market or stock exchange;
- x. whenever exchange or capital movement restrictions prevent the execution of transactions on behalf of the Fund or in case purchase and sale transactions involving the Fund's assets cannot be processed at normal conditions;
- xi. at the Board of Directors' discretion, as soon as a meeting is called during which the dissolution of the Fund shall be discussed;
- xii. during any period when the calculation of the net asset value per unit or Share of a substantial part of undertakings for collective investment in which the Fund is invested, is suspended and this suspension has a material impact on the Net Asset Value per Share of a Sub-fund.

Under exceptional circumstances that may adversely affect the interest of Shareholders or in case of applications for redemption exceeding 10% of a Sub-fund's net assets, the Board of Directors of the Fund shall reserve the right to determine the Share price only after having carried out, as soon as possible, the necessary sales of transferable securities or other assets on behalf of the Sub-fund. In such case, outstanding applications for subscription, redemption and conversion shall be treated based on the net asset value thus calculated.

Subscribers and Shareholders offering Shares for subscriptions, redemption or conversion shall be notified of the suspension of the net asset value calculation. Pending applications for subscription, redemption and conversion may be withdrawn in writing insofar as notification

thereon is received by the Fund or by any other entity duly appointed by and acting in the name of the Fund before the end of suspension.

Pending subscriptions, redemptions and conversions shall be taken into consideration on the first Valuation Day immediately following the end of suspension.

## **6. SHARE DEALING**

### **6.1. SHARES**

For each Sub-fund, Shares are issued in registered form. The Fund may also issue fractional Shares (up to three decimals).

Registered Shares will be dematerialised. The shareholders' register is kept at the registered office of the Fund. The Central Administration performs the registration, alterations or deletions necessary of all registered Shares in the shareholders' register in order to ensure the regular update thereof.

All the Shares of the Fund must be fully paid-up and are issued with no par value. There is no restriction regarding the number of Shares which may be issued.

The rights attached to the Shares are those provided for in the Luxembourg Law of 1915 on commercial companies, as amended, unless superseded by the Law of 2010. All Shares of the Fund have an equal voting right, whatever their value (except fractional Shares). The Shares of each Sub-fund have an equal right to the liquidation proceeds of their relevant Sub-fund.

Any amendments to the Articles changing the rights of one specific Sub-fund have to be approved by a decision of the general meeting of the Fund as well as a general meeting of the Shareholders of the specific Sub-fund.

Within a Sub-fund, classes of Shares may be defined from time to time by the Board of Directors so as to correspond to **i)** a specific distribution policy, and/or **ii)** a specific sales and redemption charge structure, and/or **iii)** a specific management or advisory fee structure, and/or **iv)** a specific distribution fee structure, and/or **v)** a specific currency, and/or **vi)** a specific category of investors, and/or **vii)** any other specific features applicable to one class. The Board of Directors may decide to quote one or more classes of a Sub-fund on the Luxembourg Stock Exchange, the ATFund - a Multilateral Trading Facilities ("MTF") managed by Borsa Italiana - or any other stock exchange, regulated market or MTF. Detailed information about the listing will be given for each Sub-fund.

Available Share classes for each Sub-fund may be found in Appendix I - "*Description of the Sub-funds*" to this Prospectus.

If investors were to subscribe or own Shares of a class for which they do not, or no longer, fulfill the conditions, the Board of Directors may convert those Shares, free of charge, into Shares of the most suitable class.

### **6.2. ISSUE OF SHARES, SUBSCRIPTION AND PAYMENT PROCEDURE**

In order to contribute to the fight against money laundering and terrorist financing, the Fund will at all times comply with any obligations imposed by any applicable laws, rules, regulations and circulars with respect to the prevention of money laundering and terrorist financing obliging investors to prove their identity to the Fund.

Measures aimed towards the prevention of money laundering and terrorism financing require from the Fund to comply with the laws and regulations on the prevention of money laundering and terrorism financing applicable in Luxembourg including the Luxembourg act of 12 November 2004 on the fight against money laundering and terrorist financing, as amended, the



Grand Ducal Regulation of 1 February 2010, the Law of 19 December 2020 on the implementation of restrictive measures in financial matters, the CSSF Regulation n°12-02 of 14 December 2012 on the fight against money laundering and terrorist financing, other regulations and circulars released by CSSF (including CSSF circular 22/822 and CSSF circular 19/732) as well as other applicable laws and regulations released and to be released in the future.

Measures aimed towards the prevention of money laundering and terrorism financing require from the Management Company to comply with the laws and regulations on the prevention of money laundering and terrorism financing applicable in Italy including Italian Legislative Decree 231/07 (as amended) and the Bank of Italy measure of 26 March 2019 “Provisions on organization, procedures and internal controls aimed at preventing the use of intermediaries for money laundering and terrorist financing purposes” as well as other applicable laws and regulations released and to be released in the future.

As a result of such provisions, the registrar and transfer agent of a Luxembourg undertaking for collective investment (to which this task has been delegated) shall ascertain the identity of the subscriber in accordance with Luxembourg laws and regulations. The Central Administration may require investors to provide any document it deems necessary to effect such identification. Where an intermediary is appointed for the marketing of Shares, an enhanced due-diligence is applied on the intermediary in accordance with CSSF Regulation n°12-02 of 14 December 2012 on the fight against money laundering and terrorist financing. The identification of investors shall, inter alia, comply with CSSF circular 19/732 which provides guidance in relation to the legal requirements applicable to the identification and verification of the identity of the investors by making reference to the FATF Egmont group report of July 2018.

The Central Administration reserves the right to request any additional documentation if it deems necessary according to the investor’s money laundering and terrorist financing risk profile.

Any information provided to the Fund in this context is collected for anti-money laundering compliance purposes only.

Before accepting a subscription or paying out the redemption proceeds, the Fund may undertake additional investigations in accordance with national and international rules concerning anti-money laundering and terrorist financing.

The Board of Directors is authorised to issue Shares in each Sub-fund at any time and without limitation.

The Shares are issued at a price corresponding to the net asset value per Share of the relevant class of Shares of each Sub-fund; the issue price may be increased by a subscription fee and, in such case, details are defined in Appendix I - “*Description of the Sub-funds*” for each Sub-fund.

Shareholders may be required to pay additional charges and fees to financial institutions acting as local paying agents in foreign countries where the Shares are distributed.

Subscriptions are made based on unknown price. Initial application and application for additional Shares must be for the minimum amounts (expressed in a currency or a number of Shares), if any, described in the Appendix I - “*Description of the Sub-funds*” for each Sub-fund.

Applications for subscription may refer to an amount to be invested or a number of shares in one or several Sub-funds.

Applications for subscription must be received at the registered office of the Central Administration in Luxembourg at the latest on the Luxembourg bank business day preceding the applicable Valuation Day before 14.00 (Luxembourg time). Requests notified after this deadline shall be executed on the next following Valuation Day. The subscription price of each Share is

payable in the respective valuation currency of the relevant class/Sub-fund within the cut-off described in the Appendix I - “*Description of the Sub-funds*” for each Sub-fund. The Fund may from time to time accept subscriptions for Shares against contribution in kind of securities or other assets which could be acquired by the relevant Sub-fund, pursuant to its investment policy and restrictions. Any such contribution in kind will be made at the net asset value of the assets contributed calculated in accordance with the rules set out in section 5. “Net asset value calculation” and according to the Luxembourg Law. The Board of Directors may require an auditor’s report drawn up in accordance with the requirements of Luxembourg law. Any costs incurred will be borne by the investor.

Written confirmations of shareholding will under normal circumstances be sent to Shareholders within one Business Day following the relevant Valuation Day.

Initial and subsequent subscriptions may be subject to certain restrictions as detailed in the description of each Sub-fund in the Appendix I - “*Description of the Sub-funds*”. The Board of Directors may decide not to apply these restrictions at its own discretion.

The Fund does not allow practices related to “late trading” and “market timing”.

Market Timing is to be understood as an arbitrage method through which an investor systematically subscribes and redeems or converts units or Shares of the same fund within a short time period, by taking advantage of schedule differences for example.

The Fund keeps the right to reject subscription and conversion orders from an investor who it suspects of using such practices and to take, if appropriate, the necessary steps to protect the other Shareholders of the Fund.

The Fund also retains the right to:

- i. refuse all or part of an application for subscription of Shares;
- ii. redeem, at any time, Shares held by persons not authorised to buy or own the Shares;
- iii. at any time, redeem Shares from Shareholders suspected of executing “market timing” transactions.

The Fund is required to justify these decisions.

### **6.3. SAVINGS PLANS**

Pursuant to all of the relevant national laws and rules and regulations, and with the Management Company’s consent, a Distributor may also offer Shares in connection with savings plans.

In this context, the Distributor shall be authorised in particular:

- (a) to offer multi-year savings plans specifying conditions and procedures, the initial subscription amount and the regular savings instalments. In this case, the minimum subscription amounts specified in this Prospectus for the subscription of Shares do not apply;
- (b) to debit higher charges for sales, conversion operations and redemptions in connection with savings plans, thus exceeding the maximum amounts for selling, converting and redeeming Shares specified in this Prospectus.

The relevant Appendix specifies whether savings plans are offered for the relevant Sub-fund.

The terms and conditions of such savings plans, especially the sales commissions, are based on the law of the country of distribution and are available from any Distributor.

#### 6.4. CONVERSION OF SHARES

Conversions of Shares are made on the basis of unknown prices.

Any Shareholder may request the conversion of all or part of his Shares / class of Shares of one Sub-fund into Shares / class of Shares of the same or of another Sub-fund at a price equal to the respective net asset values of the relevant Shares. A conversion is not allowed between Shares of classes listed on a stock exchange or MTF and Shares of classes that are not listed.

