

**DNCA Invest**  
*Société d'Investissement à Capital Variable*  
60, avenue J.F. Kennedy,  
L-1855 Luxembourg,  
Grand Duchy of Luxembourg  
R.C.S. Luxembourg No B125.012  
(the "**Company**")

17 October 2023

## NOTICE TO THE SHAREHOLDERS OF DNCA INVEST – EURO SMART CITIES

Re: **Merger of DNCA INVEST – EURO SMART CITIES into DNCA INVEST – BEYOND CLIMATE**

Dear Shareholder,

We are writing you as a shareholder of DNCA INVEST – EURO SMART CITIES (the "**Merging Fund**") to advise you that on 24 November 2023 (the "**Effective Date**"), the Merging Fund will merge with DNCA INVEST – BEYOND CLIMATE (the "**Receiving Fund**", together with the Merging Fund the "**Funds**") (the "**Merger**"). You will receive the equivalent value of shares in the Receiving Fund in place of your current shares in the Merging Fund.

The decision to merge the Funds was taken by the board of directors of the Company (the "**Board**").

### **Background and rationale of the Merger**

The Merger aims to rationalize the Company's global offer by removing product's overlapping their investment policy and thus allowing to increase its overall efficiency from an administrative, operational and economic standpoint.

Given the size of the Merging Fund and the Receiving Fund, shareholders of the Funds will benefit from the Merger. The Merger will increase the assets under management of the Receiving Fund and will offer investors an alternative fund with appropriate scale also managed by DNCA Finance, the Company's management company (the "**Management Company**").

While the Merging Fund's strategy focuses on infrastructure companies that aim to specifically accelerate urbanization, digitalization and sustainable development in cities (mobility, green tech, energy transition, resource management or real estate), the Receiving Fund's strategy, is climate driven which aims to align the economy on a path of at least 2 degrees. This objective is materialized by an average decrease of the portfolio carbon intensity of at least 2.5% each year by comparing the carbon intensity of each consolidated company in the Receiving Fund with the carbon intensity of the previous year. In addition, the Receiving Sub-Fund investment strategy is oriented towards a contributive economy to the climate issued resulting in avoided CO2 emissions greater than the induced CO2 (scope 1 and 2).

Further, even though both Funds are equity based, investing in mainly the same type of financial instruments, shareholders of the Merging Fund will be merged into a fund that can more effectively target and capitalize on a climate change-related strategy to stay at the forefront of developments in the Eurozone's green sector.

Therefore, the Board believes that shareholders of the Funds will benefit from the Merger. A comparison of the key Features of the Funds is available in the Appendix of the present letter.

The Board has therefore decided, in accordance with Articles 5 and 27 of the articles of incorporation of the Company (the "**Articles**") and the provisions of the prospectus of the Company (the "**Prospectus**") and in the interest of the Funds' shareholders, to merge the Merging Fund into the Receiving Fund.

### **Investment objectives and policies**

On one side, the investment objective of the Merging Fund is to seek performance by taking advantage of developments in the equity markets and companies having their registered office in Euro Zone countries which benefit from the acceleration of urbanization, over the recommended investment term of 5 years. These companies are chosen according to an SRI approach for the quality of their economic fundamentals, for their quality of global or local leaders on their respective markets analyzed through the systematic integration of environmental, social / societal and governance (ESG) criteria (such as energy consumption, CO2 emission), or even ethical practices of society.

On the other side, the investment objective of the Receiving Fund is to outperform the following index denominated in Euro: Euro Stoxx Net Return (Bloomberg ticker: SXXT Index) calculated with dividends net of withholding taxes reinvested, over the recommended investment term. Investors' attention is drawn to the fact that the management style is discretionary and integrates environmental, social / societal and governance (ESG) criteria.

Although the Merging Fund integrate into its management style the environmental, social / societal and governance (ESG) criteria, holders of the Merging Fund will receive shares of the Receiving Fund that not only integrates the ESG criteria to its management style but also integrates sustainable investments to its investment objective. Indeed, while the Merging Fund is classified as an Article 8 financial product 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 ("**SFDR**") meaning that it promotes environmental and social characteristics, the Receiving Fund is classified as Article 9 financial product meaning that it has sustainable investment as its investment objective.

Further, while both Funds' investment strategies are based on the same ESG thematic, and rely on active discretionary management styles the fundamental analysis undertaken by each of the Funds is different:

- On the one hand, the Merging Fund's fundamental analysis is based on the Quality GARP<sup>1</sup> approach which focus on companies whose growth is strong and predictable based on strong and lasting trends such as urbanization, digitalization and sustainable development. There companies operate in areas such as mobility, infrastructure, green tech, energy transition, resource management or real estate.
- On the other one hand, the Receiving Fund's investment process is geared towards long-term performance that integrates all the risks and challenges faced by companies. The investment choices result of a fundamental analysis of companies which, as part of a climate strategy, is combined with an in-depth and detailed analysis of the positioning of each company within the low carbon transition;

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<sup>1</sup> Quality GARP (Quality Growth at a Reasonable Price)

While the Merging Fund aims to be invested in equities from Eurozone countries it is also authorized to invest in equities listed in markets of OECD's countries. The Receiving Fund's will focus rather on equities having their registered office exclusively in the Euro zone.

The table below summarizes the investment's policy gap between the Merging Fund and the Receiving Fund.

