Tikehau Equity Selection

PROSPECTUS DATED 29th JULY 2022

UCITS governed by European Directive 2009/65/EC

1. GENERAL CHARACTERISTICS

1.1 Form of the Fund: French Mutual Fund (FCP)

1.2 Fund name: Tikehau Equity Selection (hereinafter, the "**FCP**" and/or the "**Fund**")

1.3 Legal form and Member State in which the Fund was established: Mutual Fund (FCP) governed by French law.

1.4 Creation date and intended term: This Fund was approved by the French Financial Markets Authority (AMF) on 09 September 2014. It was created on 15 December 2014 for a period of 99 years.

1.5 Summary of the investment offer

Unit	ISIN code	Target investors	Allocation of distributable income	Base currency	Initial net asset value	Minimum initial subscription amount	Frequency of net asset value calculation
R-Acc-EUR	FR0012127389	All investors	Capitalisation	EUR	EUR 500	EUR 100	Daily
F-Acc-EUR	FR0013314796	Investors investing through (i) an intermediary providing a management under mandate service (discretionary portfolio management) or an independent advisory service, as defined by the European MIFID regulation, and/or (ii) non-independent or restricted advisers who have agreed not to receive retrocession fees or who are not authorised to receive retrocession fees in accordance with regulatory requirements enforced by local regulatory authorities and/or (iii) the management company.	Capitalisation	EUR	EUR 500	EUR 100	Daily
I-Acc-EUR	FR0012127371	All subscribers, and particularly institutional investors	Capitalisation	EUR	EUR 500	EUR 1,000,000	Daily
E-Acc-EUR	FR0012127397	The executive officers and employees (investing either directly, or through all companies under their control), companies or investment funds under the control (i) of the Management Company or (ii) of any company directly or indirectly controlling the Management Company, the term "control" being used within the meaning of Article L233-3 of the French Commercial Code.	Capitalisation	EUR	EUR 500	EUR 100	Daily

1.6 Details of the address where the latest annual report and the latest interim statement can be obtained

The latest annual and periodic documents shall be sent to unitholders within eight (8) business days upon their written request addressed to the Management Company:

Tikehau Investment Management
32 rue de Monceau, 75008 Paris, France

Tel: 01 53 59 05 00
email: client-service@tikehaucapital.com

At the unitholder's request, these documents may be emailed to him.

2. DIRECTORY

2.1 Management Company	The Fund is managed by: Tikehau Investment Management (TIM) *Société par actions simplifiée* (simplified joint-stock company), RCS Paris B 491 909 446 Portfolio management company approved on 19 January 2007 by the French Financial Markets Authority (AMF) under number GP-07000006 Registered office and postal address: 32 rue de Monceau, 75008 Paris, France
2.2 Custodian and sub-custodian	CACEIS Bank *Société anonyme* (public limited company), RCS Paris B 692 024 722 Registered office and postal address: 1-3 Place Valhubert, 75013 Paris Main activity: Bank and investment services provider approved by the ACPR (ex CECEI) on 1 April 2005. The custodian's duties include the safekeeping of assets and monitoring the lawfulness of the Management Company's decisions as defined by the applicable regulations. The custodian is independent of the Management Company and there are no conflicts of interest that may arise from this situation. The description of the delegated safekeeping functions, the list of CACEIS Bank's delegates and sub-delegates and information regarding conflicts of interest that may result from these delegations are available on CACEIS' website: www.caceis.com. Updated information is available to investors upon request. In some countries, the delegate delegates the safekeeping function. The list of delegates is available on the website www.caceis.com. A hard copy of this list is available free of charge upon request from Tikehau Investment Management.
2.3 Statutory auditor	Ernst & Young Tour First TSA 14444 1-2 Place des Saisons 92037 Courbevoie, PARIS LA DEFENSE CEDEX
2.4 Fund distributor	Tikehau Investment Management (TIM) *Société par actions simplifiée* (simplified joint-stock company), RCS Paris B 491 909 446 Registered office and postal address: 32 rue de Monceau, 75008 Paris, France

The list of distributors is not comprehensive mainly due to the fact that the Fund is listed on Euroclear. Thus, some distributors may not be mandated by or known to the Management Company.

2.5 Institution in charge of keeping records of the Fund's units delegated by the Management Company	CACEIS Bank Postal address: 1-3 Place Valhubert, 75013 Paris

2.6 Institution in charge of accounting management (calculation of net asset values) delegated by the Management Company	CACEIS Fund Administration Postal address: 1-3 Place Valhubert, 75013 Paris Main activity: valuation of assets, calculation of the Fund's net asset value and drawing up periodic documents. CACEIS Fund Administration is CREDIT AGRICOLE Group's entity specialised in the administrative and accounting management of UCIs for clients inside and outside the Group. In this capacity, CACEIS Fund Administration has been appointed by the Management Company as the delegated accounting manager for the Fund's valuation and accounting administration.
2.7 Institution in charge of centralising subscription and redemption orders delegated by the Management Company	CACEIS Bank Postal address: 1-3 Place Valhubert, 75013 Paris Main activity: Bank and investment services provider approved by the CECEI on 1 April 2005. The custodian, delegated by the Management Company, is also responsible for managing the Fund's liabilities, which include centralising subscription and redemption orders of the Fund's units and managing issue accounts of the Fund's units. In its capacity as account keeper, CACEIS Bank manages the relationship with Euroclear France for all transactions requiring the involvement of this organisation.

3. OPERATING AND MANAGEMENT PROCEDURES

3.1 General characteristics

3.1.1 General characteristics of the units

- Rights attributed to each unit class: Every unitholder has a right of ownership over the Fund's assets, which is proportional to the number of units held.

- Liabilities management: The administration of the units is carried out by Euroclear France. Liabilities are managed by CACEIS BANK.

- Voting rights: No voting rights are attached to the units of the Fund. Decisions are taken by the Management Company in the interest of the unitholders.

- Form of units: units are in bearer form.

- Subdivision of units: The units are decimalised in thousandths.

3.1.2 Date of financial year-end

The financial year-end is the last business day in December each year. First financial year-end: December 2015.

3.1.3 Tax regime

The Fund is not subject to Corporation Tax. Depending on your tax status, any capital gains and income resulting from the ownership of units in the Fund may be subject to tax. We recommend that you obtain further information on this matter from a financial adviser or professional.

3.2 Special provisions

3.2.1 ISIN code

R-Acc-EUR units: FR0012127389
F-Acc-EUR units: FR0013314796
I-Acc-EUR units: FR0012127371
E-Acc-EUR units: FR0012127397

3.2.2 Classification

International equities UCITS

3.2.3 Investment objective

The Fund’s investment objective is to outperform the benchmark index, i.e. the *MSCI World 100% Hedged to EUR Net Total Return Index*, over the 5-year minimum recommended investment period.

The investment objective of the Fund does not entail any specific sustainable investment objective pursuant to article 9 of European Regulation 2019/2088 on sustainability disclosures in the financial services sector ("**SFDR**"), The Fund incorporates nonetheless an extra-financial approach whereby the weighted average carbon intensity of the FCP (greenhouse gas ("**GHG**") emissions per million euros of turnover) must be at least 20% lower than that of its benchmark (MSCI World 100% Hedged to EUR Net Total Return Index).

3.2.4 Benchmark index

The benchmark index is the following index: MSCI World 100% Hedged to EUR Net Total Return Index.

Investors should note that the portfolio management style will never involve replicating the composition of a benchmark index. However, this benchmark index may be used as an ex-post performance indicator.

The MSCI World 100% Hedged to EUR Net Total Return Index (established by Morgan Stanley Capital International Inc.) is representative of the performance generated by global equity markets. It is calculated with dividends reinvested, at closing prices. The MSCI World 100% Hedged to EUR Net Total Return Index represents an accurate estimate of the performance that can be obtained by hedging the currency exposures of its parent index, the MSCI World, to the EUR, i.e. the “initial” currency of the hedged index. The index is fully hedged against the EUR by forward-selling each foreign currency, with a one-month weighting. The parent index consists of mid and large cap stocks issued in 23 developed-market (DM) countries*, and its local performance is computed in various currencies. This index is administered by MSCI Limited.