The Shareholder who wishes such a conversion of Shares shall make a written request by mail or by fax to the Central Administration or to any other entity duly appointed by and acting in the name of the Fund indicating the number of Shares or the relevant amount to be converted, the reference name of the Shares and relevant Sub-funds to be converted.

Except in the case of a suspension of the calculation of the net asset values, the conversion shall be carried out on the next Valuation Day, provided that the request is notified to the Central Administration at the latest on the Business Days preceding that Valuation Day before 14.00 (Luxembourg time) and that the Valuation Day is a Valuation Day for both Sub-funds concerned. The number of Shares allocated in the new Sub-fund shall be established as follows:

$$A = \frac{B \times C \times D}{E}$$

E

- A: number of Shares allotted in the new Sub-fund;
- B: number of Shares presented for conversion in the original Sub-fund;
- C: net asset value, on the applicable Valuation Day, of the Shares of the original Sub-fund presented for conversion;
- D: exchange rate applicable on the day of the operation between the currencies of both classes of Shares;
- E: net asset value, on the applicable Valuation Day, of the Shares allotted in the new Sub-fund.

Written confirmations of shareholding will under normal circumstances be sent to Shareholders within one Business Day following the relevant Valuation Day.

Shareholders may be required to pay additional charges and fees to financial institutions acting as local paying agents in foreign countries where the Shares are distributed.

#### 6.5. REDEMPTION OF SHARES

Redemptions are made on the basis of unknown price. Any Shareholder is entitled, at any time and without limitation to have his Shares redeemed by the Fund. Shares redeemed by the Fund shall be cancelled.

Applications for redemption must be sent to the Central Administration or to any other entity duly appointed by and acting in the name of the Fund in writing, by mail or fax, or through electronic information flow. The application is irrevocable and must indicate the number of Shares to be redeemed or the relevant amount in the currency of the relevant class as well as all useful references for the settlement of the redemption. Redemption fees, if any, are defined for each Sub-fund in the Appendix I - "Description of the Sub-funds".

Shareholders may be required to pay additional charges and fees to financial institutions acting as local Paying Agents in foreign countries where the Shares are distributed.

All redemption requests must be received at the registered office of the Central Administration in Luxembourg at the latest on the Business Days preceding the applicable Valuation Day before 14.00 (Luxembourg time). Requests notified after this deadline shall be executed on the next following Valuation Day. Shares shall be redeemed at the net asset value of the relevant class/ Sub-fund as determined on that Valuation Day. Unless provided for otherwise with respect to a specific Sub-fund, the payment for Shares redeemed shall be made within five (5) Business Days following the Valuation Day, provided the Fund has received all the documents pertaining to the redemption.

Payment shall be made in the valuation currency of the respective Sub-fund as detailed in Appendix I - “*Description of the Sub-funds*”.

The Fund at its discretion may accept redemptions in kind in accordance with the conditions and the procedure set to the Section 6.2.

**The redemption price for Shares of the Fund may be higher or lower than the purchase price paid by the Shareholder at the time of subscription due to the appreciation or depreciation of the net assets of the Sub-fund.**

If as of any Valuation Day redemption requests and conversion requests relate to more than 10% of the Shares in issue in a specific Sub-fund or in case of a strong volatility of the market or markets on which a specific Sub-fund is investing, the Board of Directors may decide that part or all of such requests for redemption or conversion will be deferred proportionally for such period as the Board of Directors considers to be in the best interests of the Sub-fund, but normally not exceeding 30 days. On the next Valuation Day following such period, these redemption and conversion requests will be met in priority to later requests.

## 7. DISTRIBUTION POLICY

Each year, the Shareholders’ meeting of the Fund shall decide upon the proposal made by the Board of Directors on this matter. Should the Board of Directors propose the payment of a dividend in the general meeting, such dividend shall be calculated in accordance with the legal and statutory limits provided for this purpose.

In its distribution policy, the Board of Directors has determined to propose the capitalisation of the income. Nevertheless, if in its opinion, the payment of a dividend could be more profitable to the Shareholders, the Board of Directors shall not refrain from proposing such a dividend to the general meeting. This dividend may include, beside the net investment income, the realised and unrealised capital gains, after deduction of realised and unrealised capital losses.

All dividend payment notices are published on the Fund’s website ([www.ottoapiusicav.eu](http://www.ottoapiusicav.eu)) and notified by any other means the Board of Directors deems appropriate.

Registered Shareholders are paid by bank transfer according to their instructions.

Each Shareholder is offered the possibility to reinvest his/her dividend free of charge up to the available Share unit.

Dividends not claimed within five years after their payment date shall no longer be payable to the beneficiaries and shall revert to the relevant class/Sub-fund.

## 8. CHARGES AND EXPENSES

### 8.1. OPERATIONAL COSTS

The Fund bears operational costs as fully described under chapter 5.1 C including but not limited to the cost of purchase and sale of portfolio securities, governmental fees, taxes, fees and out-of-pocket expenses of its Directors, Management Company and their support, legal and auditing

fees, local paying agents fees, publishing and printing expenses, financial reports and other documents for the Shareholders, postage, telephone and telex. The Fund also pays advertising expenses and the costs of the preparation of this Prospectus and any other sales documents, registration fees, subscriptions to professional associations and other organisations in Luxembourg, which the Fund will decide to join in its own interest and in that of its Shareholders. All reasonable expenses are considered in the determination of the net asset value of the Shares of each Sub-fund.

## **8.2. FORMATION AND LAUNCHING EXPENSES OF ADDITIONAL SUB-FUNDS**

In the event that any additional Sub-fund is set up within the Fund, then the following amortization rules shall apply: (i) the costs and expenses for setting-up such additional Sub-fund shall be borne by all Sub-funds and will be written off over a period of five years and (ii) the additional Sub-fund shall bear a pro rata of the costs and expenses incurred in connection with the creation of the Fund and the initial issue of Shares, which have not already been written off at the time of the creation of the additional Sub-fund.

## **8.3. PORTFOLIO MANAGEMENT AND DISTRIBUTION FEES**

The Management Company, the (sub-) Investment Manager(s) and/or the Investment Advisor(s) where appointed, are entitled to receive for their portfolio management and/or distribution services (as applicable), out of the assets of the relevant Sub-fund, fees as further detailed in the Appendix to this Prospectus (the **“Portfolio Management and Distribution Fees”**).

In addition, the Management Company, the (sub-) Investment Manager(s) or the Investment Advisor(s) may receive a performance fee calculated as described in the relevant Appendix.

## **8.4. FEES OF THE MANAGEMENT COMPANY, THE DEPOSITARY, THE CENTRAL ADMINISTRATION, THE DOMICILIARY AGENT AND LOCAL PAYING AGENTS**

The maximum fees payable to the Management Company (for services other than portfolio management and distribution), the Depositary, the Domiciliary Agent and to the Central Administration are at such rates and/or amounts as indicated for each Sub-fund in the relevant Appendix and will be calculated daily on the net asset value of the relevant Sub-fund.

In addition, the Depositary and the Central Administration are entitled, as the case may be, to a charge per transaction, a flat fee for certain services or products, reimbursements by the Fund for out-of-pocket.

Pursuant to the Local Paying Agent Agreements, the Fund will pay the Local Paying Agents a fee which will not exceed 0.1% per annum out of the net assets of the Fund. The Local Paying Agents may charge transactional costs to the investor each time this investor decides to subscribe for or redeem shares in a Sub-fund. Those transactional costs (if any) will be detailed in the relevant subscription form.

# **9. MEETING AND REPORTS TO SHAREHOLDERS**

## **9.1. ANNUAL GENERAL MEETING**

The annual general meeting of Shareholders the Fund (the **General Meeting**) will be held at the registered office of the Fund, or at any other place in the municipality of the registered office of the Fund which will be specified in the convening notice to the meeting, on the third Tuesday of the month of April of each year at 11 a.m. (Luxembourg time) or, if any such day is not a Business Day, on the next following Business Day. The annual General Meeting may be held abroad, if the Board of Directors observes that exceptional circumstances so require. Other General Meetings may be held at such times and places as may be specified in the convening notices.

Each Share entitles the right to one vote. The requirements on quorum and majority voting rules as set forth in the Articles shall apply.

### **9.2. REPORTS AND ACCOUNTS**

The Fund's accounting year ends on 31 December in each year. Audited annual reports shall be issued within four (4) months following the end of the accounting year and unaudited semi-annual reports shall be issued within two (2) months following the end of the period to which they refer. The reports shall be made available at the registered offices of the Fund and the Depositary during ordinary office hours.

The consolidation valuation currency of the Fund is the Euro (EUR). The annual report will comprise consolidated accounts of the Fund expressed in EUR as well as individual information on each Sub-fund expressed in the valuation currency of each Sub-fund.

### **9.3. PUBLICATION OF THE NET ASSET VALUE**

The net asset value of each Sub-fund is available at the registered office of the Fund and will be published in any newspaper or through any other means that the Board of Directors deems appropriate.

### **9.4. DOCUMENTS AVAILABLE**

The following documents are available at <http://www.ottoapiusicav.eu/documents.asp> and shall be provided as a paper copy to investors on request:

- the most recent Prospectus;
- the Articles;
- the most recent KIDs;
- the latest annual report of the Fund;
- the latest semi-annual report of the Fund.

These documents are also available free of charge from the Management Company, the Central Administration, the Depositary and the Distributors.

### **9.5. HISTORICAL PERFORMANCE**

The Sub-funds and classes present their performance as average annual total return, reflecting all charges and expenses accrued by the relevant Sub-fund or class. Performance does not include any adjustment for sales charges and does not consider any tax consequence to Shareholders as a result of investing in Shares.

The Sub-funds and classes, when presenting their average annual total return, also may present their performance using other means of calculation and may compare their performance to various benchmarks and indices. The Sub-funds and classes may present their returns for periods of less than one year.