### **Share classes and annual investment management fee changes**

Even though not all the share classes of the Merging Fund are subject to a performance fee of 20% of the positive performance above its respective benchmark index, the holders of the Merging Fund will automatically receive shares of the Receiving Fund that do have a performance fee that is subject to a 20% of the of the positive performance above its benchmark with High Water Mark (for further details please refer to the Appendix **Key Features Comparison Table**).

For the Merging Fund, the performance fee will be accrued until the Effective Date. On the Effective Date, the performance fee of the Merging Fund will be "crystallised" and will be paid.

The performance-related fee effect for the shareholders of the Receiving Fund (holding shares with performance fees) from the Merger is unchanged at the Effective Date and no different than if the Receiving Fund had received external investor subscriptions. Concerning the shareholders of the Merging Fund, they will be considered as new investors having subscribed on the Effective Date for the purpose of the calculation of the performance fee of the Receiving Fund in order to ensure a fair treatment of shareholders of both Funds in accordance with Article 4 of the Regulation of the *Commission de Surveillance du Secteur Financier* n°10-05 transposing Commission Directive 2010/44/EU of 1 July 2010 implementing Directive 2009/65/EC of the European Parliament and of the Council as regards certain provisions concerning fund mergers, master-feeder structures and notification procedure.

For the calculation of the global exposure within the context of the risk management procedure, both use the commitment method.

The summary risk indicator (the "**SRI**") of the Receiving Fund and the Merging Fund is the same.

The table below summarizes the maximum annual investment management fees (the "**AMC**") and on-going charges (the "**OGC**") for the share classes of the Merging Fund and the Receiving Fund.

The base currency of both Funds is EUR. A full summary of which Merging Fund share classes will be merged into which Receiving Fund share classes can be found in the appendix of this merger notice.

	<b>Merging Fund</b>			<b>Receiving Fund</b>	
<b>Share class</b>	<b>AMC</b>	<b>OGC</b>	<b>Share Class</b>	<b>AMC</b>	<b>OGC<sup>[1]</sup></b>
<b>I EUR</b>	1.00%	1,18%	<b>I EUR</b>	1.00%	1.14%
<b>ID EUR</b>	1.00%	1.00%	<b>ID EUR</b>	1.00%	1.14%
<b>SI EUR</b>	0.80%	0.80%	<b>I EUR</b>	1.00%	1.14%
<b>A EUR</b>	1.70%	1.99%	<b>A EUR</b>	1.80%	1.98%
<b>N EUR</b>	1.10%	1,38%	<b>N EUR</b>	1.30%	1.49%
<b>WI EUR</b>	1.30%	1.49%	<b>WI EUR</b>	1.30 %	1.47 %
<b>N2 EUR</b>	1.10%	1.33%	<b>N2 EUR</b>	1.10 %	1.27 %
<b>ND2 EUR</b>	1.10%	1.10%	<b>ND2 EUR</b>	1.10 %	1.27 %
<b>A2 EUR</b>	1.70%	1.89%	<b>A2 EUR</b>	1.70 %	1.87 %
<b>AD2 EUR</b>	1.70%	1.89%	<b>AD2 EUR</b>	1.70 %	1.87 %

### Dealing cut-off time and settlement periods for subscriptions and redemptions

There is no change to the dealing cut-off time or the settlement periods. The dealing cut-off time of the Receiving Fund is 12.00 noon Luxembourg time on the dealing day. Orders that reach BNP Paribas, Luxembourg, the Company's administrative, domiciliary, principal paying, registrar and transfer agent ("**BNP**"), before the cut-off time will be executed on the dealing day. The settlement periods for subscription and redemption are within two business days following a dealing day.

A key features comparison table of the Merging Fund and the Receiving Fund (including the share class changes) can be found in the Appendix.

### Merger

This Merger notice is required by Luxembourg law.

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<sup>[1]</sup> Percentages are per annum and are stated with reference to the net asset value per share. The OGCs include, where applicable, the distribution charge, shareholder servicing charge, investment management fee and other administration costs including the fund administration, custodian and transfer agency costs. They include the management fees and administration costs of the underlying investment funds in the portfolio. The OGCs are as at December 31<sup>st</sup>, 2022.

As a result of the Merger, there will be no change of the legal entity acting as management company, which remains the Management Company.

### **Costs and expenses of the Merger**

The Merging Fund has no outstanding set-up costs. The expenses incurred in the Merger, including the legal, advisory and administrative costs, will be borne by the Management Company.

Given the fact that the Merging Fund's assets are eligible and compatible with the Receiving Fund's investment strategy and assets, it is expected that there will be no need to sell any of the Merging Fund's assets prior to the Merger.

### **Exchange ratio, treatment of accrued income and consequences of the Merger**

On the Effective Date, all the assets and liabilities of the Merging Fund will be transferred to the Receiving Fund. For the shares of each class that you hold in the Merging Fund, you will receive an equal amount by value of shares of the corresponding class (as described under section "Share classes and annual investment management fee changes" above) in the Receiving Fund. The exchange ratio of the Merger will be the result of the ratio between the net asset value of the relevant class of the Merging Fund and the net asset value of the relevant class of the Receiving Fund as of the Effective Date. While the overall value of your holdings will remain the same, you may receive a different number of shares in the Receiving Fund than you had previously held in the Merging Fund.

Any accrued income relating to the Merging Fund's shares at the time of the Merger will be included in the calculation of the final net asset value per share of the Merging Fund and will be accounted for after the Merger in the net asset value per share of the Receiving Fund.