Additional information on the benchmark index is available on the administrator’s website: http://www.msci.com.

In order to calculate performance fees, the Funds use benchmark indices, within the meaning of Regulation (EU) 2016/1011 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds.

In accordance with regulation (EU) 2016/1011, the Management Company has a benchmark monitoring plan that it uses within the meaning of the aforementioned regulation.

As of the date on which this prospectus was last updated, the administrator of the aforementioned index is listed in the register of administrators and benchmark indices maintained by ESMA (European Securities and Markets Authority), which is available online at: https://registers.esma.europa.eu.

This index does not necessarily take into account, in its composition or methodology, the non-financial characteristics promoted by the Fund. The Management Company considers that the dispersion of this index would not question the significance of its carbon footprint reduction approach.

3.2.5 Investment strategy

3.2.5.1 Investment strategies used

The Fund is managed on a discretionary basis, with portfolio managers employing reactive management of stocks issued by firms of any cap size and operating in any economic and geographic sector (including emerging countries) and denominated in EUR or international currencies. The Fund will use money market instruments for cash management purposes.

To that end, the Fund may in particular invest in securities issued by issuers (i) located in emerging markets, or (ii) with a valuation of less than one billion (1,000,000,000) euros, it being specific that, for each such category, these investments will be limited to 20% of net assets.

The Fund aims to invest in issuers committed or with the potential to enable the transition to a low-carbon world, and reconciling financial and non-financial performance. The Management Company will thus incorporate non-financial criteria throughout its investment process, under the conditions set out below in the description of the Non-Financial Approach *(the "**Non-Financial Approach**")*.

The portfolio management policy complies with the following exposure limits:

Overall strategic allocation of the Fund		
Weighting of assets via directly-held securities	Minimum allocation % of net assets	Maximum allocation % of net assets
Equity investments	90%	110%
Money market investments	0%	10%

The Fund will invest in equities on listed markets, conducting a detailed analysis of the companies on those markets, with a focus on a longer-term investment horizon and selecting issuers which, in the Management Company's view:

- practice an easy-to-understand business model, have potential sources of growth and attractive ROCE that can be sustained over multiple years thanks to their robust competitive advantages;

- are run by a Management Team that works in line with shareholders and employs judicious use of capital;

- are priced low enough to offer the Fund a potentially attractive internal rate of return (IRR) over a five-year investment period;

- reconcile financial and non-financial performance: at the very least, the issuers should demonstrate solid management of their main non-financial risks and, in some cases, offer products and services contributing to the UN Sustainable Development Goals (SDG), , in particular SDG 13 (Climate Action).

From the Management Company's viewpoint, these components, together with the entire range of authorised instruments, should allow for optimal management of the portfolio.

For each investment, the research and portfolio management teams conduct an extensive due diligence review, centred on a bottom-up analysis of each issuer and serving as the basis for the selection of portfolio investments. Issuing companies will be selected on the basis of multiple criteria, such as:

- ROCE;
- Operating margins;
- Company's sector and positioning;
- Consistent FCF growth;
- Leverage;
- Security valuation;
- Management team's expertise;
- Alignment with minority shareholders and quality of governance;

- Company’s outlook and market trends;
- ESG policy implemented by issuers: (i) how they manage non-financial risks and their main negative impacts on society and the environment (through their products & services, transactions, and supply chain) and (ii) their ability to offer solutions through their products and services that contribute positively to the UN Sustainable Development Goals (SDG), , in particular SDG 13 (Climate Action).

Target companies, of all cap sizes, will belong to all sectors of the economy (except those excluded by the Management Company’s ESG policy). The Fund thus will not be prohibited from opportunistically considering small or mid cap companies, with the goal of maximising its risk/reward profile while maintaining reasonable liquidity in the Management Company’s view.

Between 90% and 110% of the Fund’s Net assets may be exposed to equities, it being specified that the Fund will be overexposed (between 100% and 110% of Net Assets) exclusively through the use of warrants.

3.2.5.2 Non-Financial Approach

The purpose of this Non-Financial Approach is to improve the issuer selection process from its investment universe by particularly taking into account criteria associated primarily with the reduction of the Fund’s carbon footprint and also but not in a preponderant manner, environmental, social and governance (“**ESG**”) criteria within the meaning of Article 8 SFDR. This Non-Financial Approach as well as its limitation in methodology are further described below.

The Management Company ensures that at least 90% of portfolio securities (as a percentage of Net Assets they represent) are subject to an ESG and carbon footprint analysis, it being specified that (i) bonds and other debt securities issued by public or quasi-public issuers, cash held on an ancillary basis, and joint assets, and (ii) derivative instruments for hedging purposes, are not taken into account in the context of this extra-financial approach.

Identification of the Fund’s investment universe

For the purpose of defining an investment universe that is consistent with the Non-Financial Approach, the Management Company applies the exclusion policy adopted by Tikehau Capital Group, excluding companies operating in the controversial weapons, pornography and prostitution sectors, and companies earning more than 30% of their revenue from thermal coal (extraction, trading or power generation), tobacco and/or marijuana for recreational purposes (growing and manufacturing of products). Moreover, the Tikehau Capital Group has defined a three-level watchlist that seeks to identify the geographical areas (e.g. non-cooperative or sanctioned countries) and behaviours (e.g. allegations of corruption, tax evasion or money-laundering and other allegations of breaches of the United Nations Global Compact etc.) that may entail increased risks and/or may have negative external impacts on the environment or the society.

Based on the exclusion and extra-financial supervision policy set forth in the ESG Criteria Section and the fundamental analysis carried out in accordance with the Fund’s investment strategy described above, the Management Company identifies an investment universe of approximately 200 issuers most of which belong to the MSCI World 100% Hedged to EUR Net Total Return Index. Some of these issuers may not be included in this index.

Carbon footprint reduction

The primary objective of the Non-Financial Approach is to ensure that the weighted average carbon intensity of the FCP (greenhouse gas ("**GHG**") emissions per million euros of turnover) must be at least 20% lower than that the MSCI World 100% Hedged to EUR Net Total Return Index.

The carbon intensity of a company is the ratio of its GHG emissions, calculated in tonnes of CO2 equivalent, to its total turnover converted into the reference currency, it being specified that the Fund will take into account emissions calculated on scopes 1 (carbon footprint from fixed or mobile sources controlled by the organisation) and 2 (indirect emissions linked to energy consumption to produce goods and services) only, as defined by the Greenhouse Gas Protocol. At this stage, the FCP does not take into account the data falling under scope 3 of the said protocol (other indirect emissions linked to the upstream and downstream value chain) in its calculation).

The sources used to determine GHGs may include information published by emitters as well as sector averages calculated from major databases such as Bloomberg or Trucost. However, the Fund may exclude specific issuers from the calculation where no information is available and where sector averages are not considered relevant by the Management Company, particularly in view of recent developments relating to contemplated issuer.

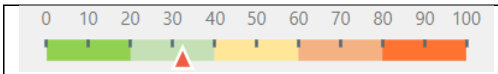
The weighted average intensity of the portfolio is calculated weekly and represents the arithmetic average of the carbon intensities of each of the companies in the portfolio (total greenhouse gas emissions on scopes 1 and 2 divided by total turnover) weighted by their weighting in the portfolio, pursuant to the following formula:

$$\text{Intensité moyenne pondérée}_{\text{portefeuille}_x} = \sum_{\text{inv}=1}^{n_{\text{investissements}}} \text{Poids inv.}_{\text{portion "entreprises" portefeuille}_x} \times \frac{\text{Emissions totales entreprise}_{\text{inv}}}{\text{Chiffre d'affaires entreprise en dollar US}_{\text{inv}}}$$

The Management Company will monitor compliance with this 20% threshold in connection with any investment or divestment decision. In the event that the 20% threshold is exceeded during the course of the investment as a result of a deterioration in the carbon intensity of one or more issuers in the portfolio, the Fund will carry out the necessary arbitrages in order to ensure that the weighted average carbon intensity of the Fund is again at least 20% lower than that of its benchmark index at the end of the quarter following the quarter in which the excess was observed.