Past performance is not necessarily indicative of future results. Past performance of the Sub-funds or classes launched for a full year or more is disclosed for each Sub-fund or class in the relevant KID which is available from the registered office of the Fund and on the Website.

### **9.6. COMPLAINTS**

Complaints regarding the operation of the Fund may be submitted to the registered office of the Fund and/or to the Management Company.

## 10. DISSOLUTION AND LIQUIDATION OF THE FUND

The Fund may at any time be dissolved by a resolution of the General Meeting subject to the quorum and majority requirements applicable for amendments to the Articles.

Whenever the share capital falls below two-thirds of the minimum capital of EUR 1,250,000 the question of the dissolution of the Fund shall be referred to the General Meeting by the Board of Directors. The General Meeting, for which no quorum shall be required, shall decide the dissolution by simple majority of the Shares represented at the General Meeting.

The question of the dissolution of the Fund shall also be referred to a General Meeting whenever the share capital falls below one-fourth of the minimum capital of EUR 1,250,000.-; in such event, the General Meeting shall be held without any quorum requirement and the dissolution may be decided by Shareholders holding one-fourth of the Shares represented at the meeting.

The General Meeting must be convened so that it is held within a period of 40 (forty) days as from ascertainment that the share capital has fallen below two-thirds or one-fourth of the legal minimum, as the case may be.

Liquidation shall be carried out by one or several liquidators, who may be physical persons or legal entities and do not need to be Shareholders; the General Meeting shall appoint them and determine their powers and their compensation.

The net proceeds of liquidation corresponding to each class of Shares in each Sub-fund shall be distributed by the liquidators to the Shareholders of the relevant class of Shares in the relevant Sub-fund in proportion to their holding of such Shares in such class of Shares.

Should the Fund be voluntarily or compulsorily liquidated, its liquidation will be carried out in accordance with the provisions of the Law of 2010, which specify the steps to be taken to enable Shareholders to participate in the distribution(s) of the liquidation proceeds and provide for a deposit in escrow at the *Caisse de Consignation* in Luxembourg at the time of the close of liquidation. Amounts not claimed from escrow within the statute of limitation period shall be liable to be forfeited in accordance with the provisions of Luxembourg law.

## 11. DISSOLUTION AND MERGER OF SUB-FUNDS OR CLASSES OF SHARES

In the event that for any reason the value of the net assets in any Sub-fund or class of Shares has decreased to or has not reached an amount equivalent to EUR 2 million - which is the minimum level for such Sub-fund or class of Shares to be operated in an economically efficient manner - or if a change in the economic, monetary or political situation relating to the Sub-fund or class of Shares concerned would have material adverse consequences on the investments of that Sub-fund or class of Shares or in order to proceed to an economic rationalization, the Board of Directors may decide to compulsorily redeem all the Shares issued in such Sub-fund or class of Shares at their net asset value (taking into account actual realization prices of investments and realization expenses), calculated on the Valuation Day at which such decision shall take effect. The relevant decisions of the Board of Directors are made public in the same way as the financial notices. Unless it is otherwise decided in the interests of, or to keep equal treatment between, the Shareholders, the Shareholders of the Sub-fund or class of Shares concerned may continue to request redemption (if appropriate) of their Shares free of charge (but considering actual realization prices of investments and realization expenses) prior to the date effective for the compulsory redemption.

Notwithstanding the powers conferred to the Board of Directors by the preceding paragraph, the Shareholders meeting of any Sub-fund or class of Shares may, upon proposal from the Board of Directors, redeem all the Shares of such Sub-fund or class of Shares and refund to the



Shareholders the net asset value of their Shares (considering actual realization prices of investments and realization expenses) calculated on the Valuation Day at which such decision shall take effect. There shall be no quorum requirements for such general meeting of Shareholders which shall decide by resolution taken by simple majority of those present or represented and voting at such meeting.

Assets which may not be distributed to their beneficiaries upon the implementation of the redemption will be deposited with the *Caisse de Consignation* on behalf of the persons entitled thereto in accordance with the provisions of the Law of 2010.

Under the same circumstances as provided in the first paragraph of this section, the Board of Directors may decide to allocate the assets of any Sub-fund to those of another existing Sub-fund within the Fund or to another undertaking for collective investment or to another Sub-fund within such other undertaking for collective investment (the “**new Sub-fund**”) and to re-designate the Shares of the Sub-fund concerned as Shares of the new Sub-fund (following a split or consolidation, if necessary, and the payment of the amount corresponding to any fractional entitlement to Shareholders). Such decision will be published in the same way as the financial reports (and, in addition, the publication will contain information in relation to the new Sub-fund), one month before the date on which the merger becomes effective to enable Shareholders to request redemption of their Shares, free of charge, during such period. After such period, the decision commits the entirety of Shareholders who have not used this possibility, provided however that, if the amalgamation is to be implemented with a Luxembourg undertaking for collective investment of the contractual type (“*fonds commun de placement*”) or a foreign based undertaking for collective investment, such decision shall be binding only on the Shareholders who are in favour of such merger.

Notwithstanding the powers conferred to the Board of Directors by the preceding paragraph, a contribution of the assets and of the liabilities attributable to any Sub-fund to another Sub-fund of the Fund may be decided upon by a general meeting of the Shareholders of the Sub-fund concerned which will decide upon such an amalgamation by resolution taken with no quorum and by simple majority of those present or represented and voting at such meeting.

A contribution of the assets and of the liabilities attributable to any Sub-fund to another undertaking for collective investment referred to in the fourth paragraph of this section or to another Sub-fund within such other undertaking for collective investment shall require a resolution of the Shareholders of the Sub-fund concerned taken with no quorum and by simple majority of those present or represented and voting at such meeting, except when such an amalgamation is to be implemented with a Luxembourg undertaking for collective investment of the contractual type or a foreign based undertaking for collective investment, in which case resolutions shall be binding only on such Shareholders who have voted in favour of such merger.

## 12. TAXATION

### 12.1. TAXATION OF THE FUND

In accordance with the law in force and current practice, the Fund is not subject to any Luxembourg tax on income and capital gains. Likewise, dividends paid by the Fund are not subject to any Luxembourg withholding tax.

However, the Fund is subject to an annual tax in Luxembourg corresponding to 0.05% of the value of the net assets (except for the Shares and/or Sub-funds reserved for Institutional Investors who may benefit from the reduced rate of 0.01%). This tax is payable quarterly based on the Fund’s net assets calculated at the end of the relevant quarter.



The rate may be reduced, in accordance with the Sub-fund's investment in assets representing activities qualifying as environmentally sustainable according to article 3 of Regulation (EU) 2020/852 on the establishment of a framework to facilitate sustainable investment and amending SFDR (the "ESG Assets"), as follows:

- 0.04% for Sub-funds invested at least 5% of its net assets in ESG Assets;
- 0.03% for Sub-funds invested at least 20% of its net assets in ESG Assets;
- 0.02% for Sub-funds invested at least 35% of its net assets in ESG Assets;
- 0.01% for Sub-funds invested at least 50% of its net assets in ESG Assets.

Transitional rules apply for year 2021, during which quarterly tax returns shall be filed based on a tax assessed at the rate of 0.05% followed by a final return to apply the relevant rate.

Exemption from subscription tax apply, notably for the value of assets represented by any units, shares or interest held by the relevant Sub-fund in other undertakings for collective investment, provided that and for as long as such units, shares or interests have already been subject to a subscription tax payment under any Luxembourg fund legislation requiring the payment of subscription tax as well as in units, shares of individual compartments or sub-fund thereof

Certain income of the Fund's portfolios, consisting of dividends and interests, or capital gains, may be subject to payment of withholding tax at various rates in their jurisdiction of origin.

## 12.2. TAXATION OF THE SHAREHOLDERS

Shareholders are, under current legislation, not subject to whatever tax in Luxembourg on capital gains, income, donations, or inheritance, nor to withholding taxes, with the exception of Shareholders having their domicile, residence or permanent establishment in Luxembourg. The provisions above are based on the law and practices currently in force and may be amended.

**Potential subscribers should inform themselves and, if necessary, take advice on the laws and regulations (such as those on taxation and exchange control) applicable to the subscription, purchase, holding and sale of their Shares in the Country of respectively their citizenship, residence, or domicile.**

## 12.3. U.S. TAX RISK

Pursuant to FATCA, the Fund will be subject to U.S. federal withholding taxes (at a 30 per cent. rate) on payments of certain amounts made to them ("**Withholdable Payments**") unless they comply (or are deemed compliant) with applicable reporting and withholding requirements. Withholdable Payments generally include interest (including original issue discount), dividends, rents, annuities, and other fixed or determinable annual or periodical gains, profits or income, if such payments are derived from U.S. sources, as well as (effective 1 January 2019) gross proceeds from dispositions of securities that could produce U.S. source interest or dividends. Income which is effectively connected with the conduct of a U.S. trade or business is not, however, included in this definition. To avoid the withholding tax, unless deemed compliant, the Fund will be required to identify and disclose certain identifying and financial information about certain U.S. account holders or investors, and in certain circumstances may be required to withhold tax (at a 30 per cent. rate) on Withholdable Payments and related payments made to any account holder or investor which fails to furnish the requested information. Pursuant to an intergovernmental agreement between the United States and Luxembourg, the Fund may be deemed compliant, and therefore not subject to the withholding tax, if it identifies and reports U.S. ownership information directly to the Luxembourg authorities. Certain categories of U.S. investors, generally including, but not limited to, tax-exempt investors, publicly traded corporations, banks, regulated investment companies, real estate investment trusts, common

trust funds, brokers, dealers and middlemen, and state and federal governmental entities, are exempt from such reporting. Detailed guidance as to the mechanics and scope of this new reporting and withholding regime is continuing to develop. There can be no assurance as to the impact of such future guidance on Fund operations.