The Merging Fund will cease to exist as of the Effective Date.

You will thus become a shareholder of the Receiving Fund, in the share class which corresponds to your current investor profile in the Merging Fund. A full summary regarding which of the Merging Fund share classes will be merged into which Receiving Fund share classes can be found under section "Existing and New Share Class Mapping" in the Appendix.

The first dealing date for your shares in the Receiving Fund will be the 27 November 2023, the related deal cut-off for this dealing day being 12.00 noon Luxembourg time on the dealing day.

### **Rights of shareholders to redeem/switch and subscribe**

If you do not wish to hold shares in the Receiving Fund from the Effective Date, you have the right to redeem your holding in the Merging Fund or to switch into another sub-fund of the Company at any time up to and including the dealing day on 17 November 2023. After this date no subscriptions, redemptions or switches in the Merging Fund will be accepted.

BNP will execute your redemption free of charge or switch instructions in accordance with the provisions of the prospectus of the Company (the "**Prospectus**").

Subscriptions or switches into the Merging Fund received from new investors will not be accepted after deal cut-off on 17 November 2023.

### **Tax status**

The conversion of shares at the time of the Merger and/or your redemption or switch of shares prior to the Merger might affect the tax status of your investment. We therefore recommend that you seek independent professional advice in these matters.

### **Further information**

We advise you to read the Receiving Fund's key information document (the "**KID**") which accompanies this notice. It is, together with the KIDs of all other available share classes, available at [www.dnca-investments.com](http://www.dnca-investments.com). The Prospectus is also available at that address.

An audit report will be prepared by the approved statutory auditor of the Company in relation to the Merger and will be available free of charge upon request from the Management Company.

We hope that you will choose to remain invested in the Receiving Fund after the Merger. If you would like more information, please contact your usual professional adviser or the Management Company on (+33 (0)1 58 62 55 00 ).

Yours faithfully,

The Board  
**DNCA INVEST**

## Appendix

### Key Features Comparison Table

The following is a comparison of the principal features of the Merging Fund and the Receiving Fund. All are sub-funds of the Company. Full details are set out in the Prospectus and shareholders of the Merging Fund are also advised to consult the KIDs of the Receiving Fund.

#### Merger

	Merging Fund	Receiving Fund
<b>Investment Objective and Strategy</b>	<p><b>Investment Objective:</b></p> <p>The investment objective of the Sub-Fund is to seek performance by taking advantage of developments in the equity markets and companies having their registered office in Euro Zone countries which benefit from the acceleration of urbanization, over the recommended investment term of 5 years.</p> <p>These companies are chosen according to an SRI approach for the quality of their economic fundamentals, for their quality of global or local leaders on their respective markets analyzed through the systematic integration of environmental, social / societal and governance (ESG) criteria (such as energy consumption, CO2 emission), or even ethical practices of society.</p> <p><b>Investment Strategy:</b></p> <p>The investment strategy is based on active and discretionary management style.</p> <p>The Sub-Fund is permanently invested and exposed to at least 75% minimum of its net assets in equities issued by companies having their registered office in European Union countries.</p>	<p><b>Investment Objective:</b></p> <p>The Sub-Fund seeks to outperform the Euro Stoxx Net Return (Bloomberg ticker: SXXT Index) calculated with dividends net of withholding taxes reinvested, over the recommended investment term. Investors' attention is drawn to the fact that the management style is discretionary and integrates environmental, social / societal and governance (ESG) criteria</p> <p><b>Investment Strategy:</b></p> <p>The investment strategy is based on a climate strategy which combines the classic requirements of risk and financial return with the low carbon transition requirements in line with the Paris Agreement as signed on 22 April 2016 (the "Paris Agreement").</p> <p>The Sub-Fund has as its objective sustainable investment within the meaning of Article 9 of SFDR. The Sub-Fund is managed taking into consideration responsible and sustainable principles and aims to target a significant exposure in revenues to the 17 Sustainable Development Goals of the United Nations with a minimum threshold of 50% consolidated revenues of the entities held in the portfolio</p>

	Merging Fund	Receiving Fund
	<p>The Sub-Fund's portfolio may on an ancillary basis be invested in shares issued by companies legally domiciled in developed countries or in emerging countries.</p> <p>The Management Company selects shares of companies it considers to be qualitative companies (i.e. having a position of global or regional leader, offering visibility and sustainability of their growth prospects in the medium- long term) and according to their value creation expectation.</p> <p>Through the Quality GARP approach, the Sub-Fund invests in companies whose growth is strong and predictable as based on strong and lasting trends such as urbanization, digitalization, and sustainable development. These companies operate in areas such as mobility, infrastructure, green tech, energy transition, resource management or real estate.</p> <p>The Sub-Fund may exceptionally, under extreme market conditions, use derivatives for hedging or exposure of equity and currency risk purposes.</p> <p>The Sub-Fund promotes environmental and/or social characteristics within the meaning of Article 8 of SFDR.</p> <p>The Sub-Fund invests in companies that provide solutions to the various challenges faced by cities. One key figure: 7 out of 10 people will be living in a city by</p>	<p>(excluding cash, derivatives and Money Market Funds). The Sub-Fund aims to align the economy on a path of at least 2 degrees. This objective is materialized by an average decrease of the portfolio carbon intensity of at least 2,5% each year by comparing the carbon intensity of each consolidated company in the Sub-Fund with the carbon intensity of the previous year. In addition, the investment strategy is oriented towards a contributive economy to the climate issues resulting in avoided CO2 emissions greater than the induced CO2 emissions (scope 1 and 2).</p> <p>The Sub-Fund considers, at least, the following objectives, and proceed to the reporting of this ESG indicators as part of the monitoring and the evolution of the portfolio's ESG performance:</p> <ul style="list-style-type: none"> <li>- Environment: GHG emissions, airborne pollution, waterborne pollution, water consumption, land use, etc.</li> <li>- Social: compensation, gender inequality, health and safety, child labor, etc.</li> <li>- Governance: corruption and bribery, tax avoidance, etc.</li> <li>- Global ESG quality rating.</li> </ul> <p>The initial investment universe, which include around 2500 issuers, which may belong to the EURO STOXX index and the Stoxx Europe 600 index as well as stocks identified by the Management Company based on the financial and extra-financial analysis, having</p>