<u>Promotion of ESG Criteria</u>

For the purposes of the bottom-up analysis conducted prior to any investment, the Management Company will also assign to each company an ESG score (the "**ESG Score**"), ranging from 0% to 100%, (0% representing an ESG opportunity and 100% the highest- ESG risk company) :

	- 0 to 10% represents an ESG opportunity - 20 to 40% represents a company with moderate ESG risk - 40-60% represents a company with an average ESG risk - 60% to 80% represents a company with a material ESG risk - 80 to 100% represents a company with significant ESG risk

This ESG Score is determined pursuant to the ESG Criteria defined in paragraph 4.4 "Information on ESG criteria" below by applying a proprietary tool developed with an ESG expert.

To ensure appropriate implementation of such ESG approach, the Fund will exclude any companies having an ESG profile of more than 80% from its portfolio. Furthermore, the Fund will systematically submit issuers with an ESG profile ranging from 60% to 80% to the compliance and ESG teams of the Management Company, which hold, respectively, veto power.
In any case, the initial ESG score of each portfolio company of the Fund shall be reviewed on a periodic basis. If, following a downgrading of its ESG Note, an issuer from the Fund's portfolio is no longer eligible under the above criteria, the Fund must remove the issuer from its investment universe and divest within 12 months, unless the issuer manages to correct its ESG Score before the end of this period.

Limitation in methodology

This Non-Financial Approach presents certain methodological limitations according to the Management Company:

- a limited number of companies publish audited GHG data on scopes 1, 2 and 3 (upstream and/or downstream), the Management Company may have difficulties in identifying data relating to a given emitter and using, for example, data from its sector of activity;
- due to the lack of robust data, the Management Company does not take into account GHG data on Scope 3 (upstream and/or downstream), which leads to not taking into account greenhouse gas emissions linked to the value chain which may represent the bulk of the emissions. Therefore, not considering scope 3 in the selection of emitters represents a significant risk of under-optimising indirect emissions;
- the GHG data available for an emitter may be erroneous or incomplete either because of the databases of data providers such as Bloomberg or Trucost, or because of emitters who, when carrying out voluntary GHG reporting, may vary the scope of this reporting without the figures being corrected. In such cases, the Management Company may have to make certain restatements or additions to complete the available data in the light of the information available to it;
- the Internal ESG Note is relies on a tool developed by an external service provider and based on sources which must be updated periodically and which may become obsolete between two updates;
- with the exception of sectors identified under the group exclusion policy described above, the investment strategy does not exclude per se any specific economic sector and may be exposed to certain controversies related to some of these sectors as described in the description of Sustainability Risk hereafter.

Taxonomy Regulation

This Fund product promotes environmental characteristics, as described by article 8 of the Regulation (EU) 2019/2088 of 27 November 2019 on sustainability-related disclosures in the financial services sector (the "SFDR Regulation"). However, the Fund does not commit to making sustainable investments and does not take into account the EU criteria for environmentally sustainable economic activities within the meaning of the Regulation (EU) 2020/852 of 18 June 2020 on the establishment of a framework to facilitate sustainable investment (the "**Taxonomy Regulation**") and its portfolio alignment with such Taxonomy Regulation is not calculated. Therefore, the "do no significant harm" principle does not apply to any of the investments of this financial product.

3.2.5.3 Asset classes and financial contracts used

To implement the investment strategy, the Fund's portfolio is mainly invested in the following securities:

Assets used, excluding embedded derivatives

- Traded equities directly held

The Fund may be exposed to equities from all geographic regions (including emerging markets) and denominated in euros or international currencies, of small, mid within the limit of 20% of the Net Assets in the case of companies whose valuation is less than one billion (1,000,000,000) euros, and large capitalised companies, up to 110% of its net assets. As such, the Fund shall be exposed to currency risk in proportion to the portion of net assets invested outside the eurozone and not hedged against this risk.

Allocation between sectors and countries is subject to discretionary review at any time based on their expected returns.

Net exposure to the equity markets is between 90% and 110%.

- Money market instruments

For cash management purposes,the Fund may invest in money market instruments denominated in euros or international currencies, from all geographic regions (OECD countries and emerging countries) up to 10% of its net assets. As such, the Fund shall be exposed to currency risk in proportion to the portion of net assets invested outside the eurozone and not hedged against this risk.

These assets invested in interest rate markets may include sovereign bonds, i.e. financial instruments issued or guaranteed by a member state of the OECD, by local authorities of a member state of the European Union or party to the agreement on the European Economic Area or an international public body to which one or more member states of the European Union or party to the agreement on the European Economic Area belong.

- Units or shares of UCTIS and investment funds (AIF)

None.

Securities with embedded derivatives

To achieve its management objective, the Fund may also use warrants traded on euro zone and/or international, regulated, organized or over-the-counter markets in order to be exposed to equity risk up to a limit of 110% of the Net Assets in accordance with the management objective:

Types of markets:	regulated; organised; over-the-counter
Risks to which the Management Company seeks exposure:	equity risk
Types of investment limited to fulfilling the investment objective:	equity risk hedging (up to 110% of Net Assets)
Types of instrument used:	warrants only

Derivative instruments

To achieve its management objective, the Fund may also use securities incorporating derivatives traded on eurozone and/or international, regulated, organised or over-the-counter markets under the conditions defined below:

Types of markets:	regulated; organised; over-the-counter
Risks to which the Management Company seeks exposure:	currency risk
Types of investment limited to fulfilling the investment objective:	currency risk hedging
Types of instrument used:	futures, forward and foreign exchange

Authorised counterparties

The selection of counterparties for OTC derivatives follows a procedure known as "best selection". In the context of over-the-counter transactions, counterparties are financial institutions specialised in this type of transaction. Additional information on the counterparties to transactions are included in the Fund's annual report. These counterparties will have no discretion over the composition or the management of the Fund portfolio.

Management of financial guarantees

In connection with the conclusion of financial contracts, the Fund may receive/remit financial guarantees in the form of full ownership transfer of securities and/or of cash.

Securities received as collateral must meet the criteria set by regulations and must be granted by credit institutions or other entities that meet the criteria of legal form, country and other financial criteria set out in the French Monetary and Financial Code.
Financial guarantees received must be able to be fully enforced by the Fund at any time and without consulting or obtaining the approval of the counterparty. The level of financial guarantees and the discount policy are set by the internal processes of the Management Company in accordance with the regulations in force and cover the categories below:
- financial guarantees in cash;
- financial guarantees in debt securities or in equity securities according to a precise nomenclature.

The eligibility policy for financial guarantees explicitly defines the required level of guarantee and the discounts applied for each financial guarantee according to rules that depend on their specific characteristics. It also specifies, in accordance with the regulations in force, rules for risk diversification, correlation, valuation, credit quality and regular stress tests on the liquidity of guarantees.

In the event that financial guarantees in cash are received, these may, under conditions set by regulation, only be:
- placed in deposit;
- invested in high-quality government bonds;
- used in a reverse repurchase agreement;
- invested in short-term monetary undertakings for collective investment (funds).

Financial guarantees other than received cash may not be sold, reinvested or used as collateral.

The Management Company will, in accordance with the valuation rules provided for in this prospectus, carry out a daily valuation of the guarantees received on a market price basis (mark-to-market). Margin calls will be made on a daily basis.

The guarantees received by the Fund will be kept by the Fund's depositary or, failing that, by any third-party depositary subject to prudential supervision and which has no connection with the provider of the guarantee.