Even if the Fund can comply, investors who fail to comply with information requests (or otherwise with the FATCA requirements) may be subject to a 30% withholding tax on certain amounts paid to them by the Fund or may be required to redeem their investment in the Fund. The administrative cost of compliance with FATCA may cause the operating expenses of the Sub-funds to increase, thereby reducing returns to investors. FATCA may also require the Fund to provide to the IRS private and confidential information relating to certain investors.

#### **12.4. CRS**

Drawing extensively on the intergovernmental approach to implementing FATCA, the OECD developed the Common Reporting Standard (“**CRS**”) to address the issue of offshore tax evasion on a global basis. Aimed at maximizing efficiency and reducing cost for financial institutions, the CRS provides a common standard for due diligence, reporting and exchange of financial account information. Pursuant to the CRS, participating jurisdictions will obtain from reporting financial institutions, and automatically exchange with exchange partners on an annual basis, financial information with respect to all reportable accounts identified by financial institutions based on common due diligence and reporting procedures. The first information exchanges began in 2017. Luxembourg has legislated to implement the CRS. As a result, the Fund is required to report information on investors of the Fund to comply with the CRS due diligence and reporting requirements, as adopted by Luxembourg. Investors may be required to provide additional information to the Fund to enable it to satisfy its obligations under the CRS. Failure to provide requested information may subject an investor to liability for any resulting penalties or other charges and/or mandatory termination of its participation in the Fund.

### **13. OFFICIAL LANGUAGE**

The original version of this Prospectus and the Articles is in English. The Board of Directors may consider that these documents are translated into the languages of the jurisdictions where the Shares are offered. In case of any discrepancies between the English version and any other version, the English version will prevail.

## APPENDIX I - DESCRIPTION OF THE SUB-FUNDS

## APPENDIX I.A. – SUBFUND EIGER

<b>Name of the Sub-fund</b>	This Appendix is valid only if accompanied by the Prospectus. This Appendix only relates to 8a+ SICAV - Eiger (the “ <b>Sub-fund</b> ”).
<b>Investment objective</b>	The objective of the Sub-fund is to provide capital appreciation over the medium-long term by implementing active portfolio management investing within the European equity universe. The Sub-fund promotes sustainability-related factors and adopts as a reference the MSCI EMU ESG Leaders Net Return EUR Index.
<b>Investment policy</b>	<p>The Sub-fund mainly invests in public securities issued by large European companies which are selected by the Management Company as described below subject to the risk spreading requirements under the Law of 2010.</p> <p>For the selection of the public securities, the Management Company adopts a multi-step sustainable investment approach.</p> <p><b>The Sub-Fund promotes environmental and social characteristics within the meaning of article 8 (1) SFDR as set out in the appendix on pre-contractual disclosure for the financial products enclosed to this Appendix I.A. (the “SFDR Appendix”).</b></p> <p><b><u>Asset allocation</u></b></p> <p>The asset allocation of the Sub-fund will be determined from time to time, but would typically fall within the following limitations:</p> <ul style="list-style-type: none"> <li>• At least 51% of the net assets are invested in public equity and other securities equivalent to public equity;</li> <li>• Up to 30% of the net assets may be invested in European public equity which are not listed or traded on a Regulated Market in the Euro zone;</li> <li>• Up to 10% of the net assets may be invested in UCITS and exchange traded funds (ETF) with investment policies consistent with the policy of the Sub-fund or that are money market instruments. Furthermore, the Management Company shall invest only in UCITS and ETFs classified as article 8 or article 9 under SFDR.</li> </ul> <p><b><u>Use of financial derivative instruments</u></b></p> <ul style="list-style-type: none"> <li>• The Sub-fund can have a net exposure of up to 30% of its net assets in listed derivatives on public equity or equity indexes (futures and options) which are only held for the purpose of efficient portfolio management and not for investment purposes. Derivatives are not included in the ESG analysis and are not subject to exclusion criteria based on controversies, controversial products, or controversial sectors.</li> </ul> <p><b><u>Holding of Liquid Assets</u></b></p> <p>The Sub-fund may further invest up to 20% of the net assets in Liquid Assets.</p> <p>Liquid Assets are not included in the ESG analysis and are not subject to exclusion criteria based on controversies, controversial products, or controversial sectors.</p>
<b>Classification under SFDR</b>	<p>The Management Company classified this Sub-fund under article 8 of SFDR.</p> <p>The objective of the Sub-fund is, amongst others, to promote the ESG Factors as described in the SFDR Appendix.</p>

<b>Profile of typical investor</b>	The Sub-fund is suitable for investors with a high-risk profile who are seeking a return in the medium to long term while accepting high volatility.
<b>Specific risk consideration</b>	<p>No guarantee is given to Shareholders in this Sub-fund with respect to the investment objectives being reached. For more considerations concerning risks, Investors should refer to Sections 4.1 et seq.</p> <p>The expected annualised volatility of the Sub-fund will fluctuate in a range between 12% and 30%. The risk profile of the Sub-fund will be continuously monitored by the risk management unit of the Management Company. The Management Company provides the risk management services in relation to the measurement and monitoring of the global risk exposure of the Sub-fund. The Sub-fund employs the “commitment approach” method to calculate and monitor the global exposure.</p>
<b>Reference currency</b>	EUR
<b>Form of Shares</b>	Accumulation Shares
<b>Type and Classes of Shares</b>	<ul style="list-style-type: none"> <li>• Class R: Retail Investors</li> <li>• Class I: Institutional Investors*</li> </ul> <p>* In the meaning of articles 174, 175 and 176 of the Law of 2010</p>
<b>ISIN codes</b>	<ul style="list-style-type: none"> <li>• Class R: LU0715610621</li> <li>• Class I: LU0715616404</li> </ul>
<b>Initial issuance price</b>	EUR 100
<b>Minimum subscription amount</b>	<p>Initial subscription amount:</p> <ul style="list-style-type: none"> <li>• Class R: EUR 1,000</li> <li>• Class I: EUR 50,000</li> </ul> <p>Subsequent subscription amount:</p> <ul style="list-style-type: none"> <li>• Class R: No minimum requirement</li> <li>• Class I: EUR 5,000</li> </ul>
<b>Savings plan</b>	Pursuant to the provisions of Section 6.3, savings plans may be offered for class R of this Sub-fund. Subscriptions in the context of a savings plan may take the form of an initial subscription (subject to a minimum of EUR 200) and periodic transfers (i.e., monthly, quarterly, etc.) of at least EUR 50.
<b>Valuation Day</b>	The net asset value of each class of Shares is calculated by the Central Administration, under the overall responsibility of the Board of Directors, on each Business Day. In case of legal or bank holiday, the net asset value per Share is calculated as of the next following Business Day.
<b>Subscription, conversion, and redemption orders</b>	Shares are issued and redeemed at net asset value, subject to the subscription and redemption fees here above. All subscriptions, redemptions, or conversions requests must be received at the registered office of the Central Administration or at any other entity duly appointed by and acting in the name of the Fund at the latest on the Business Days preceding the applicable Valuation Day before 14h00 (Luxembourg time). Requests notified after this deadline shall be executed on the

	<p>next following Valuation Day. Requests shall be dealt with at the net asset value of the relevant class of the Sub-fund as determined as of the applicable Valuation Day.</p> <p>Subscription monies must be paid within the following cut-off: no later than three Business Days after the relevant Valuation Day (the “<b>Payment Date</b>”). In the event there is no evidence of the payment on the bank accounts of the Sub-fund at the end of the relevant Payment Date, the investor will be informed, and debit interest claimed.</p>
<p><b>Maximum fees for the Management Company, the Central Administrator and the Depositary</b></p>	<p>The aggregate amount of fees charged to the Sub-fund by the Management Company, the Central Administrator, the Domiciliary Agent, and the Depositary (excluding transaction costs) shall not exceed 1% p.a. on the net asset value of the Sub-fund calculated and accrued as of each Valuation Day.</p>
<p><b>Portfolio Management and Distribution Fees</b></p>	<p>The Management Company is entitled to receive out of the assets of the Sub-fund a portfolio management and distribution fee of up to 2.00% p.a. on the net asset value of class R and a portfolio management and distribution fee of up to 0.80% p.a. on the net asset value of class I, each time calculated and accrued as of each Valuation Day and paid monthly in arrears.</p>

## Performance fees

The Sub-fund uses the MSCI EMU ESG Leaders Net Return EUR Index (Bloomberg ticker: NE700862) (the “**Index**”) as the reference index to determine the performance of the Sub-fund (the “**Performance**”). For the avoidance of doubt, the Sub-fund does not intend to replicate the Index but is actively managed with the aim of outperforming the Index.

The Performance of the relevant class of the Sub-fund is the positive difference between its net asset value per Share (after deduction of all expenses, liabilities, and fees) and the performance of the Index (“**Outperformance**”). 20% of the Performance is charged within each class of the Sub-fund (the “**Performance Fee**”). For the avoidance of doubt, new subscriptions are not taken into account when calculating the Performance.

Performance is determined on an annual basis. Only full years are considered for the determination of the Performance (each a “**Performance Fee Period**”).

The first Performance Fee Period will start on 1 January 2023 and end on 31 December 2023.

A Performance Fee will be calculated net of all costs on each Valuation Day. A Performance Fee will accrue on each Valuation Day where there is an Outperformance. Any Performance Fee accrued during a Performance Fee Period shall crystallize on the last Valuation Day of the relevant Performance Fee Period.

**Performance Fee shall crystallize and may be payable in case of negative performance of the net asset value per share during the Performance Fee Period where the net asset value per share is however greater than the performance of the Index during the Performance Fee Period.**

A maximum of five Performance Fee Periods which shall be considered when calculating the Performance Fee. Where the relevant class has been running for less than five years, the Performance Fee Period between the initial net asset value per Share and the following four annual net asset values per Share will be considered. Where the relevant class has been running for more than five years, the Performance Fee will be calculated based on the last five annual net asset value per Share.