	Merging Fund	Receiving Fund
	<p>2050 (UN source). This rapid urbanization creates investment opportunities. The investment universe is based on four independent pillars which define a smart city. First, the "Smart Building": A smart city should be built by integrating energy transition issues. Secondly, "Infrastructure and Mobility of the future": A smart city should provide green and sufficient mobility offers. Thirdly, "Digitalization": A smart city should be connected and collaborative. Last but not least, "Sustainable City": Development of a smart city should be sustainable, preserving the environment and managing resources in an optimal manner. In this context, the Sub-Fund implements active conviction management using a "Quality GARP" (Quality Growth at a Reasonable Price) and SRI approach.</p> <p>The initial investment universe, which include around 2500 issuers, identified through financial and extra-financial approach as European stocks and which may belong to the MSCI EMU Net Return index, the STOXX Europe 600 and the MSCI Europe SMID Index, as well as stocks identified by the Management Company based on the financial and extra-financial analysis and/or having already been invested in recent past years. The SRI approach is applied on the selected issuers from the initial investment universe.</p>	<p>already been invested in recent past years. The SRI approach is applied on the selected issuers from the initial investment universe.</p> <p>From this initial investment universe, are excluded issuers with controversies or in severe breach to UN Global Compact Principles (example: human rights or fight against corruption) based on the internal approach. Moreover, a strict controversial weapons analysis exclusion and sectorial exclusion policy is implemented and is available on the website of the Management Company (<a href="https://www.dnca-investments.com/lu/areas-of-expertise/sri">https://www.dnca-investments.com/lu/areas-of-expertise/sri</a>).</p> <p>It is a conviction fund intended to be concentrated on a small number of issuers (i.e. on or around 45 issuers) (the latter not being an investment limit), selected according to ESG criteria, in line with socially responsible investing ("SRI") management.</p> <p>The ESG and climate analysis of issuers is carried out using the ABA model (Above and Beyond Analysis). The research and the ratings are conducted exclusively in-house based on corporate disclosures and our continuous dialogue with companies.</p> <p>The risk exists that the models used to make these investment decisions do not perform the tasks they were designed to.</p>

	Merging Fund	Receiving Fund
	<p>From this initial investment universe, are excluded issuers with controversies or in severe breach to UN Global Compact Principles (example: human rights or fight against corruption) based on the internal approach. Moreover, a strict controversial weapons exclusion and sectorial exclusion policy is implemented and is available on the website of the Management Company (<a href="https://www.dnca-investments.com/lu/areas-of-expertise/sri">https://www.dnca-investments.com/lu/areas-of-expertise/sri</a>).</p> <p>In this way, the investment process and resulting stock picking take into account internal scoring with respect to both corporate responsibility and sustainability of companies based on an extra-financial analysis through a proprietary tool developed internally by the Management Company, with the "best in universe" method. There may be a sector bias.</p> <p>The risk exists that the models used to make these investment decisions do not perform the tasks they were designed to. The use of the proprietary tool relies on the experience, relationships and expertise of the Management Company.</p> <p>The analysis of corporate responsibility is broken down into four aspects: shareholders responsibility (board of directors and general management, accounting practices and financial risks, etc.), environmental responsibility (environmental footprint of the production chain and product life</p>	<p>The model defines the eligible investment universe by combining the two concepts of corporate responsibility and sustainable transition and also adding different modules such as the monitoring of daily information, the analyze of controversies, the link with the SDGs adopted by the United Nations, the in-house impact analysis and the assessment of the relevant climate related risks.</p> <p>The Sub-Fund integrates ESG criteria with regard to direct investments including the definition of the investment universe and the reporting for all companies with the "best in universe" method. There may be a sector bias.</p> <p>The analysis of corporate responsibility is broken down into four aspects: shareholders responsibility (board of directors and general management, accounting practices and financial risks, etc.), environmental responsibility (environmental footprint of the production chain and product life cycle or responsible supply, energy consumption and water consumption, company CO2 emissions and management of waste, etc.), responsibility towards workers and society responsibility (ethics and working conditions of the production chain, treatment of employees – safety, well-being, diversity, employee representation, wages, quality of products or services sold, etc.). Each aspect is rated independently and weighted in accordance to how material it is for</p>