The risks associated with financial contracts and the management of inherent collateral are described in the risk profile section.

Cash

On an ancillary basis and within the strict limits of the needs related to the management of flows, the UCITS may hold cash.

- Deposits

None.

- Cash borrowings

The Fund may temporarily use cash borrowings, notably in order to optimise the Fund’s cash flow management and manage the different subscription/redemption value dates of the underlying UCIs. This type of transaction will nevertheless be used on an ancillary basis.

Temporary purchases and sales of securities

None.

3.2.6 Risk profile

Your money will mainly be invested in financial instruments selected by the Management Company. These instruments will be subject to market trends and risks.

Holders of units in the Fund are exposed to the following risks through the Fund:

General risks

(i) *Risk of capital loss*

The Fund offers no guarantee of capital protection. The investor is hereby notified that his capital is not guaranteed and there is a possibility that it may not be returned to him or returned to him only in part. The value of portfolio assets depends on market trends and developments, and no guarantee may be offered on their future returns. Past performances of portfolio assets are not a reliable guide to future performances. Potential investors must not undertake an investment in the Fund if they are unable to bear the consequences of such a loss. Potential investors are urged to consult their financial advisors regarding the financial consequences of an investment in the Fund with reference to their own situations and level of risk aversion.

(ii) *Discretionary management risks*

No guarantee is offered that the Fund will achieve its investment objective. Although the investment strategies used should allow the Fund to achieve its investment objective, the possibility cannot be ruled out that market circumstances or a mistaken assessment of opportunities by the Management Company could lead to a depreciation of managed assets and hence a decline in net asset value.

Risks linked to the investment strategy

(iii) *Risks associated with investment in equities*

The decline in share prices may result in a decrease in the net asset value of the Fund if the Fund has exposure to equity risk. The small and mid caps market (within the limit of 20% of the Net Assets in the case of companies whose valuation is less than one billion (1,000,000,000) euros) may suffer greater fluctuations and may result in a more rapid decline in the Fund's net asset value.

(iv) *Credit risk*

The Fund may be exposed to credit risk on public issuers on an ancillary basis. In the event of a worsening in their situation or their bankruptcy, debt securities may fall in value and lead to a decline in the net asset value of the Fund.

(v) *Emerging markets risk*

Exposure to emerging markets risk may represent up to 20% of the Fund's Net Assets. Market and credit risks are increased by investing in emerging countries in which market fluctuations, both upwards and downwards, can be more acute and more abrupt than in the major international markets.

(vi) *Interest rate risks*

The Fund may be exposed to interest rate risk on its investments. Hence, shifts in interest rates could have a negative impact on Fund performance.

Rising interest rates may cause a decline in the net asset value; similarly, in the event of negative sensitivity of the portfolio, lower rates may lead to a decline in the net asset value. Sensitivity measures the variation of capital depending on interest rates.

(vii) *Risk associated with commitments on financial futures*

The use of forward financial instruments will enable the Fund to adjust its exposure tocurrency and equity risk; the cost of this protection may entail a risk of decline in the net asset value of the Fund.

(viii) *Currency risk*

The Fund may be exposed to currency risk in the proportion to that part of the net assets invested outside the euro zone not hedged against this risk, which could lead to a decrease in its net asset value. The maximum proportion of assets exposed to currency risk is 110% of Net Assets.

Secondary risks:

(ix) *Liquidity risk*

Liquidity risk is the difficulty that the Fund could have in selling certain assets within a brief timeframe in order to raise cash, if needed, or in reaction to a decline in their market value. Over-the-counter markets in particular do not offer immediate liquidity or divestment at the price expected by the Fund.

(x) *Counterparty risk*

Counterparty risk is the risk of default of a market counterparty or debtors leading to a payment default. The payment default by a counterparty could lead to a decline in the Fund's net asset value.

(xi) *Sustainability Risk*

"Sustainability Risk" refers to an 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 investments made by this Fund.

The Fund takes into account risks and sustainability factors through sector exclusion measures and the rating of the non-financial profile implemented by the Fund as described in the section "Investment Strategy - Extra-Financial Approach".

Such risk is linked to a variety of risks which may result in unanticipated losses that could affect this Fund's investments and financial condition. Three risks appear to dominate in terms of likelihood and materiality if they unfold:

(i) Environmental risks: comprise adverse effects on living organisms and the environment by effluents, emissions, wastes, resource depletion, etc., arising out of an organization's activities. Climate risks comprise both an organization's activities' effect on climate change and the effect of climate change on the organization itself.

The Management Company specifically considers climate-related events and biodiversity loss resulting from climate change (a.k.a physical risks such as sustained increased temperatures, sea level rise, flooding, fire, droughts, and other weather calamities) or to the organization's response to climate change (a.k.a transition risks related to regulatory, technology, market risks, etc.). As the frequency of extreme weather events increases, the exposure of this Fund's assets to these events increases too.

(ii) Social risks: include risks associated with health and safety, social risks in the supply chain, management of the social climate and development of human capital, management of quality and risks associated with consumers' safety, management and materiality of social/society-related controversies, management of the innovation capabilities and the immaterial capital.

The Management Company specifically considers pandemic risks. On average, a new infectious disease emerges in humans every four months. In a connected world, an outbreak anywhere can become a global risk and halt the economy. A pandemic is defined as an epidemic occurring worldwide, or over a very wide area, crossing international boundaries and usually affecting a large number of people. Despite significant medical progress over the last centuries, infectious diseases represent a considerable threat to society and to a wide array of economic sectors.

(iii) Governance risks: refer to risks around an organization functional management, regulatory risks, management and integration of sustainability into the business' strategy quality. Governance shortcomings e.g. significant breach of international agreements, non-respect for human rights, corruption and bribery issues, etc. translate into material Sustainability Risks.

The Management Company specifically considers cybersecurity risks results from the increasing use of digital technologies across all sectors. As cyber-attacks become more sophisticated, the exposure of this Fund's assets to data fraud, theft and cyberattacks increases.

Social events (e.g. inequality, inclusiveness, labour relations, accident prevention, investment in human capital, changing customer behavior, product quality and safety, selling practices, etc.) or governance shortcomings (e.g. recurrent significant breach of international agreements, bribery issues, etc.) also translate into Sustainability Risks.

The impacts following the occurrence of a Sustainability Risk may be numerous and vary depending on the specific risk, region and asset class. Assessment of the likely impacts of Sustainability Risks on the returns of a Sub-Fund is therefore conducted at the portfolio level. Further details on the impacts of Sustainability Risks on the returns of Sub-Funds can be found in the Risk Profile section in the Supplement for the relevant Sub-Fund.

3.2.7 Eligible investors and typical investor profile

a) US Persons

The Fund's units are not open to investors with the status of "US Person" as defined in Regulation S of the SEC (Part 230-17 CFR 230.903).

The Fund is not, and will not be, registered under the US Investment Company Act of 1940. Any resale or transfer of units in the United States of America or to a "US Person" may constitute a violation of US law and requires the prior written consent of the Fund's Management Company. Those wishing to acquire or subscribe for units must certify in writing that they are not "US Persons".

The Fund's Management Company is empowered to impose restrictions (i) on the holding of units by a "US Person" and consequently effect the compulsory redemption of units held; or (ii) on the transfer of units to a "US Person". This power also extends to any person (a) who is shown to be directly or indirectly in contravention of the laws and regulations of any country or government authority, or (b) who could, in the opinion of the Fund's Management Company, cause the Fund to suffer harm that it would not otherwise have undergone or suffered.

The offer of units has not been authorised or rejected by the SEC, by the specialist commission of a U.S. state or any other U.S. regulatory authority, nor have those authorities pronounced on or sanctioned the merits of such offer, or the accuracy or adequacy of documents relating to this offer. Any statement to this effect is contrary to law.