If Shares are redeemed before the end of a Performance Fee Period, the provisions accrued in connection with the Performance Fee, and which are attributable to the Shares to be redeemed, will crystallize at the end of the Performance Fee Period.

The Performance Fee is paid out of the assets of the Sub-fund to the Management Company within 14 Business Days after the end of each Performance Fee Period.

In case of liquidation of the Sub-fund, the Performance Fee Period shall end at the effective day on which the liquidation has been decided. In case of a merger of the Sub-fund with another sub-fund or another fund, the Performance Fee Period shall end at the day on which the merger becomes effective.

The following is an example of the calculation of the Performance Fee applied to this Sub-fund:

Year	SUB-FUND PERFORMANCE	BENCHMARK PERFORMANCE	OUTPERFORMANCE	UNDERPERFORMANCE	UNDERPERFORMANCE TO RECOVER	PERFORMANCE FEE
1	3%	2%	1%	0%	0%	$20\% \times 1\% = 0,20\%$
2	2%	3%	0	-1%	0%	$20\% \times 0 = 0$
3	-3%	-1%	0%	-2%	-1%	$20\% \times 0 = 0$
4	4%	2%	2%	0%	-3%	$20\% \times 0 = 0$

5	-1%	-3%	2%	0%	-1%	$20\% \times (2\% - 1\%) = 0,20\%$
6	4%	2%	2%	0%	0%	$20\% \times 2\% = 0,4\%$
7	-3%	-5%	2%	0%	0%	$20\% \times 2\% = 0,4\%$

Where:

- Sub-Fund Performance is the performance of the Sub-fund during the entire relevant year
- Benchmark Performance is the performance of the benchmark during the entire relevant year
- Outperformance is the positive difference of the performance between the Sub-fund and the benchmark during the entire relevant year
- Underperformance to Recover is the negative difference of the performance between the Sub-fund and the benchmark during the past five years

Description of the example of the Performance Fee

Year 1:

- Sub-Fund Performance is equal to 3%
- Benchmark Performance is equal to 2%
- Outperformance is equal to 1% (3% - 2%)
- Underperformance to Recover is equal to 0%
- Performance fee is equal to 0,20% (20% performance fee rate x 1% Outperformance)

Year 2:

- Sub-Fund Performance is equal to 2%
- Benchmark Performance is equal to 3%
- Outperformance is equal to 0% (2% - 3% < 0%)
- Underperformance to Recover is equal to 0%
- Performance Fee is equal to 0,00% (20% performance fee rate x 0% Outperformance)

Year 5

- Sub-Fund Performance is equal to -1%
- Benchmark Performance is equal to -3%
- Outperformance is equal to 2% (-1% + 3%)
- Underperformance to Recover is equal to 1%
- Performance Fee is equal to 0,20% (20% performance fee rate x (2% Outperformance - 1% Underperformance to recover))



	<p>Year 7</p> <ul style="list-style-type: none"> <li>• Sub-Fund Performance is equal to -3%</li> <li>• Benchmark Performance is equal to -5%</li> <li>• Outperformance is equal to 2% (-3%-(-5%))</li> <li>• Underperformance to Recover is equal to 0%</li> <li>• Performance Fee is equal to 0,4% (20% performance fee rate x 2% Outperformance)</li> </ul>
<p><b>Subscription fees</b></p>	<ul style="list-style-type: none"> <li>• Class R: Up to 2% of the applicable net asset value per Share, for the benefit of the Management Company or any party appointed for the marketing and the distribution of the Shares.</li> <li>• Classes I: None.</li> </ul>

## Appendix 1

### 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: **8a+ Sicav - Eiger**

Legal entity identifier: **529900NPDBM8A18SJ578**

#### Environmental and/or social characteristics

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

**Yes**

**No**

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

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

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

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

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

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

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

with a social objective

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



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

The Sub-fund promotes as an environmental characteristic the transition to a low carbon economy and as a social characteristic the respect of human rights. The Sub-fund does not use a benchmark for this purpose. For the avoidance of doubt, the Sub-fund is actively managed and MSCI EMU ESG Leaders Net Return EUR Index is solely used for measuring the Performance of the Sub-fund and to determine the Performance Fee.

**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?***

For the transition to a low carbon economy, the Management Company monitors the emissions intensity of the issuers of the securities held in the portfolio of the Sub-fund. At least 30% of the NAV must be invested in securities from issuers which comply with the reduction of carbon intensity by 7% annually (Paris Agreement). For this purpose, the analysis is using data provided by MCSI. For the avoidance of doubt, UCITS, ETF, derivatives and liquidities are not included in this analysis.

For the respect of human rights, the Management Company promotes the fundamental principles of respect of the human rights according to the principles of the United Nations Global Compact (UNGC). The Sub-fund will not invest in securities from issuers failing to comply with the UNGC and divestment from securities is required as soon as feasible if the issuer of the securities is no longer compliant with the principles of UNGC.

The Management Company will rely on publicly available information including annual reports and public statements of issuers, non-financial information reported under the Directive 2014/34/EU, as amended, inter alia, by Directive 2014/95/EU or any subsequent legislation to be applied in this respect, such as the proposal for a Corporate Sustainability Reporting Directive.

The risk management desk of the Management Company is monitoring the compliance of the Sub-fund's investments with above mentioned investment policy.

For the avoidance of doubt, the above-mentioned process is binding for the Management Company.

● ***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?***

Not Applicable

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

Not Applicable

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

Not Applicable

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

Not Applicable

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

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

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



#### Principal adverse impacts

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

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

Yes, the following indicators for adverse impacts on sustainability factors are taken into account:

3. GHG intensity of investee companies (Sustainable Development Goals - Istat);
10. Violations of UN Global Compact principles;
14. Exposure to controversial weapons.

The information on principal adverse impacts on sustainability factors will be available on the Management Company website under:

<https://www.ottoapiu.it/documentazione>

and on the website of 8a+ Sicav under:

<http://www.ottoapiusicav.eu/documents.asp>

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 Sub-fund mainly invests in public securities issued by large European investee companies. For the selection of the public securities, the Management Company adopts a multi-step sustainable investment approach:

In step 1, through a negative screening, issuers of securities producing or offering products or services considered environmentally or socially controversial by the Management Company are excluded from the investable universe. This activity is performed by taking into consideration revenue thresholds at the issuers – in case these revenue thresholds exceed a certain level, the securities will cease to be eligible for the Sub-fund.

In step 2, a positive screening is applied to the investable universe to integrate sustainability factors as defined in article 2(24) of SFDR (the **ESG Factors**) through the selection of securities from issuers evidencing to be resilient to long-term financially material sustainability ESG risks (including environmental, social and employee matters,

respect for human rights, anti-corruption, and anti-bribery) and to be able to turn these risks into opportunities. Only securities from issuers remain eligible for the portfolio if the issuer has at least a rating B under MSCI ESG.

In step 3, the Management Company will check whether each of the issuers of securities which were retained for the portfolio from step 2 promotes the transition to a low carbon economy and the respect of human rights.

Once the above-mentioned multi-screening process has been completed, the Management Company will analyse the securities from the remaining issuers from a financial perspective including the assessment of the issuers' business model and strategy, financial statements, earnings trends, and fair value of assets. Various sources are taken into consideration for this purpose, including internal sources compiled by the Management Company and sell-side analyst reports.

● ***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?***

In a first step, a screening process is applied to exclude from the investable universe issuers where the annual revenues from the following products and businesses exceed the below mentioned revenue thresholds:

<b>Product/business activity</b>	<b>Revenue thresholds</b>
Controversial weapons or weapons banned by international laws	More than 0%
Adult entertainment	More than 10%
Gambling	More than 10%
Tobacco	More than 10%

Data from MSCI are used to perform the above-mentioned screening.

In addition to this screening, securities from issuers are excluded from the investable universe if the issuers are involved in very serious controversies arising from the issuers' operations, products or services that violate laws, regulations or global norms that are commonly accepted. Securities from issuers (i) directly involved in very severe ongoing/partially concluded controversies or indirectly involved in ongoing very severe controversies and (ii) directly involved in severe ongoing controversies according to MSCI ESG Controversy Case Assessment Methodology are excluded from the investable universe.

In a second step, the Sub-fund promotes ESG Factors through a holistic approach by selecting securities from issuers which adequately manage their Sustainability Risks and take sustainability opportunities during their business activity. The positive screening process is carried out by investing in securities from issuers where a minimum sustainability rating level is confirmed and avoiding securities from issuers who fail to adequately address Sustainability Risks. The Management Company is for this purpose using sustainability ratings from recognised and independent non-financial researchers specialised in ESG (e.g., MSCI, S&P, etc.). If more than one researcher is retained, an

equivalence table will be established by the Management Company. The list of researchers selected by the Management Company can be downloaded under the website referenced on page 61.

From the perspective of the sustainability rating, issuers of securities are classified as representing a low, medium, or high level of Sustainability Risk. To conduct a positive ESG screening and to consequently promote ESG Factors, the Sub-fund must invest at least 90% of the net asset value represented by public securities in securities from issuers which are classified with a low or medium level of Sustainability Risk and at least 20% of the net asset value represented by public securities in securities from issuers which has been classified with a low level of Sustainability Risk.

In a third step, the portion of public securities of the Sub-fund's portfolio must at least include 30% of the net asset value represented by this portion in securities from issuers which fulfils the above-mentioned criteria on the transition to a low carbon economy. In addition, the sub-fund will not invest in issuers failing to comply with the UNGC and disinvest as soon as possible if issuers already in the portfolio fail to comply with the UNGC.

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

Not Applicable.

