

# Key Investor Information



This document provides you with key investor information about this Sub-Fund. It is not a marketing material. The information is required by law to help you understand the nature and the risks of investing in this Sub-Fund. You are advised to read it so you can make an informed decision about whether to invest.

## CLARION GLOBAL EMERGING MARKETS BOND FUND

A Sub-Fund of AVALORN (the "Fund")

Share Class: A EUR - ISIN: LU1271706142

The Management Company of the Fund is NS Partners Europe SA

## Objectives and Investment Policy

### Objectives

- The Sub-Fund seeks long-term capital appreciation by constantly earning coupon payments from bonds and by achieving an increase of their market value.

### Investment policy

- The Sub-Fund invests in global bonds of emerging markets, mainly in corporate bonds and it may invest in sovereign and semi-sovereign bonds opportunistically.
- It may invest in bonds of any rating, although it is expected to maintain an average rating of its portfolio one classification below investment grade. That is, at BB+ according to the Standard & Poor's credit rating.

### Summarizing the main investment parameters

- Expected to maintain a total average rating for its portfolio at BB+
- Mainly invests in corporate bonds and opportunistically in sovereign and semi-sovereign bonds within global emerging markets.
- May not have exposure to a single corporate issuer above 5% of net assets at cost.
- May not have exposure to a single sovereign issue above 10% of net assets at cost.
- May not have more than 30% of exposure to a single country risk, combined corporate, sovereign and semi-sovereign.
- Is long-only and does not use leverage, nor derivatives, nor hedging.
- It may hold cash up to 100% of its net assets in exceptional market environment, as well as deposits and money market instruments with a residual maturity not exceeding 12 months.
- May only purchase bonds with an issue size of USD 100 million or greater.
- All the bonds it purchases must settle via Euroclear / DTC / Clearstream.
- Settlement of trades usually occurs in T+3 (that is 3 days after trade date).

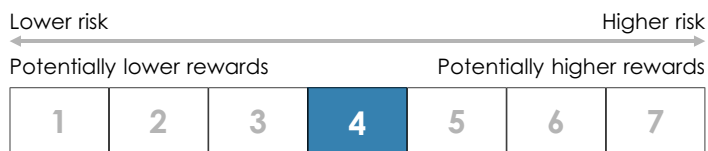
- The Sub-Fund is actively managed with no reference to a benchmark.

### Additional information

- Reference currency:** USD
- Share class currency:** EUR - the currency risk associated with the depreciation of the reference currency of the Sub-Fund against the Share Class currency is hedged via forward contracts.
- Initial minimum subscription amount:** Equivalent of USD 1'000
- Valuation Day: Daily:** Every day of the week which falls on a full bank business day in Luxembourg (a "Business Day") or otherwise the next Business Day.
- NAV Publication Day: Daily:** One Business Day following the Valuation Day.
- Dealing Day:** The next Business Day following a Valuation Day. Investor Shares will be valued for subscription, redemption, exchange or conversion on the Valuation Day immediately preceding the Dealing Day.
- Subscription, redemption, conversion and transfer** requests must be received before 11:00 a.m., local time in Luxembourg at least 1 Business Day preceding the Dealing Day. Requests received after such cut-off time will be processed and made as of the next available Dealing Day.
- Payment** for subscriptions must be received within 2 Business Days following the NAV Publication Day. Payments for redemptions must be paid within 10 Business Days following the NAV Publication Day.
- Dividends:** The Share Class is accumulating. The Board of Directors may, if thought fit and appropriate, propose to the shareholders the payment of a dividend.
- Typical investor profile:** The Sub-Fund is intended for investors who wish to invest mainly in bonds and who favour a medium regular performance within a long-term time horizon.

For full investment objective and policy details, please refer to the Prospectus.