	Merging Fund	Receiving Fund
	<p>cycle or responsible supply, energy consumption and water consumption, company CO2 emissions and management of waste, etc.), responsibility towards workers and society responsibility (ethics and working conditions of the production chain, treatment of employees – safety, well-being, diversity, employee representation, wages, quality of products or services sold, etc.). Each aspect is rated independently and weighted in accordance to how material it is for the company. Each dimension is broken down into a set of criteria, which are around 25 in total. This in-depth analysis, combining qualitative and quantitative research leads to a rating out of 10.</p> <p>Moreover, the monitoring of the level of controversy is taken into account directly in the corporate responsibility and may affect the rating.</p> <p>The sustainable transition focuses on the positive impacts' companies generate through their activities, products and services. The aim is to identify whether a company contributes to the sustainable transition. In the model, this pillar has been broken down into 5 major themes: demographic transition (inclusion of senior citizens, access to education, etc.), medical transition (access to care, medical diagnostics, control of endemic diseases, etc.), economic transition (infrastructure development, digitalization, access to connectivity, etc.), lifestyle transition (extension of</p>	<p>the company. Each dimension is broken down into a set of criteria, which are around 25 in total. This in-depth analysis, combining qualitative and quantitative research leads to a rating out of 10.</p> <p>Moreover, the monitoring of the level of controversy is taken into account directly in the corporate responsibility and may affect the rating.</p> <p>The sustainable transition focuses on the positive impacts' companies generate through their activities, products and services. The aim is to identify whether a company contributes to the sustainable transition. In the model, this pillar has been broken down into 5 major themes: demographic transition (inclusion of senior citizens, access to education, etc.), medical transition (access to care, medical diagnostics, control of endemic diseases, etc.), economic transition (infrastructure development, digitalization, access to connectivity, etc.), lifestyle transition (extension of product lifestyle, circular economy, sustainable mobility, etc.) and ecological transition (renewable energies, biodiversity, green mobility, etc.). Around 34 activities which contribute to the sustainable transition have been identified and integrated into the model.</p> <p>In addition, the management style proposed aims to achieve to climate objectives of the Paris Agreement,</p>

	<b>Merging Fund</b>	<b>Receiving Fund</b>
	<p>product lifestyle, circular economy, sustainable mobility, etc.) and ecological transition (renewable energies, biodiversity, green mobility, etc.). Around 34 activities which contribute to the sustainable transition have been identified and integrated into the model.</p> <p>The analysis and the internal rating are based on factual data published by the companies, which may be incomplete or inaccurate, as well as continuous dialogue with company managers.</p> <p>The model analyzes each company through environmental criteria (environmental footprint of the production chain and product life cycle or responsible supply, energy consumption and water consumption, company CO2 emissions and management of waste), social (ethics and working conditions of the production chain, treatment of employees - safety, well-being, diversity, employee representation, wages, quality of products or services sold) and governance (capital structure and protection of minority interests of shareholders, board of directors and general management, executive compensation, accounting practices and financial risks, ethical practices of the company).</p> <p>The Sub-Fund is managed taking into consideration corporate responsibility and sustainable</p>	<p>combined with an approach broadened to other positive impacts relating to sustainable development and, in particular, the Sustainable Development Goals ("SDGs") adopted by the United Nations.</p> <p>The investment process is geared towards long-term performance that integrates all the risks and challenges faced by companies. The investment choices result of a fundamental analysis of companies which, as part of a climate strategy, is combined with an in-depth and detailed analysis of the positioning of each company within the low carbon transition.</p> <p>A proprietary "transition / contribution" climate methodology allows the management team to identify companies that have put in place appropriate efforts to decarbonize their activities in line with the objectives of the Paris Agreement (i.e. "keeping a global temperature rise this century well below 2 degrees Celsius above pre-industrial levels and to pursue efforts to limit the temperature increase even further to 1.5 degrees Celsius"). The analysis and the internal rating are based on factual data published by the companies, which may be incomplete or inaccurate, as well as continuous dialogue with company managers.</p> <p>The internal rating integrated to the stock-picking process aims to avoid any risk linked to the decarbonization of the global</p>

	Merging Fund	Receiving Fund
	<p>development principles in accordance with the requirements of the French SRI Label, which especially involves proceeding to the extra-financial analysis on at least 90% of the net assets of the Sub-Fund and excluding at least 20% of the worst issuers of shares from its investment universe and therefore not investing in these issuers.</p> <p>The Sub-Fund considers, at least, the following objectives, and proceed to the reporting of this ESG indicators as part of the monitoring and the evolution of the portfolio's ESG performance:</p> <ul style="list-style-type: none"> <li>- Environment: GHG emissions, airborne pollution, waterborne pollution, water consumption, land use, etc.</li> <li>- Social: compensation, gender inequality, health and safety, child labor, etc.</li> <li>- Governance: corruption and bribery, tax avoidance, etc.</li> <li>- Global ESG quality rating.</li> </ul> <p>The result of the SRI approach will be binding on the Management Company.</p> <p>In line with the fundamental approach of the management team, the investment process is based on the selection of the investment universe combining a financial (quantitative and micro-economic) and extra-financial (qualitative) approach with two steps :</p>	<p>economy (transition analysis) while identifying opportunities linked to the development of low carbon solutions (contribution analysis). Each company is positioned on a matrix combining its transition and contribution ratings (climate matrix transition/contribution) which is used to define the eligible universe. The results of this proprietary "transition / contribution" climate methodology will be binding on the Management Company.</p> <p>Moreover, a proprietary climate risk analysis is systematically carried out for all the companies selected in the portfolio of the Sub-Fund. This in-house proprietary methodology is aligned with the recommendations of the TCFD (Task Force on Climate-related Financial Disclosures – <a href="https://www.fsb-tcfid.org/">https://www.fsb-tcfid.org/</a>). Each company is analyzed according to its specific exposure to climate transition risks (as classified in 4 categories: (i) science &amp; technology, (ii) legal &amp; regulatory, (iii) environment and (iv) social trends) and according to how the company manages these risks (governance, strategy, risks management and objectives).</p> <p>The Sub-Fund selects companies aligned with the objectives of the Paris Agreement. At this stage, the reference scenario selected is the IEA Sustainable Development Scenario, which is built on a decarbonization trajectory in line with the Paris Agreement.</p>