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

The Sub-fund requires to attain minimum firm-level ESG performance thresholds, which are based, among others, on factors assessing good governance practices. The use of MSCI rating allows for the assessment of the issuers' corporate governance and corporate behavior by focusing on specific issues such as functioning of the board (sound management structures), controversies (employee relations), internal pay equity (remuneration of staff) and tax transparency (tax compliance), business ethics and labor management (employee relations).

This analysis is performed by data from MSCI which is based on publicly available data from issuers' annual reports, corporate social responsibility reports and websites.

To be noted that corporate governance analysis comprises different aspects which are weighted in according to impact and time horizon of the risks or opportunities. As a result, specific aspects may present, from time to time, a score that may differ from the weighted average score.

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

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

The asset allocation of the Sub-fund will be determined from time to time, but would typically fall within the following limitations:

- At least 51% of the net assets of the Sub-fund are invested in public equity and other securities equivalent to public equity.

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

Taxonomy-aligned activities are expressed as a share of:

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

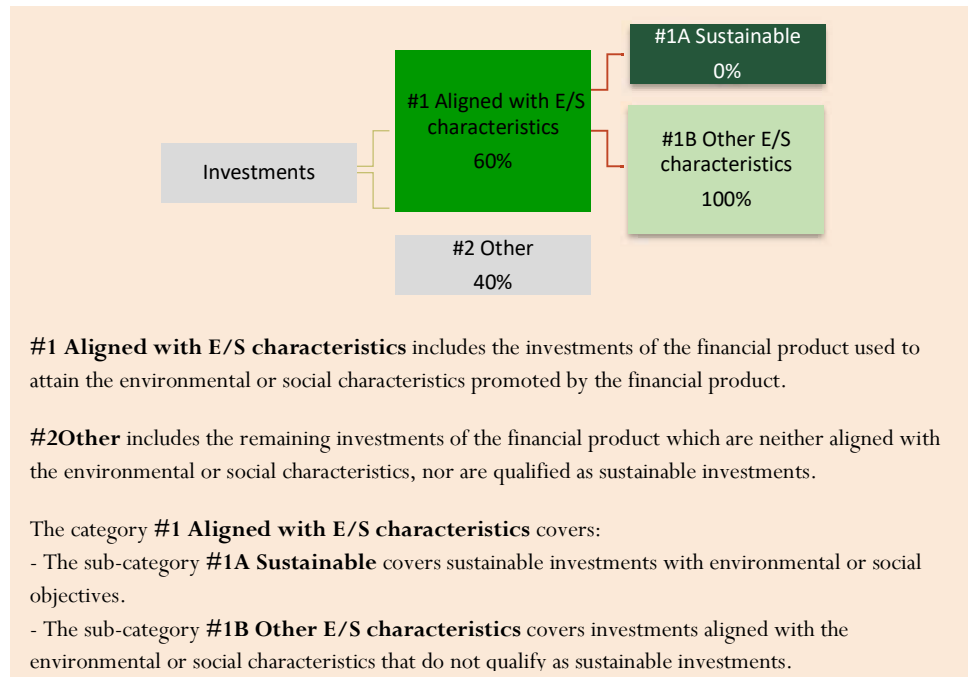
To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules. **Enabling activities** directly enable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

- Up to 30% of the net assets of the Sub-fund may be invested in European public equity which are not listed or traded on a regulated market in the euro zone.
- Up to 10% of the net assets of the Sub-fund may be invested in UCITS and ETFs with investment policies consistent with the policy of the Sub-fund or money market instruments. UCITS and ETFs invested by the Sub-fund must be classified under article 8 or article 9 of SFDR.

Between 51% and 100% of the Sub-fund’s portfolio are invested in public equity and other securities equivalent to public securities which is aligned with the E/S characteristics described in this Appendix and which are designated below as “#1 Aligned with E/S characteristics”. Typically, those investments may swing in practice between 85% to 98%.

Between 0% and 49% of the Sub-fund’s portfolio can be held in financial derivatives instruments, Liquid Assets as well as UCITS and ETFs and are designated below as “#2 Other”.



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

Derivatives are not included in the ESG analysis and are not subject to the above-mentioned process.



**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<sup>3</sup>?

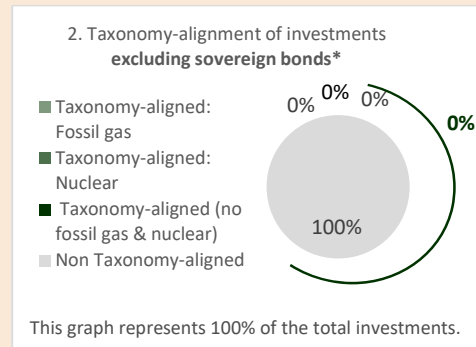
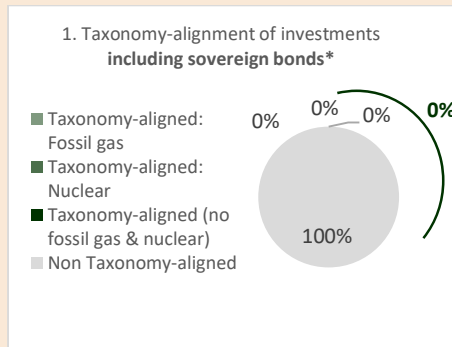
Yes:

In fossil gas


In nuclear energy


No

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




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

 are sustainable investments with an environmental objective that do not take into account the criteria for environmentally sustainable economic activities under 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 investments in transitional and enabling activities?**

Not Applicable.

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

Not Applicable.



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



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

Not Applicable.



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

The Sub-fund may further have a net exposure of up to 30% of its net assets in financial derivative instruments which are only used for the purpose of efficient portfolio management and not for investment purposes. Financial derivative instruments are not included in the ESG analysis and are not subject to the exclusion criteria based on controversies, controversial products, or controversial sectors.

Furthermore, the Sub-fund may hold up to 20% of its net assets in Liquid Assets. The Liquid Assets are not submitted to the ESG analysis and are not subject to exclusion criteria based on controversies, controversial products, or controversial sectors. Liquid Assets are held for management purposes and to ensure adequate level of liquidity.

Finally, up to 10% of the net assets of the Sub-fund may be invested in UCITS and ETF with investment policies consistent with the policy of the Sub-fund or being invested in money market instruments. All UCITS and ETFs must be classified under article 8 or article 9 of SFDR and constitutes therefore the minimum environmental or social safeguards in relation with investments under “#2 Other”. Investments in UCITS and ETFs aim to further diversify the portfolio of the Sub-fund.



## 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

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

Not Applicable

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

Not Applicable

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

Not Applicable

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

Not Applicable



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

More product-specific information can be downloaded on the following websites:

<https://www.ottoapiu.it/prodotti/comparto-eiger/>

[http://www.ottoapiusicav.eu/product\\_detail.asp?pr=1](http://www.ottoapiusicav.eu/product_detail.asp?pr=1)

## APPENDIX I.B. – SUB-FUND ETICA

<b>Name of the Sub-fund</b>	This Appendix is valid only if accompanied by the Prospectus. This Appendix only relates to 8a+ SICAV – Etica (the “ <b>Sub-fund</b> ”).
<b>Investment objective</b>	The objective of this Sub-fund is to achieve a moderate capital appreciation of the portfolio by promoting sustainability-related factors which comply with the fundamental values of the Catholic Church.
<b>Investment Policy</b>	<p><b>The Sub-Fund promotes environmental and social characteristics within the meaning of article 8 (1) SFDR as set out in the appendix on pre-contractual disclosure for the financial products enclosed to this Appendix I.B. (the “SFDR Appendix”).</b></p> <p><b><u>Asset allocation of the Sub-fund</u></b></p> <p>The asset allocation of the Sub-fund will typically fall within the following limitations:</p> <ul style="list-style-type: none"> <li>• Between 50% and 100% of the net assets will be invested in (i) fixed income instruments from supranational issuers, international and national agencies, and EMU governments and/or (ii) companies, provided the instruments are EUR denominated corporate bonds.</li> <li>• Up to 30% of the net assets will be invested in equities and equity-equivalent securities.</li> <li>• Up to 5% of the net assets may be invested in equity from issuers in emerging markets.</li> <li>• Up to 10% of the net assets may be invested in fixed income instruments from issuers in emerging markets.</li> <li>• Up to 10% of the net assets may be invested in distressed securities and obligations, including debt obligations from issuers that have committed a material default of covenant, have defaulted on their payment obligations, or are experiencing prolonged significant financial distress and which have or may potentially be subject to an insolvency, restructuring, recapitalization, or liquidation processes.</li> </ul> <p><b><u>Additional criteria for investments in bonds</u></b></p> <p>Investments in bonds are focused on investment grade bonds – not less than 30% of the net asset value can be invested in investment grade bonds. On an ancillary basis, the Sub-fund may however invest for up to 20% of its net asset value in bonds which are not classified as investment grade bonds.</p> <p>Where a bond has been acquired by the Sub-fund as an investment grade bond and the bond has been downgraded, the breach is considered as a passive breach within the meaning of CSSF circular 02/77. The Management Company will take all necessary steps in the best interest of the Sub-fund to reduce the exposure to such bonds to comply in the above-mentioned restrictions.</p> <p>The financial duration of the bonds invested by the Sub-fund will be biased towards the medium term and generally not exceed five and a half-year.</p> <p><b><u>No investment in UCITS or Other UCIs</u></b></p> <p>The Sub-fund shall not invest in UCITS or Other UCIs.</p>