Any unitholder must immediately inform the Fund's Management Company in the event that they become a "US Person". Any unitholder who becomes a US Person shall not be allowed to acquire new units and may be requested to dispose of his units at any time to persons who do not have the status of "US Person". The Fund's Management Company reserves the right to compulsorily redeem any units held directly or indirectly by a "US Person", or if the holding of units by any person whatsoever is contrary to law or to the interests of the Fund.

The definition of "US Person(s)" as defined in Regulation S of the SEC (Part 230-17 CFR 230.903) is available at the following address: http://www.sec.gov/laws/secrulesregs.htm

b) Recommended investment period

Minimum recommended investment period: 5 years.

The reasonable amount for each investor to invest in this Fund depends on their personal situation. To determine this amount, investors must consider their personal assets, the applicable regulation, their current needs over an investment period of at least five years, and whether they wish to take risks or rather favour a cautious investment. Investors are also strongly advised to sufficiently diversify their investments so as not to be exposed solely to the risks of this Fund.

They are strongly recommended to diversify their choice in order not to expose their investments solely to the risks of this Fund. Diversifying one's portfolio into different assets (money market, bonds, equities) in specific sectors of activity and different geographical regions, both allows a better spread of risk and an optimisation of portfolio management, taking market developments into account.

c) Typical investor profile and minimum initial subscription amount

R-Acc-EUR units: all investors. The minimum initial subscription amount is set at EUR 100.

F-Acc-EUR units: Investors investing through (i) an intermediary providing a management under mandate service (discretionary portfolio management) or an independent advisory service, as defined by MiFID II, and/or (ii) non-independent or restricted advisers who have agreed not to receive retrocession fees or who are not authorised to receive retrocession fees in accordance with regulatory requirements enforced by local regulatory authorities and/or (iii) the management company.
The minimum initial subscription amount is set at EUR 100.
This Fund is particularly suitable for investors who wish to invest in global equity markets, of any capitalisation and in any sector.

I-Acc-EUR units: all subscribers, in particular institutional investors, with a minimum initial subscription of EUR 1,000,000.

E-Acc-EUR units: reserved exclusively for executive officers and employees (investing either directly, or through any company under their control), shareholders, companies or investment funds under the control (i) of the Management Company or (ii) of any company directly or indirectly controlling the Management Company, the term “control” being used according to the meaning of Article L233-3 of the French Commercial Code. The minimum initial subscription amount is set at EUR 100.

d) **Form of the units**

The units are in bearer form.

3.2.8 Allocation of distributable income

Distributable income of E-Acc-EUR, I-Acc-EUR, R-Acc-EUR and F-Acc-EUR units shall be fully capitalised.

Income is divided among the unit classes. The portion attributable to the units is recorded in the capital of that class of units.

3.2.9 Characteristics of the units

The units are denominated in euro and fractions are issued in thousandths of units.

3.2.10 Subscription and redemption procedures

Orders are executed according to the table below:

Business day D-1	Business day, net asset value calculation day	Business day D + 1	Business day D+ 2
Centralisation of subscription and redemption orders before 4pm[1]	Execution of the order at the latest on the same business day	Publication of net asset value	Settlement of subscription and redemptions orders

[1]*Unless a specific deadline has been agreed with your financial institution.*

Subscription and redemption orders received after 4pm in D-1 shall be deemed to have been received on the next trading day.

Subscriptions may be made for an amount, a whole number of shares or a fraction of a share, each unit being divided into thousandths.

Redemptions may be made in whole numbers of shares or fractions of a share, each share being divided into thousandths.

Investors are reminded that when sending instructions to Fund distributors other than the institutions indicated in Section 2.4 Directory; they must take account of the fact that the cut-off time for pooling of orders imposed by CACEIS BANK applies to these distributors.
Consequently, these marketing agents may stipulate an earlier cut-off time so that instructions can be sent to CACEIS BANK on time.

Designated institution for receiving subscriptions and redemptions:
CACEIS BANK
1-3 Place Valhubert, 75013 Paris

Date, frequency and publication of net asset value: The Fund's NAV is determined daily except for closure of the Paris Stock Exchange and legal holidays in France. It is available from the Management Company, Tikehau Investment Management.

3.2.11 Calculation frequency of the net asset value of the Fund's units

The Fund’s net asset value is calculated daily, or on the next business day in the case of closure of the Paris Bourse and legal holidays in France and is published in business days + 1.

The Net Asset Value is reported to the AMF no later than the day following its publication. It is available from the Management Company.

3.2.12 Fees and commissions

a) Subscription and redemption fees

Subscription fees increase the subscription amount paid by the investor, while redemption fees decrease the redemption proceeds paid to the investor. Fees paid into the Fund are used to pay the costs borne by the Fund to invest or divest the entrusted assets. Commissions not paid into the Fund are paid to the Management Company or the Distributor.

Charges payable by the investor on subscriptions and redemptions	Base	Rate scale
Subscription fee not payable to the Fund	Net asset value x number of units subscribed	E-Acc-EUR and I-Acc-EUR units: None R-Acc-EUR and F-Acc-EUR units: up to 1% (including tax) maximum, except in the case of exemption

Subscription fee payable to the Fund	Net asset value x number of units subscribed	None
Redemption fee not payable to the Fund	Net asset value x number of units subscribed	None
Redemption fee payable to the Fund	Net asset value x number of units subscribed	None

Exemption:
Simultaneous subscriptions and redemptions can be exempt from all fees (retained or not by the Fund) under the following conditions:
- the transactions are carried out the same day, for the same amount and based on the same NAV, and when these transactions are economically neutral for the Fund and do not require investments or divestments to be made,
- they are carried out by the same holder (buy/sell transactions) or by persons, entities or companies linked by a control relationship or under the same control (reclassification transactions), and
- the Management Company is informed with a minimum notice of three business days, in order to give it time to verify that all of the exemption conditions are met.

b) Operating and management fees

These fees cover all costs charged directly to the Fund, except for intermediary costs (brokerage, stock market taxes, etc.) except in the case of entry and/ or exit charges paid by the Fund when buying or selling units of another collective investment vehicle.

Fees may also include:
- Outperformance fees. Such fees reward the Management Company when the Fund exceeds its objectives. They are therefore charged to the Fund.
- Turnover fees charged to the Fund.

	Fees invoiced to the Fund	**Base**	**Rate scale**
1 and 2	Management fees (including management fees external to the Management Company)	Net assets	R-Acc-EUR units: Maximum 1.80%, inclusive of tax E-Acc-EUR units: Maximum 0.20%, inclusive of tax I-Acc-EUR unit: Maximum 0.90%, inclusive of tax F-Acc-EUR units: Maximum 1.00%, inclusive of tax
3	Maximum indirect fees (management fees and commissions)	Net assets	None
4	Turnover fee	Charge for each transaction Corporate actions Other transactions	None
5	Outperformance fees	Net assets	E-Acc-EUR units: None I-Acc-EUR, R-Acc-EUR and F-Acc-EUR units: 15% outperformance of the benchmark index, during the reference period in question, provided that this performance is greater than 0 during the reference period in question.

The Management Company may pay additional fees to third parties, it being provided that such fees are calculated as a percentage of the financial management costs paid to the Management Company by the Fund and are not representing an additional liability for the Fund. Such third parties are mainly distributors, placement agent, delegated managers, Fund's shareholders and may also be entities of Tikehau group.

Outperformance fees

<u>Outperformance fee applicable to E-Acc-EUR units</u>: None

<u>Outperformance fee applicable to I-Acc-EUR, R-Acc-EUR and F-Acc-EUR units</u>:

In respect of the unit classes that charge an performance fee as identified in the above table, the Management Company is entitled to receive from the net assets of the relevant unit class a performance-based incentive fee. The outperformance fee is calculated, and where applicable accrued on each valuation date, using the methodology described below.

<u>Definitions</u>

For the purpose of this Fund:

- The reference period (the "**Reference Period**") is the time horizon over which (i) the performance is measured and compared with that of the benchmark index, and (ii) past underperformance or negative performance of a unit class compared to the benchmark index must be clawed back before an outperformance fee becomes payable.