	Merging Fund	Receiving Fund
	<p>- the selection of issuers pursuant to the financial approach described above, and</p> <p>-the exclusion of issuers which have a high-risk profile in terms of corporate responsibility (rating below 2/10 in the ESG proprietary tool) or exposed to major controversies. This extra-financial filter excludes a minimum of 20% of issuers based on the extra-financial analysis describes before.</p> <p>More information about the environmental or social characteristics promoted by the Sub-Fund is available in the pre-contractual disclosure for financial products referred to in Article 8 under SFDR which follow the Sub-Fund's Appendix and which forms an integral part of this Prospectus.</p> <p><i>Description of categories of assets and financial contracts:</i></p> <p>The Sub-Fund may at any time be exposed to:</p> <p>-Equities and similar or rights attached to the ownership of these equities: from 75% to 110% of its net assets;</p> <p>-Equities listed in markets of countries which are OECD member states: at least 80% of its net assets;</p> <p>-Equities with small capitalization <i>i.e.</i> total market capitalization below 1 billion EUR or any other currency: up to 20% of its net assets;</p>	<p>The Sub-Fund integrates also ESG criteria with regard to direct investments including the definition of the investment universe and the reporting for all companies. The Sub-Fund is managed taking into consideration corporate responsibility and sustainable development principles in accordance with the requirements of the French SRI label, from which the Sub-Fund benefits, with especially involves proceeding to the extra-financial analysis on at least 90% of the asset of the Sub-Fund and which involves to exclude at least 20% of the worst issuers of shares from its investment universe and therefore not investing in these issuers.</p> <p>Hence, the SRI investment process is based on successive stages combining extra-financial and financial analysis:</p> <ul style="list-style-type: none"> <li>- The first step is to exclude companies with high corporate responsibility risks (minimum score of 4/10 in our proprietary model). This selection fulfills the conditions of the French SRI label.</li> <li>- The second step is based on the selection of companies identified to meet the Sub-Fund's climate management objective according to the categories described above and according to the "transition/contribution" eligibility matrix and the</li> </ul>

	Merging Fund	Receiving Fund
	<p>-Equities from issuers having their registered office in emerging countries: up to 10% of net assets (directly or through UCI);</p> <p>-Fixed income securities from issuers having their registered office in a country which is an OECD member state or fixed income securities issued or guaranteed by a member state of OECD: up to 25% of its net assets;</p> <p>-Money market instruments or deposits if market conditions are unfavorable: from 0% to 25% of its net assets;</p> <p>-Other financial instruments (within the meaning of Article 41 (2) a) of the Law) up to 10% of its net assets.</p> <p>Exposure to exchange risk may reach 30% of the Sub-Fund's net assets.</p> <p>The Sub-Fund may solely invest in fixed income securities and money market instruments from issuers of the public or private sector, depending on market opportunities, having a Standard &amp; Poor's rating of at least A3 short term rating or A- long-term rating, or being considered as equivalent by the Management Company using similar criteria at the time of the purchase.</p> <p>The Sub-Fund shall not solely base its investment decisions and its risk assessment on the ratings assigned by independent rating</p>	<p>reduction in carbon intensity in view of achieving the long-term global warming objectives of the Paris Agreement.</p> <ul style="list-style-type: none"> <li>- The third step is to build a portfolio pursuant to a fundamental analysis, the liquidity and the valuation of the companies considered.</li> </ul> <p>In order to meet the investment objective, four categories of activities or sectors have been identified: energy producers, providers of efficiency solutions, low carbon technologies and low carbon impact activities. The climate and ESG reporting published on a regular basis has been built around these four categories.</p> <p>More information about the environmental objectives pursued by the Sub-Fund is available in the pre-contractual disclosure for financial products referred to in Article 9 under SFDR which follow the Sub-Fund's Appendix and which forms an integral part of this Prospectus.</p> <p><i>Description of categories of assets and financial contracts:</i></p> <p>The Sub-Fund may at any time invest in:</p> <ul style="list-style-type: none"> <li>- Equities of issuers having their registered office in the Euro zone: from 65% to 100% of its net assets;</li> <li>- Equities outside the Euro zone: from 0% to 35% of</li> </ul>