	<p><b><u>Currency denomination of investments</u></b></p> <p>Investments of the Sub-fund can be denominated in any freely convertible currency, provided that at least 65% of the net asset value shall be denominated in EUR or be hedged against EUR.</p> <p><b><u>Use of financial derivative instruments (“FDI”)</u></b></p> <p>The Sub-fund may only open positions in the following FDIs:</p> <ul style="list-style-type: none"> <li>• listed currency FDIs; and</li> <li>• foreign exchange forwards (OTC) FDIs to hedge FX risk exposure.</li> </ul> <p>The global exposure on FDIs calculated in accordance with the commitment approach is limited to 10% of the net asset value.</p> <p>FDIs are not included in the ESG analysis and are not subject to the exclusion criteria determined in the SFDR Appendix.</p> <p><b><u>Holding of Liquid Assets</u></b></p> <p>The Sub-fund may further invest up to 20% of the net assets in Liquid Assets.</p> <p>Liquid Assets are not included in the ESG analysis and are not subject to exclusion criteria determined in the SFDR Appendix.</p> <p><b><u>No use of a benchmark</u></b></p> <p>The Sub-fund is actively managed without the use of a benchmark.</p> <p><b><u>Monitoring by the Management Company</u></b></p> <p>The risk management desk of the Management Company is monitoring the compliance of the Investment Manager’s activity with the above-mentioned process.</p> <p>Based on its specific investment policy and the promotion of the environmental and social characteristics described in the SFDR Appendix, the Sub-fund may favour investments in a limited number of jurisdictions and sectors or from a limited number of issuers and therefore hold a smaller number of positions than other UCITS or sub-funds thereof.</p>
<p><b>Disclosure under SFDR</b></p>	<p>The Management Company classified the Sub-Fund under article 8 of SFDR.</p> <p>The objective of the Sub-fund is, amongst other, to promote sustainability-related factors which comply with certain fundamental values of the Catholic Church as further described in the SFDR Appendix.</p>
<p><b>Profile of typical investor</b></p>	<p>The Sub-fund is suitable to Investors with a medium-low risk profile pursuing medium-long term returns accepting a medium-low level of volatility.</p>
<p><b>Specific risk consideration</b></p>	<p>No guarantee is given to Investors in this Sub-fund that the investment objectives is reached. For further considerations concerning the risks related to an investment in this Sub-fund, Investors should refer to Chapter 4 “Risk factors”.</p> <p>The Sub-fund is an absolute return fund and will be actively managed, without reference to a benchmark. The Sub-funds aims to maintain the volatility within a range between 0.50 % and 5.00 %.</p> <p>The risk profile of the Sub-fund will be continuously monitored by the risk management desk of the Management Company which measures and monitors the</p>

	global risk exposure of the Sub-fund. The Management Company is using the commitment approach to determine the global exposure risk.
<b>Reference Currency</b>	EUR
<b>Distribution</b>	Accumulation Shares
<b>Classes</b>	<ul style="list-style-type: none"> <li>• Class R1: Retail Investors distributed by the Management Company</li> <li>• Class R2: Retail Investors distributed by external distributors appointed by the Management Company</li> <li>• Class I: Institutional Investors*</li> </ul> <p>* In the meaning of articles 174, 175 and 176 of the Law of 2010</p>
<b>ISIN code</b>	<ul style="list-style-type: none"> <li>• Class R1: LU2243055592</li> <li>• Class R2: LU_____</li> <li>• Class I: LU_____</li> </ul>
<b>Initial issuance price</b>	EUR 100
<b>Minimum subscription amount</b>	<p>Initial subscription amount:</p> <ul style="list-style-type: none"> <li>• Class R1 and Class R2: EUR 1,000</li> <li>• Class I: EUR 50,000</li> </ul> <p>Subsequent subscription amount:</p> <ul style="list-style-type: none"> <li>• Class R 1: EUR 1,000</li> <li>• Class R2: No minimum requirement</li> <li>• Class I: EUR 5,000</li> </ul>
<b>Valuation Day</b>	The net asset value is calculated by the Central Administration, under the overall responsibility of the Management Company, on each Business Day. In case of legal or bank holiday, the net asset value per Share is calculated as of the next following Business Day (each a “ <b>Valuation Day</b> ”).
<b>Subscription, conversion, and redemption orders</b>	<p>Shares are issued and redeemed at the net asset value, subject to the applicable subscription and redemption fee. All subscription, redemption or conversion requests must be received by the Central Administration or at any other entity duly appointed for this purpose at the latest at 14h00 (Luxembourg time) one Business Day before the applicable Valuation Day. Requests submitted after this cut-off time shall be executed on the next following Valuation Day. Requests shall be dealt with at the net asset value of the relevant class/Sub-fund as determined on that Valuation Day.</p> <p>Subscription monies must be paid in no later than three (3) Business Days after the relevant Valuation Day (the “<b>Payment Date</b>”). In the event there is no evidence of the payment on the bank accounts of the Sub-fund at the end of the relevant Payment Date, the investor will be informed, and interests may be charged.</p>
<b>Maximum fees for the Management Company, the Central</b>	The Management Company, the Central Administrator, the Domiciliary Agent, and the Depository will be entitled to charge fees to the Sub-fund which in aggregate will

<b>Administration, and the Depositary</b>	not exceed 1% p.a. on the total net value of the Sub-fund, calculated and accrued as of each Valuation Day.
<b>Portfolio management and distribution fees</b>	<p>The Management Company is entitled to receive out of the assets of the Sub-fund a portfolio management and fee of up to 0.8% of the net asset value p.a. in respect of all classes calculated and accrued at each Valuation Day and paid monthly in arrears.</p> <p>The Management Company is entitled to receive out of the assets of class R1 a distribution fee of up to 0.1% of the net asset value p.a. of class R1 calculated and accrued at each Valuation Day and paid monthly in arrears.</p> <p>External distributors appointed by the Management Company for the marketing of Shares of class R2 are entitled to receive out of the assets of class R2 a distribution fee of up to 1% of the net asset value p.a. of class R2 calculated and accrued at each Valuation Day and paid monthly in arrears.</p>

## Appendix 1

### 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: **8a+ Sicav – Etica**

Legal entity identifier **529900GOGUMWCCNB1402**

#### Environmental and/or social characteristics

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

**Yes**

**No**

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

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

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

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

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

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

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

with a social objective

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

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

The objective of the Sub-fund is to achieve a moderate capital appreciation of the portfolio by promoting environmental and social characteristics in the meaning of article 8 (1) of SFDR which



comply with the fundamental values of the Catholic Church as determined by the Italian Conference of Bishops (*Conferenza Episcopale Italiana – CEI*) on 25 February 2020 with the document "Catholic Church and the management of financial investments" and where the list of values can be downloaded under <https://lavoro.chiesacattolica.it/linee-guida-per-gli-investimenti-sostenibili-ed-etici/>.

In particular, these values are reflected in the below mentioned United Nations Sustainable Development Goals:

- SDG 5: Achieve gender equality and empower all women and girls;
- SDG 7: Ensure access to affordable, reliable, sustainable and modern energy for all;  
SDG 8: Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all
- SDG 10: Reduce inequality within and among countries;
- SDG 13: Take urgent action to combat climate change and its impacts.



**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 indicators used to measure the attainment of the environmental and social characteristics compliant with the fundamental values of the Catholic Church mentioned above are the following:

- No involvement in activities deemed socially or environmentally controversial according to the fundamental values of the Catholic Church as determined above based on exclusion criteria as defined in the Sub-fund's investment strategy below – this activity is performed by taking into consideration revenue thresholds at the issuers – in case these revenue thresholds exceed a certain level, the securities will cease to be eligible for the Sub-fund.
- Absence of involvement in very severe legal controversies in relation of human and labor rights.
- Minimum positive ESG performance as determined for each issuer of securities on the basis of a minimum level of sustainability ratings provided by MSCI;
- Compliance with UN Global Compact principles;
- Reduction of the carbon intensity by 7% annually (Paris Agreement): At least 30% of the NAV represented in securities (excluding cash and derivatives) must be invested in securities from issuers which comply with this criterion – the analysis does not include securities issued by governments and supranational institutions as well as derivatives and liquidities.



- ***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?***

Not Applicable

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

Not Applicable

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

Not Applicable

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

Not Applicable

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

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

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



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

**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.



Yes, the following indicators for adverse impacts on sustainability factors are taken into account:

- 3. GHG intensity of investee companies;
- 10. Violations of UN Global Compact principles;
- 14. Exposure to controversial weapons.

Further information on principal adverse impacts on sustainability factors will be available on the Management Company’s website referenced on page 78.



No



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

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

The Sub-fund is actively invested in a diversified portfolio of transferable securities. Investments are selected according to a two-step process, as summarised below.

In the first step, issuers of securities producing or offering products or services or that are otherwise engaged in any practice which would violate the fundamental values of the Catholic Church are excluded from the portfolio of the Sub-fund.

In a second step, the Investment Manager considers the sustainability factors as defined in article 2(24) of SFDR (the **ESG Factors**) at the level of the issuers of securities together with an assessment of the risk-return profile of the securities of these issuers.

The data collection relies on MSCI data, a globally acknowledged non-financial research provider specialised in ESG performance measurement, which are neither controlled by the Investment Manager nor by the Management Company.

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

The following exclusion criteria are applied:

Products, services, and activities considered as not being aligned with the selected fundamental values of the Catholic Church	Application to securities issued by companies	Application to securities issued by governments
Non-abortive contraceptives,	Annual revenues more than 10% causes exclusion.	Not applicable.
Abortion and abortifacients products	Any portion of annual revenues causes exclusion.	Not applicable.
Embryonic stem cells	Any portion of annual revenues causes exclusion.	Not applicable.