  The Reference Period shall have a length of five (5) rolling Crystallisation Periods (as defined below), with an anticipated reset every date on which an outperformance fee is paid to the Management Company (other than anticipated payments mentioned below) At the end of every Reference Period, the mechanism for the compensation for past underperformance or negative performance can be reset.

- Crystallisation Period begins on the first valuation date of each financial year following the previous Crystallisation Period and ends on the last valuation date of December of the same year, subject to the below (the "**Crystallisation Period**"). The first Crystallisation Period of a given unit class shall be understood as being the period starting as of the launch date of the unit class and ending the immediately following 31st of December.

- the Reference Net Asset Value used for a given Crystallisation Period is defined as the highest Net Asset Value in respect of which an outperformance fee was calculated and paid over the Reference Period, it being provided that the initial Net Asset Value of a given unit class shall be set as the first Reference Net Asset Value thereof (the "**Reference Net Asset Value**"). If no such outperformance fees have been paid over the Reference Period, the Reference Net Asset Value shall be set to the Net Asset Value calculated on the first valuation day of the Reference Period. The Reference Net Asset Value is adjusted in case of distributions.

<u>Calculation method for the outperformance fee</u>

The outperformance fee mechanism that is employed is the outperformance fee benchmark index mechanism. The benchmark index with which the performance of the relevant unit classes will be compared is indicated in the above table (including the hurdle) for each unit class. This mechanism seeks to ensure that the Management Company cannot (i) earn an outperformance fee as a consequence of previous underperformance against the benchmark index over the Reference Period, nor (ii) claim outperformance fees unless the Net Asset Value at the end of a Crystallisation Period is higher than the applicable Reference Net Asset Value.

An outperformance fee in respect of any unit class is calculated during each Crystallisation Period considering the spread between (i) the positive performance of the Net Asset Value of a unit class over a given Crystallisation Period above the Reference Net Asset Value (the "**Performance**") and (ii) the performance of the benchmark index against the Reference Net Asset Value (the "**Benchmark Performance**").

In case of a positive spread (the "**Positive Relative Performance**"), the outperformance fee shall be calculated on the basis of such Positive Relative Performance and due at the end of the relevant Crystallisation Period. Given that the Performance is calculated with respect to the Reference Net Asset

Value, a Positive Relative Performance may only exist and hence outperformance fees may only be paid if the absolute Performance is positive over the entire Reference Period.

In addition, (i) if a unit class is closed or subject to a merger in the course of a Crystallisation Period and (ii) where unit classes are redeemed on a date other than that on which an outperformance fee is paid while provisions have been made for the outperformance fee, the outperformance fee will in principle be crystallised at the date of the event triggering the end of the Crystallisation Period for such units and the outperformance fee will be paid, even if an outperformance fee is no longer payable at the end of the ongoing Reference Period.

The outperformance fee is calculated on the basis of the Net Asset Value per unit after deducting all expenses, fees (but not any accrued unpaid outperformance fee except for the unpaid outperformance fee in respect of units redeemed during the Reference Period, as further described below) and adjusting for subscriptions, redemptions, and distributions orders executed from date of the previous Reference Net Asset Value, so that these will not affect the due outperformance fee.

The benchmark index and the Reference Period will be periodically reset to take into account the length of the Reference Period representing a duration of five (5) rolling Crystallisation Periods, provided that such reset will only pertain to the fraction of the underperformance coming from the elapsed fiscal year (N-5) that was not yet compensated over the on-going reference period.

Outperformance fee provision mechanism

A provision in respect of outperformance fee will be made on each valuation date if an outperformance fee is due according to the previous paragraphs. For this purpose, those conditions will be assessed for each unit class by reference to the Performance and the Benchmark Performance over the period from the first day of the Reference Period up to such valuation date. If no outperformance fees are due, no accrual will be made in respect of the valuation date in question.

The outperformance fee provision on a specific valuation date is calculated, where applicable, by multiplying the Positive Relative Performance by the performance fee rate indicated in the above table and the number of units outstanding on such valuation date, adjusted for subscriptions, redemptions and distributions.

On each valuation date, the outperformance fee accounting provision made on the immediately preceding valuation date is adjusted to reflect the units' Relative Performance, positive or negative. Accordingly, except with respect to any outperformance fee that has accrued as of that point when distributions or redemptions proceeds are paid out and which is considered earned, previously accrued outperformance fees will be cancelled out by any subsequent underperformance in comparison with the Benchmark Performance. The outperformance fee accounting provision may, however, never be negative and under no circumstances will the Management Company pay money into the Fund or to any unitholder thereof for any such underperformance.

Subject to the above, if at the end of a Crystallisation Period, an accrual for outperformance fees is booked in the statement of operations of any unit class, it will become payable to the Management Company.

Anticipated crystallisation of accrued outperformance fees

In the event that a unitholder redeems units prior to the end of the Crystallisation Period, any accrued but unpaid outperformance fee relating to those redeemed units shall be immediately crystallised and will be paid to the Management Company at the end of the considered Crystallisation Period according to the following formula:

*Crystallised outperformance fee on a valuation day = (number of units redeemed on the valuation date / total number of units on the previous valuation date) * outperformance fee accrued on the previous valuation date*

If a unit class is closed or (subject to the best interest of investors of both the merging and the receiving fund or unit class) merged before the end of the Crystallisation Period, the outperformance fee accrued as of the closing or merger of the unit class, if any, will be paid as if the date of closing was the end of the Crystallisation Period.

Example of determination of outperformance fee

Year	Net Asset Value (end of the year)	Reference Net Asset Value	Performance vs. Reference Net Asset Value	Benchmark Performance	Benchmark Performance vs. Reference Net Asset Value	Relative Performance	Payment of performance fees (Yes/No)
0	100			100			
1	98	100	-2,00 %	99	-1,00 %	-1,00 %	No
2	102	100	2,00 %	103	3,00 %	-1,00 %	No
3	**104**	**100**	**4,00 %**	**102**	**2,00 %**	**2,00 %**	**Yes(*)** **Amount : 0,2 €**
4	99	104 (*)	-4,81 %	98	-5,77 %	0,96 %	No
5	98	104	-5,77 %	95	-8,65 %	2,88 %	No
6	100	104	-3,85 %	101	-2,88 %	-0,96 %	No
7	103	104	-0,96 %	104	0,00 %	-0,96 %	No
8	**100**	**104**	**-3,85 %**	**101**	**-2,88 %**	**-0,96 %**	**No (**)**
9	102	99	3,03 %	103	4,04 %	-1,01 %	No
10	105	99	6,06 %	106	7,07 %	-1,01 %	No

(*) Update of the Reference Net Asset Value following the payment of outperformance fees
(**) Update of the Reference Net Asset Value following the end of the 5th year of the 5 years rolling Reference Period, in the absence of payment of outperformance fees.

4. MARKETING INFORMATION

4.1 Distribution

The Fund is distributed by the Management Company, Tikehau Investment Management.

The list of distributors is not comprehensive mainly due to the fact that the Fund is listed on Euroclear. Thus, some distributors may not be mandated by or known to the Management Company.

4.2 Subscription and redemption

Orders for subscription or redemption must be made in accordance with paragraph "Subscription and Redemption Procedures".

4.3 Distribution of information related to the Fund

The net asset value is available from the Management Company, Tikehau Investment Management.

The Fund prospectus, the latest annual and periodic documents as well as the remuneration policy shall be sent to unitholders upon request, addressed to:

Tikehau Investment Management
32 rue de Monceau, 75008 Paris, France
Tel: 01 53 59 05 00
Contact: client-service@tikehaucapital.com

The Management Company may transmit the composition of the assets of the Fund it manages, notably to professional investors under the supervision of the CSSF, the ACPR, the AMF or equivalent European authorities for the purposes of calculating the regulatory requirements in relation to the Solvency II Directive. In order to ensure that such transmission of information does not facilitate market timing operations, the Management Company shall in particular respect the following time period before any disclosure:

(i) for professional investors subject to prudential constraints, as exemplified above, the transmission of information may take place within a period of not less than 48 hours after publication of the Net Asset Value;

(ii) for other investors, this transmission may be made within a period of not less than 3 weeks after the publication of the Net Asset Value (except, for instance, in exceptional market conditions, during which the Management Company may apply longer non-disclosure time period).