	Merging Fund	Receiving Fund
	<p>agencies but shall also proceed to its own analysis of credit.</p> <p>In all cases, the Sub-Fund will not invest in securities which qualify as distressed or as "in default" at the time of investment. Fixed income securities which may be downgraded during their lifetime will be disposed of as soon as possible with due regards to the interest of the Sub-Fund's shareholders.</p> <p>Up to 10% of its net assets, the Sub-Fund may also invest in equities called "A-Shares" issued by companies having their registered office in the PRC, listed in local currency (Renminbi) and available through the Shanghai-Hong Kong Stock Connect Program or through the Shenzhen-Hong Kong Stock Connect Program, or through the RQFII/QFII.</p> <p><i>Special consideration for French investors:</i> to ensure eligibility for the French <i>Plan d'Epargne en Actions</i> (PEA), the Sub-Fund will invest at least 75% of its assets in equity securities issued by issuers with their headquarters in an EEA state that has signed a tax agreement with France, including a clause on combating fraud and tax avoidance.</p> <p>The proportion of the Sub-Fund's investments in UCITS or regulated AIFs open to non-professional investors (according</p>	<p>its net assets;</p> <ul style="list-style-type: none"> <li>– Equities with total market capitalization below 200 million: up to 10% of its net assets;</li> <li>– Fixed income securities and money market instruments or deposits if market conditions are unfavourable: from 0% to 35% of its net assets;</li> <li>– Other financial instruments (within the meaning of Article 41 (2) a) of the Law) up to 10% of its net assets.</li> </ul> <p>Exposure to exchange risk may reach 35% of the Sub-Fund's net assets.</p> <p>The Sub-Fund may invest in fixed income securities and money market instruments from issuers of the public or private sector, depending on market opportunities without any constraint in terms of rating or duration. Nevertheless, investment in "speculative grade" or non-rated debt securities (i.e. which have a Standard &amp; Poor's rating below A-3 short term rating or BBB-long-term rating or equivalent with a minimum rating of CCC) may not exceed 25% of its net assets. The Sub-Fund shall not solely base its investment decisions and its risk assessment on the ratings assigned by independent rating agencies but shall also proceed to its own analysis of credit.</p>

	Merging Fund	Receiving Fund
	<p>to the European Directive 2011/61/EU) and qualifying as other UCIs according to Article 41(1) of the Law, including ETFs, shall not exceed 10% of its net assets.</p> <p>The Sub-Fund may not invest in mortgage-backed securities (MBS) or asset-backed securities (ABS).</p> <p>The Sub-Fund may invest in securities denominated in any currency. However, non-base currency exposure may be hedged back to the base currency to moderate currency exchange risks. These instruments may include, but are not restricted to futures, options, swaps, currency forwards.</p> <p>The Sub-Fund may use exchange traded or OTC derivatives, including but not limited to, futures contracts, futures on market index, options on market index, swaps and non-complex options for the purpose of hedging or increasing equity exposure. Equity swap may be used only for the purpose of hedging equity exposure.</p> <p>In order to achieve the investment objective, the Sub-Fund may also invest its net asset in equities or related financial derivative instruments (such as CFD or DPS) as well as in, convertibles bonds, warrants and rights which may embed derivatives, for the purpose of hedging or increasing</p>	<p>In all cases, the Sub-Fund will not invest in securities which qualify as distressed or as "in default" at the time of investment. Fixed income securities which may be downgraded during their lifetime will be disposed of as soon as possible with due regards to the interest of shareholders.</p> <p><i>Special consideration for French investors:</i> to ensure eligibility for the French <i>Plan d'Epargne en Actions</i> (PEA), the Sub-Fund will invest at least 75% of its assets in equity securities issued by issuers with their headquarters in an EEA state that has signed a tax agreement with France, including a clause on combating fraud and tax avoidance.</p> <p>The proportion of the Sub-Fund's investments in UCITS or regulated AIFs open to non-professional investors (according to the European Directive 2011/61/EU) and qualifying as other UCIs according to Article 41(1) of the Law, shall not exceed 10% of its net assets.</p> <p>The Sub-Fund may invest in securities denominated in any currency. However, non-base currency exposure may be hedged back to the base currency to moderate currency exchange risks. More specifically, futures and currency forwards may be used for that purposes.</p> <p>The Sub-Fund may use exchange traded or OTC derivatives up to</p>

	<b>Merging Fund</b>	<b>Receiving Fund</b>
	<p>equity and exchange risk without seeking overexposure.</p> <p>The Sub-Fund may make use on an ancillary basis of deposits.</p> <p>The Sub-Fund may make use of borrowings in accordance with clause VIII of section "3. Investment and Borrowing Restrictions" of the main part of the Prospectus.</p>	<p>25% of the Sub-Fund's net assets, including but not limited to, futures contracts and non-complex options negotiated on regulated markets for the purpose of hedging equity exposure without seeking overexposure.</p> <p>The Sub-Fund can also operate on the foreign exchange markets to cover investments realised in other currency than European currencies and major internationally traded currency.</p> <p>The Sub-Fund may make use of borrowings in accordance with clause VIII of section "3. Investment and Borrowing Restrictions" of the main part of the Prospectus.</p> <p>The Sub-Fund may use techniques and instruments relating to transferable securities and money market instruments for efficient portfolio management.</p>
<b>Classification under SFDR</b>	The Sub-Fund promotes environmental and/or social characteristics within the meaning of Article 8 of SFDR	The Sub-Fund has as its objective sustainable investment within the meaning of Article 9 of SFDR.
<b>Status under Regulation (EU) 2020/852 of the European Parliament and of the Council on the establishment of a framework to facilitate</b>	Please refer to the Merging Fund's Pre-contractual disclosure annex for the financial products referred to in Article 8 paragraphs 1, 2 and 2a, or Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852 which can be consulted in the Prospectus.	Please refer to the Receiving Fund's Pre-contractual disclosure annex for the financial products referred to in Article 9 paragraphs 1 to 4a, or Regulation (EU) 2019/2088 and Article 5, first paragraph of Regulation (EU) 2020/852 which can be consulted in the Prospectus.