Euthanasia	Any portion of annual revenues causes exclusion.	Laws permitting euthanasia causes exclusion.
Death penalty	Not applicable.	Laws permitting death penalty causes exclusion.
Adult materials	Any portion of annual revenues causes exclusion.	Not applicable.
Gambling	Any portion of annual revenues causes exclusion.	Not applicable.
Tobacco and alcohol	Annual revenues more than 10% causes exclusion.	Not applicable.
Controversies, violations, and discriminations at work	Exclusions of issuers are based on controversies which are assessed in light of their severity, their status and the level of involvement of the relevant issuer.	Not applicable.
Violation of environmental laws and production of chemical substances banned by international laws	Any portion of annual revenues causes exclusion.	Not applicable.
Conventional weapons	Annual revenues more than 5% causes exclusion.	Not applicable.
Controversial weapons banned by international agreements	Any portion of annual revenues causes exclusion.	Not applicable.
Authoritarian and corrupt regimes, violating United Nations universal declaration of human rights and failure of respect for human rights and commercial practices	Exclusions of issuers are based on controversies which are assessed in light of their severity, their status and the level of involvement of the relevant issuer.	Jurisdictions classified as such authoritarian and corrupt regimes are excluded.

In addition, securities from issuers which are failing to comply with the principles of UNGC or which are involved in very severe human rights and labor rights controversies are excluded from the Sub-fund's portfolio.

A two-level exclusion screening is applied by the Investment Manager under the supervision of the Management Company to determine the investable universe of securities:

- The first level screening deals with the capability of the issuers to adequately manage Sustainability Risks and to take opportunities related to the environmental, social and employee matters respect for human rights, anti-corruption and anti-bribery matters during their business activity. Securities of issuers which are considered as non-compliant with the minimum level of the sustainability rating provided by MSCI are excluded from the investable universe of securities.
- The second-level screening leads to the exclusion from the investable universe of securities of issuers that are involved in very severe controversies arising from the impact of the issuers' operations, products or services violating laws, regulations or global norms that are commonly accepted. This exclusion process is based on MSCI ESG Controversies and Global Norms assessment and score.

Securities from issuers which are failing to achieve the required minimum ESG performance threshold, or which are involved in very severe controversies are excluded from the investable universe of the Sub-fund.

In a second step, the Investment Manager must invest for the Sub-fund at least 30% of the NAV represented in securities (excluding cash and derivatives) from issuers which are contributing to the reduction of carbon intensity by 7% annually as determined by the Paris Agreement together with the assessment of the risk-return profile of these securities. For this purpose, the analysis is using data provided by MCSI.

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

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

Not Applicable.

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

The Sub-fund requires to attain minimum firm-level ESG performance thresholds, which are based, among others, on factors assessing good governance practices. The use of MSCI rating allows for the assessment of the issuers' corporate governance and corporate behavior by focusing on specific issues such as functioning of the board (sound management structures), controversies (employee relations), internal pay equity (remuneration of staff) and tax transparency (tax compliance), business ethics and labor management (employee relations).

This analysis is performed by data from MSCI which is based on publicly available data from issuers' annual reports, corporate social responsibility reports and websites.

To be noted that corporate governance analysis comprises different aspects which are weighted in according to impact and time horizon of the risks or opportunities. As a result, specific aspects may present, from time to time, a score that may differ from the weighted average score.



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

Subject to the above-mentioned screening process, the asset allocation of the Sub-fund will typically fall within the following limitations:

1. Between 50% and 100% of the net assets will be invested in (i) fixed income instruments from supranational issuers, international and national agencies, and EMU governments and/or (ii) companies provided the instruments are EUR denominated corporate bonds.
2. Up to 30% of the net assets will be invested in equities and equity-equivalent securities.
3. Up to 5% of the net assets may be invested in equity from issuers in emerging markets.
4. Up to 10% of the net assets may be invested in fixed income instruments from issuers in emerging markets.
5. Up to 10% of the net assets may be invested in distressed securities and obligations, including debt obligations from issuers that have committed a

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

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure (CapEx)** showing the green

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.

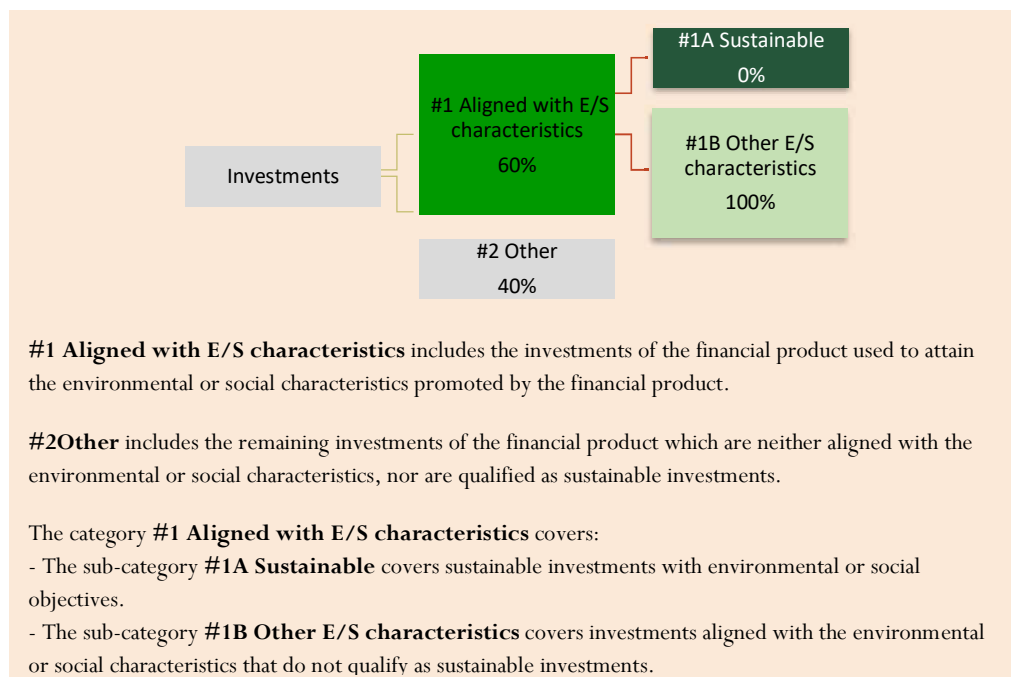
**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**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.

material default of covenant, have defaulted on their payment obligations, or are experiencing prolonged significant financial distress and which have or may potentially be subject to an insolvency, restructuring, recapitalization, or liquidation processes.

It is intended that the governmental and supranational bond components mentioned under 1 above makes in average 25% of the NAV and will generally not exceed 40% of the NAV. The components mentioned under 3, 4 and 5 above are generally not expected to exceed on an aggregate basis 5% of the NAV.

For the asset allocation mentioned under 1 and 2 above, the Investment Manager aims to have the Sub-fund invested for around 60% to 80% of the NAV in accordance with the E/S characteristics mentioned in this Appendix. The asset allocation mentioned under 3, 4 and 5 above together with financial derivative instruments (“FDIs”) and Liquid Assets are considered as “#2 Other” and will be less than 40% of the NAV.



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

Derivatives are not included in the ESG analysis and are not subject to the above-mentioned process.



**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<sup>4</sup>?**

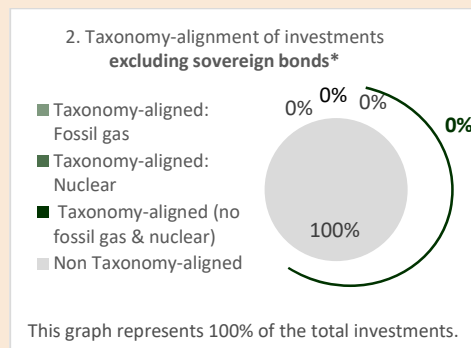
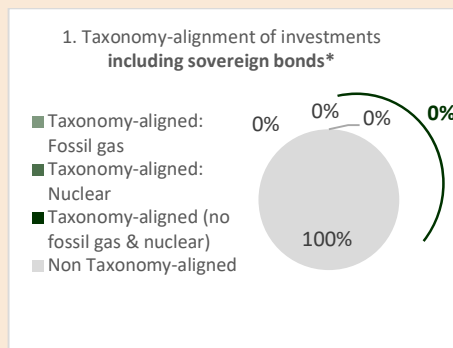
Yes:

In fossil gas

In nuclear energy

No

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



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



are sustainable investments with an environmental objective that do not take into account the criteria for environmentally sustainable

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

Not Applicable.



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

Not Applicable.

economic activities

under the EU Taxonomy. 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.

not yet available and among others have greenhouse gas emission

levels

corresponding to



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

Not Applicable.



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

(i) Investments in securities from issuers in emerging markets are included in “#2 Other” whereby certain exclusion criteria will be applied to these securities in accordance with the table in the section describing the binding elements of the investment strategy above.

(ii) FDI's are used for hedging purposes only.

(iii) Liquid Assets are held for management purposes and to ensure an adequate level of liquidity in the Sub-fund.

There are no minimum environmental or social safeguards in relation with investments under “#2 Other”.



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

Not Applicable.

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

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

Not Applicable.

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

Not Applicable.

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

Not Applicable.

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

Not Applicable.



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

More product-specific information can be downloaded on the following websites:

<https://www.ottoapiu.it/prodotti/comparto-etica/>  
[https://www.ottoapiusicav.eu/product\\_detail.asp?pr=14](https://www.ottoapiusicav.eu/product_detail.asp?pr=14)

## **APPENDIX II - BENCHMARK REGULATION**

Regulation (EU) 2016/1011 of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds (the “**EU Benchmark Regulation**”), as may be amended from time to time, requires the Management Company to produce and maintain robust written plans setting out the actions that it would take in the event that a benchmark (as defined by the EU Benchmark Regulation) materially changes or ceases to be provided. The Management Company shall comply with this obligation. Further information on the plan is available on request free of charge.

Unless otherwise disclosed in the appendices of this Prospectus, the indices or benchmarks used by the Sub-funds for the purpose of performance fee calculation are, as at the date of the Prospectus, provided by benchmarks administrators registered in the register of administrators and benchmarks maintained by ESMA pursuant to article 36 of the EU Benchmark Regulation.