Any investor wishing to receive this portfolio composition must have in place procedures for managing such sensitive information prior to receiving it, so that it is used solely for the calculation of prudential requirements.

4.4 Information on ESG criteria

As a signatory to the United Nations Principles for Responsible Investment (UNPRI) since 2014, the Management Company takes ESG criteria into account throughout the investment cycle and reports on its progress. At the level of the Tikehau Capital Group, non-financial information is published at least once a year on the website https://www.tikehaucapital.com/.

The Fund's investment universe excludes companies involved in sectors excluded in accordance with Article 3.2.5 "Investment strategy".

The Management Company also conducts an ESG analysis based on a non-financial profile rating scale covering Environmental, Social and Governance criteria, and also considers any controversies from the standpoint of materiality and probability. The rating scale may include the following ESG criteria:

- *Governance: quality and transparency of financial and non-financial information, sector risks associated with bribery and cybersecurity (based on the ESG expert analysis), quality of the Management team and governance bodies, Corporate Social Responsibility (CSR) policy (e.g. signature of the United Nations Global compact or other international initiatives), management and materiality of governance-related controversies.*
- *Societal/Social: sector risks associated with health and safety (based on European and local statistics by sector), environmental and social risks in the supply chain, management of quality and risks associated with consumer safety, management and materiality of social/society-related controversies, contribution of products and services to the betterment of society.*
- *Environment: sector risks associated with the environmental footprint of the business (based on an ESG expert input by sector), physical risks and transition risks associated with climate change, participation to climate related initiatives (Carbon Disclosure Project (CDP), the Science Based Targets Initiative (SBTi), Renewable 100, the United Nations Race to Zero, CarbonCare®, etc.), management and materiality of environment-related controversies, contribution of products and services to the preservation of the environment.*

ESG criteria (particularly relating to governance or best practices in terms of non-financial communication) vary significantly depending on the region. For some ESG criteria deemed material, the Fund will compare a given company's practices to those of its peers (companies of similar size in the same region).

Information about how ESG criteria are incorporated in the investment policy is available in the annual reports or the ESG reports of the Fund in question.

Over the life of the investment, the portfolio management teams perform an annual review of a sample of ESG criteria. In line with the Group's voting policy, the portfolio management teams vote at the General Meetings held by portfolio companies, irrespective of their nationality, provided that the issuer (or, where applicable, the voting platform) provides sufficient information and its depositaries are capable of counting the votes.

Additionally, the Management Company undertakes to consider principal adverse impacts on the climate and the environment (e.g. induced GHG emissions or companies and assets' exposure to biodiversity-sensitive areas) as well as on governance, social and employee matters (e.g. board gender diversity or gender pay gap where possible). One or more external providers (e.g. Bloomberg ESG database, appointed ESG specialist), sometimes completed by internal research (based on public information) will be used to compute weighed averagesof principal adverse impacts indicators. Within this framework, a carbon assessment is carried out annually at the level of the FCP and the nature of the main negative impacts observed in terms of sustainability will be the subject of an annual statement made available as part of the Fund's ESG report.

4.5 Conflict of interest management policy

The Management Company has effective organisational and administrative procedures in place to identify, manage and monitor conflicts of interest. It also has a procedure for selecting and monitoring its delegates and a contractual policy to prevent any potential conflict of interest.
Our conflict of interest policy is available at: www.tikehaucapital.com.

4.6 Selection of intermediaries

A procedure for selecting and evaluating intermediaries that takes into account objective criteria such as the quality of research, commercial follow-up and execution has been set up at the Management Company. This procedure is available on the website www.tikehaucapital.com.

5. INVESTMENT RULES

The regulatory ratios applicable to the Fund are those cited in Article R. 214-2 et seqq. of the French Monetary and Financial Code.

6. OVERALL RISK

In accordance with Articles 411-72 and 411-80 of the AMF General Regulation, and Instruction N° 2011-15 of 3 November 2011 relative to the methods for calculating the overall risks of UCITS, the Management Company chose the commitment method (as defined in Article 6 of the Instruction).

7. ASSET VALUATION AND ACCOUNTING RULES

7.1 Asset valuation rules

7.1.1 General principle

The Management Company Tikehau Investment Management is responsible for valuing the different instruments that make up the Fund. It delegates the calculation of the Fund's Net Asset Value to the valuer:
CACEIS Fund Administration
1-3 Place Valhubert, 75013 Paris, France

In accordance with the appropriate rules and principles described hereinafter, Fund investments shall be valued at their "market value".

Financial instruments traded on a regulated market, a recognised foreign market or a multilateral trading facility

Financial instruments traded on a regulated market or a multilateral trading facility are valued at the closing price on the Net Asset Valuation Date. When these financial instruments are traded on several regulated markets, recognised foreign markets, or multilateral trading facilities at the same time, the closing price of their main trading market is used.

Financial instruments traded on a regulated market, a recognised foreign market or a multilateral trading facility, whose price was not disclosed or whose price has been adjusted are valued at their likely market value under the Management Company's responsibility.

Financial futures or options traded on regulated markets, recognised foreign markets or multilateral trading facilities

Financial futures or options traded on these organised markets will be valued at the settlement price recorded on the day prior to the day when the Net Asset Value is calculated.

The Management Company will, in accordance with the valuation rules provided for in this prospectus, carry out a daily valuation of the guarantees received on a market price basis (mark-to-market).

7.1.2 Financial futures and options traded over-the-counter

Financial futures or options traded over-the-counter will be valued at the price provided by the counterparty to the financial instrument. The Management Company conducts an independent check on this valuation.

7.1.3 Deposits

Deposits are valued at their nominal value, plus any accrued interest.

7.1.4 Financial securities (including debt securities) and over-the-counter debt securities

Financial securities and debts not traded on a regulated market, a recognised foreign market or a multilateral trading facility shall be valued on the basis of historical cost on the date of their acquisition.

When regular quotes are available from external contributors, financial securities shall be valued on the basis of these contributors' quotes.

7.2 Accounting method

The Fund shall comply with accounting rules laid down by current regulations, particularly as regards UCITS.

The accounts are presented in accordance with the regulatory provisions on drawing up and publishing the accounts of French undertakings for collective investment in transferable securities (with a new accounting charter having been certified by ministerial order on 16 December 2003).

- Accounting method for income from financial instruments: The method used is the accrued interest method.

- Accounting method for recording transaction costs: The method used is cost, net of expenses.

- Accounting method for trading fees: The method used is cost, net of expenses.

- Accounting method for income from fixed-income securities: The method used is accountable revenue from coupon received.

The Fund's accounting is denominated in euros.

8. REMUNERATION

The Management Company is subject to the remuneration policies, procedures and practices (collectively referred to as the "Remuneration Policy") in accordance with the UCITS V Directive (the "Directive").
The Remuneration Policy is consistent with and encourages sound and effective risk management. It is designed not to encourage risk-taking that is inconsistent with the Fund's risk profile. The Remuneration Policy is consistent with the business strategy, objectives, values and interests of the Manager and the Funds, and includes measures to avoid conflicts of interest. The Remuneration Policy applies to

employees whose professional activities have a significant impact on the risk profiles of the Management Company or the funds, and guarantees that no employee shall be involved in the calculation or validation of their own remuneration. A summary of the Remuneration Policy is available at https://www.tikehaucapital.com. A printed copy of this Remuneration Policy is available free of charge upon request.

