

## DNCA INVEST

*Société d'investissement à capital variable*

Registered Office: 60, avenue J.F. Kennedy L-1855 Luxembourg,  
Grand-Duchy of Luxembourg,  
R.C.S. Luxembourg B 125.012  
(the "**Fund**")

### NOTICE TO THE SHAREHOLDERS OF DNCA INVEST - EUROSE

Luxembourg, April 14<sup>th</sup>, 2022

Dear Shareholder,

The board of directors of the Fund (the "**Board of Directors**") would like to inform you of important changes relating to the Fund's sub-fund DNCA INVEST - EUROSE (the "**Sub-Fund**").

**Terms not otherwise defined in this notice will have the same meaning as those defined in the Fund's current prospectus (the "Prospectus").**

The Board of Directors has decided to amend the description of categories of eligible assets and financial contracts in order to (i) add the possibility for the Sub-Fund to be exposed to non-OECD member states, (ii) specify the maximum exposure of the Sub-Fund to financial derivative instruments enabling the latter to efficiently manage and adjust its risk exposures and (iii) update the list of specific risk factors to which the Sub-Fund may be exposed (the "**Changes**").

As such, as from May 20<sup>th</sup>, 2022 (the "**Effective Date**"), the section "Description of categories of assets and financial contracts" of the Sub-Fund's factsheet will be amended as follows (changes are underlined below):

*"Description of categories of assets and financial contracts:*

*The following limits apply:*

- *For up to 100% of its net assets, the Sub-Fund may be exposed to fixed income securities. Within this limit the fixed income securities may mostly be denominated in Euro, composed of securities issued by public or private sector-issuers, and be incorporated in a country which is an OECD member state, without any rating constraint including non-rated issues.*
- *For up to 50% of its net assets, the Sub Fund may be exposed to securities belonging to the "speculative grade" category (i.e. which have a rating below a Standard & Poor's minimum A-3 short term rating or BBB- long term rating or equivalent) or non-rated. The Management Company shall not solely base its investment decisions on the ratings assigned by independent rating agencies, but shall also proceed to rating agencies decisions and can proceed to its own credit risk assessment.*
- *For up to 5% of its net assets, the Sub-Fund may be exposed to securities which may qualify as distressed securities (i.e. which have a Standard & Poor's rating below CCC long-term rating or equivalent).*

- *The Sub-Fund may invest up to 15% of its net assets backed securities (ABS). Asset backed securities inter alia mortgage backed securities (MBS) invested into shall consist of securities that are rated at least B- by Standard & Poor's for example or that are considered of a comparable credit quality by the Management Company.*

*In all cases, the Sub-Fund will not invest in securities which may qualify as "in default" at the time of the investment or during their lifetime in the portfolio. Fixed income securities which may be downgraded to default status during their lifetime will be disposed of as soon as possible with due regards to the interest of shareholders.*

- *For up to 35% of its net assets, the Sub-Fund may be exposed to equities. Within this limit, the equities may mostly be issued by issuers incorporated in OECD member states, belonging to all market capitalisation categories, and denominated in Euro.*

*The aggregate exposure to (i) equities incorporated in non-OECD members states and/or (ii) fixed income securities issued by issuers incorporated in a non-OECD member state and/or guaranteed by a non-OECD member state, may not exceed 10% of the net asset of the Sub-Fund.*

*Investment in equities issued by issuers which capitalisation is under 1 billion Euros may not exceed 5% of the net asset of the Sub-Fund.*

*The Sub-Fund may not invest directly in securities denominated in other currencies than Euro. Nevertheless, the Sub-Fund may be exposed to exchange risk on an ancillary basis through investment in UCI or due to dividend denominated in other currencies than Euro.*

*The duration of the Sub-Fund's portfolio will be limited to 7 years.*

*The Sub-Fund may invest up to 10% of its net assets in contingent convertibles bonds ("Coco Bonds").*

*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, including ETFs, shall not exceed 10% of its net assets.*

*In order to achieve the investment objective, the Sub-Fund may also invest in equities or related financial derivative instruments (such as CFD or DPS) as well as in convertible bonds, callable bonds, puttable bonds, warrants and rights which may embed derivatives, for the purpose of hedging or increasing equity or interest rate risk without seeking overexposure.*

*In order to achieve the investment objective, the Sub-Fund may also be exposed up to 100% of its net assets to financial derivative instruments or OTC derivatives such as, but not limited to, futures, options, CDS, CDS on indices, negotiated on regulated or OTC markets, for hedging and investment purposes (e.g. by increasing equity exposure, interest rate risk, credit risk, without seeking overexposure). The main goal of the use of the aforementioned instruments, which will mainly be through index futures, is to enable the Sub-Fund to efficiently manage and adjust its risk exposures whenever the management team considers the risk premiums too low or in case of large flows of subscriptions and/or redemptions. The financial derivative instruments exposure limit will allow to comprehensively cover the Sub-Fund's risks (equity risk, interest rate risk, credit risk...).*

*The Sub-Fund may also invest its assets in financial derivative instruments (such as but not limited to futures and swap) for the purpose of hedging share classes denominated in other currencies than the reference currency of the Sub-Fund.*

*[...]"*

In addition to the aforementioned amendments, specific risk factors will be added to the risk profile of the Sub-Fund relating to (a) the investment in derivative instruments according to its revised investment policy as well as (b) the exchange rate risk to which the Sub-Fund may be exposed on an ancillary basis.

There will be no other changes to the Sub-Fund's investment policy. In particular, the other characteristics of the Sub-Fund remain unchanged.

If you deem that the Changes do no longer meet your investments requirements, you may apply for redemption of your shares, free of charge, until May 20<sup>th</sup>, 2022 at 12:00 a.m. (Luxembourg time).

The Changes exposed in this notice will be included in the next update of the Prospectus and the KIIDs of the Sub-Fund which may be obtained free of charge upon request at the Fund's registered office at the address stated above.

Our sales team remain at your disposal should you need additional information about the abovementioned changes.

Yours faithfully,

The Board of Directors  
**DNCA INVEST**