	Merging Fund	Receiving Fund
<b>sustainable investment.</b>		
<b>Summary Risk Indicator (SRI)</b>	Category 4	Category 4
<b>French SRI Label</b>	YES	YES
<b>Risk profile</b>	<p>The Sub-Fund's risk profile is suited for an investment horizon in excess of five years. The risks to which the investor is exposed via the Sub-Fund are the following:</p> <ul style="list-style-type: none"> <li>- Equity risk;</li> <li>- Discretionary management risk;</li> <li>- Liquidity risk;</li> <li>- Small and mid-cap risk;</li> <li>- Risk of loss of capital;</li> <li>- Interest-rate risk;</li> <li>- Exchange rate risk;</li> <li>- Credit risk;</li> <li>- Emerging market risk;</li> <li>- Risk of investing in derivative instruments (such as contract for difference and dynamic portfolio swap) as well as instruments embedding derivatives (such as convertibles bonds, warrants and rights) ;</li> <li>- Counterparty risk;</li> <li>- ESG risk;</li> <li>- Convertible / exchangeable bonds risk;</li> </ul>	<p>The Sub-Fund's risk profile is suited for an investment horizon in excess of five years. The risks to which the investor is exposed via the Sub-Fund are the following:</p> <ul style="list-style-type: none"> <li>- Equity risk;</li> <li>- Discretionary management risk;</li> <li>- Liquidity risk;</li> <li>- Risk of loss of capital;</li> <li>- Interest-rate risk;</li> <li>- Exchange rate risk;</li> <li>- Credit risk; - Counterparty risk ;</li> <li>- ESG risk;</li> <li>- Sustainability risk.</li> </ul>

	<b>Merging Fund</b>	<b>Receiving Fund</b>
	<ul style="list-style-type: none"> <li>- Stock Connect risk;</li> <li>- Sustainability risk.</li> </ul>	
<b>Profile of the Typical Investor</b>	All investors, in particular investors looking for an European equity market exposure with an ESG approach. The Sub-Fund is aimed at investors who agree to be exposed to all risks set forth in the risk profile of the Sub-Fund.	All investors, in particular investors looking for a Euro zone equity market exposure, with SRI approach. The Sub-Fund is aimed at investors who agree to be exposed to all risks set forth in the risk profile of the Sub-Fund.
<b>Fund Category</b>	International Equities Fund	European Equities Fund
<b>Fund Currency</b>	EUR	EUR
<b>Launch Date</b>	26 November 2021	15 April 2020
<b>Dealing Cut-off Time and Settlement Periods for Subscriptions and Redemptions</b>	<p>Orders must reach the Management Company before 12:00 noon Luxembourg time on the dealing day to be executed that day.</p> <p>The settlement periods for subscription and redemption are within two business days following a dealing day.</p>	<p>Orders must reach the Management Company before 12:00 noon Luxembourg time on the dealing day to be executed that day.</p> <p>The settlement periods for subscription and redemption are within two business days following a dealing day.</p>
<b>Risk Management Method</b>	Commitment	Commitment
<b>Subscription commission</b>	For all classes: up to 2.00% of the total subscription amount	For all classes: up to 2.00% of the total subscription amount
<b>Management Fees by Share Class</b>	I EUR: Up to 1.00% per annum ID EUR: Up to 1.00% per annum SI EUR: Up to 0.80% per annum A EUR: Up to 1.70% per annum N EUR: Up to 1.10% per annum WI EUR: Up to 1.30% per annum N2 EUR: Up to 1.10% per annum ND2 EUR: Up to 1.10% per annum A2 EUR: Up to 1.70% per annum	I EUR: Up to 1.00% per annum ID EUR: Up to 1.00% per annum A EUR: Up to 1.80% per annum N EUR: Up to 1.30% per annum WI EUR: Up to 1.30% per annum N2 EUR: 1.10% per annum ND2 EUR: 1.10% per annum A2 EUR: 1.70% per annum AD2 EUR: 1.70% per annum

	Merging Fund	Receiving Fund
	AD2 EUR: Up to 1.70% per annum	
<b>Performance Fees</b>	<p>I EUR, ID EUR, SI EUR, A EUR, N EUR: 20% of the positive performance net of any fees above the MSCI EMU Net.</p> <p>WI EUR, N2 EUR, ND2 EUR, A2 EUR, AD2 EUR: N/A</p>	<p>I EUR, ID EUR, A EUR, N EUR: 20% of the positive performance net of any fees above the index Euro Stoxx NR with High Water Mark.</p> <p>The High Water Mark is the Net Asset Value per Share at the last Valuation Day of any Performance Period where a performance fee has been paid or failing that, the initial offer price per Share for unlaunched Classes.</p> <p>WI EUR, N2 EUR, ND2 EUR, A2 EUR, AD2 EUR: N/A</p>
<b>Existing and New Share Mapping</b>	<b>Existing Share Class Held</b>	<b>New Share Class to be Held</b>
	I EUR	I EUR
	ID EUR	ID EUR
	SI EUR	I EUR
	A EUR	A EUR
	N EUR	N EUR
	WI EUR	WI EUR
	N2 EUR	N2 EUR
	ND2 EUR	ND2 EUR
	A2 EUR	A2 EUR
	AD2 EUR	AD2 EUR