FUND RULES

SECTION 1 – ASSETS AND UNITS

Article 1 – Joint ownership units
Joint ownership rights are expressed in units; each unit corresponds to the same fraction of the Fund's assets. Every unitholder has a right of joint ownership over the Fund's assets, which is proportional to the number of units held.

The Fund has a term of 99 years from its creation date, except in the event of premature liquidation or of an extension as scheduled herein.

The characteristics of the various unit classes and their eligibility requirements are described in the Fund's prospectus.

The provisions of the rules governing the issue and redemption of units are applicable to fractions of units, the value of which will always be proportional to the value to the unit that they represent. All other provisions in the rules on units apply to the unit fractions, without any requirement for this point to be specified, except where it is decreed otherwise.

Lastly, the executives of the Management Company may decide, at their own discretion, to sub-divide the units by issuing new units, which shall be allocated to unitholders in exchange for their existing units.

Article 2 – Minimum assets
Redemption of the units may not be processed if the Fund's assets fall below EUR 300,000; in this case, and unless the assets increase to exceed this amount again in the meantime, the Management Company shall take any steps necessary within a period of thirty days to effect the liquidation of the Fund in question, or any of the transactions covered in Article 411-16 of the AMF General Regulation (transfer of the UCITS).

Article 3 – Issuance and redemption of units
Units are issued at any time at the request of the unitholders, on the basis of the net asset value plus any subscription fee, if applicable.

Redemptions and subscriptions are carried out in accordance with the terms and conditions defined in the prospectus.

Units of the Fund may be listed on a stock exchange in accordance with the regulations in force.

Subscriptions must be paid in full on the day when the net asset value is calculated. Payment must be made in cash.

Redemptions are made exclusively in cash, except in the event of liquidation of the Fund when unitholders have agreed to be reimbursed in securities. The custodian will settle the payment within a maximum period of five days following the valuation of the unit.

However, if in exceptional circumstances the redemption requires the prior sale of assets held in the Fund, this deadline may be extended to a maximum of 30 days.

Except in the case of a succession or a living gift, a disposal or transfer between unitholders, or from unitholders to a third party, shall be considered as a redemption followed by a subscription. If a third party is involved, the amount of the disposal or the transfer must, if applicable, be made up by the beneficiary in order to reach the minimum subscription level required by the prospectus.

In accordance with Article L. 214-8-7 of the French Financial and Monetary Code the redemption of units by the Fund as well as the issue of new units may be suspended on a temporary basis by the Management Company when exceptional circumstances require it and if the interest of the unitholders demands it.

When the net asset value of the Fund is lower than the amount specified by the regulations, no further unit redemptions may be performed.

Article 4 – Calculation of the net asset value
The net asset value is calculated in accordance with the valuation rules specified in the prospectus.

SECTION 2 – OPERATION OF THE FUND

Article 5 – The Management Company
The Fund is managed by the Management Company in accordance with the guidelines defined for the Fund.

The Management Company shall act in all circumstances on behalf of the unitholders and has the exclusive right to exercise the voting rights attached to the securities held in the Fund.

Article 5a – Operating rules
The instruments and deposits which are eligible to form part of the Fund's assets as well as the investment rules are described in the prospectus.

Article 6 – The custodian
The custodian carries out the duties incumbent upon it under the legal and regulatory provisions in force as well as those with which it has been contractually entrusted by the Management Company. In particular, it must ensure that decisions taken by the management company are lawful. It must, as the case may be, take any precautionary measures it deems useful. The custodian shall inform the AMF in the event of a dispute with the Management Company.

Article 7 – The statutory auditor
The governing body of the Management Company appoints a statutory auditor for six financial years, after obtaining approval from the AMF. The statutory auditor certifies the accuracy and consistency of the financial statements. The auditor's appointment may be renewed.

The statutory auditor is obliged to notify the AMF promptly if, in the course of its duties, it becomes aware of any fact or decision concerning the undertaking for collective investment in transferable securities which is liable to:
1. Constitute a breach of the legal and regulatory provisions governing this undertaking and is likely to have significant consequences for its financial position, income or assets;
2. Impair its continued operation or the conditions thereof;
3. Lead to the expression of reservations or a refusal to certify the financial statements.

The valuations of the assets and the determination of the exchange ratios in transformation, merger or demerger transactions are carried out under the supervision of the statutory auditor. The statutory auditor shall assess all contributions in kind under its responsibility. The auditor shall certify the accuracy of the breakdown of assets and other items before the accounts are published.

The statutory auditor's fees are set by common agreement between the former and the Board of Directors or the Executive Committee of the Management Company, according to a schedule of work specifying the due diligence procedures that are deemed necessary.

The auditor certifies situations which are the basis for the distribution of advance payments.

Article 8 – The financial statements and the management report
At the end of each financial year, the Management Company prepares the financial statements and a report on the management of the Fund during the last financial year.

The inventory of assets and liabilities is certified by the custodian and all of the above documents are reviewed by the statutory auditor.
The Management Company shall make these documents available to share holders within four months of the financial year-end and notifies them of the amount of income due to them: these documents shall

be sent by post if expressly requested by the shareholders, or made available to them at the office of the Management Company.

SECTION 3 – APPROPRIATION OF INCOME

Article 9 – Allocation of net income and distributable amounts

The income for the financial year is equal to the amount of interest, arrears, dividends, premiums and prizes, and directors' fees as well as all income generated by the securities held in the portfolio of the Fund, plus income generated by temporary cash holdings, less the amount for management fees and borrowing costs.

For a UCITS, the amounts available for distribution consist of:
1. Net income for the year plus retained earnings, plus or minus the balance of the income equalisation account;
2. Realised capital gains, net of fees, less any realised capital losses, net of fees, recognised during the financial year, plus net capital gains of the same kind recognised during previous financial years and not yet distributed or accumulated, plus or minus the balance of the capital gains equalisation account.

The sums mentioned under 1 and 2 may be distributed in full or in part, independently of each other.

Distributable income is paid out within a maximum of five months following the financial year-end.

The Management Company decides on the income allocation. The method for allocating income and distributable amounts is set out in the prospectus.

SECTION 4 – MERGER – DEMERGER – WINDING UP – LIQUIDATION

Article 10 – Merger – Demerger
The Management Company may either merge all or part of the Fund's assets with another fund under its management, or split the Fund into two or more mutual funds under its management.

These merger or demerger transactions can only take place one month after the unitholders have been notified. They give rise to the delivery of a new certificate specifying the number of units owned by each unitholder.

Article 11 – Winding-up – Extension
If the level of the Fund's assets remains below the level established in Article 2 above, the Management Company shall inform the AMF and shall begin winding up the fund, except in the event of a merger with another open-ended mutual fund.

The Management Company may dissolve the Fund early; it shall notify unitholders of its decision and as of that date subscription or redemption requests shall no longer be accepted.

The Management Company shall also wind up the Fund if a request is made for the redemption of all of the units, if the custodian's appointment is terminated and no other custodian has been appointed, or upon expiry of the Fund's term, unless such term is extended. The Management Company shall write to the AMF informing it of the winding-up date and procedures chosen. It shall then forward the Statutory Auditor's report to the AMF.
The Management Company may decide to extend the Fund's term subject to the agreement of the custodian. The decision must be taken at least three months before the Fund's scheduled expiry date and made known to the unitholders and the AMF.

Article 12 – Liquidation
In the event of dissolution, the Management Company shall be responsible for liquidation procedures; failing this, the liquidator shall be appointed by a court of law at the request of any interested party. For this purpose, they shall receive the broadest powers to sell the Fund's assets, settle liabilities, if any, and allocate the balance in cash or in securities to the unitholders.

The statutory auditor and the custodian shall continue to perform their duties up until the end of the liquidation transactions.

SECTION 5 – DISPUTES

Article 13 – Jurisdiction – Election of Domicile

Any disputes relating to the Fund that arise during the Fund's lifetime or during its liquidation, either among the unitholders or between the unitholders and the Management Company or the custodian, shall be subject to the jurisdiction of the competent courts