## Risk and Reward Profile



The above indicator shows the risk and reward characteristics of the Sub-Fund based on the Sub-Fund's historical performance over the last 5 years. Where a 5-year performance history is not available, the history has been simulated on the basis of an appropriate benchmark index.

The indicator above is based on historical data and thus may not be a reliable indication for the future.

The indicated risk category is not guaranteed and may change over time.

The indicator helps investors have a better understanding of the potential gains and losses of the Sub-Fund. Even the lowest category does not mean a risk-free investment.

The Sub-Fund is classified in the category indicated above due to the fluctuations of its simulated past performance.

### Other risks not captured by the risk indicator:

- Concentration Risk:** To the extent that the Sub-Fund's investments are concentrated in a particular company, the Sub-Fund may be susceptible to losses due to adverse occurrences affecting that company.
- Counterparty Risk:** The Sub-Fund may realise losses should a counterparty fail to meet its contractual obligation, especially in the case of derivatives traded Over-The-Counter (OTC).
- Credit Risk:** The risk that the borrower or a counterparty may fail to repay or otherwise withstand contractual obligations to the Sub-Fund.
- Liquidity Risk:** The Sub-Fund is invested in markets that may be affected by a decrease of liquidity. Such market conditions would impact the prices at which the Fund Manager opens and closes positions.
- Operational Risk:** The Sub-Fund is exposed to operational risks whereby losses can occur as a result of inadequate or failed internal processes and systems, human factors or external events.

For full disclosure of risks, please refer to the Prospectus.

## Charges

The charges are used to pay costs of running and managing the Fund, including marketing and distribution costs. These charges reduce the potential growth of your investment.

### One-off charges taken before or after you invest

Entry charge	5.00%
Exit charge	None
This is the maximum that might be taken out of your money before it is invested or before the proceeds of your investment are paid out.	

### Charges taken from the Sub-Fund over a year

Ongoing charges	2.35%
Performance fee*	10.00%
Performance fee charged in the last year	None

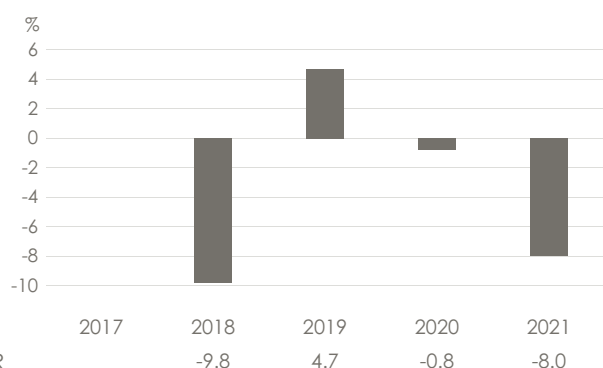
The ongoing charges figure is based on the last year's expenses, for the year ending December 2021. It includes almost all costs of dealing in the Sub-Fund's underlying investments. The Fund's annual report for each financial year will include details on the exact charges made. This figure may vary from year to year. In some cases you might pay less - you can find this out from your financial advisor.

**For more information about charges, please refer to the Prospectus.**

\* The Sub-Fund will pay the Investment Manager a Performance Fee (PF). The PF is calculated semi-annually, based on High watermark (HWM) principle. The HWM is assessed on the last business day (Valuation Point) of the semi-annual period (Calculation Period). The HWM used for the purpose of the PF calculation corresponds to the highest NAV of any previous Valuation Point.

The PF is accrued at each NAV calculation and paid to the Investment Manager within 25 Business Days following the end of each Calculation Period. In case of redemptions requested during a Calculation Period, the corresponding Performance Fee will be crystallized and paid at the end of the relevant Calculation Period.

## Past Performance



The chart shows the Share Class' annual performance for each full calendar year since launch on 30/08/2017, it is expressed as a percentage change of the Share Class' net asset value at each year-end.

Performance is shown after deduction of ongoing charges.

Any indication of past performance is not a reliable indicator of future performance.

The currency of this share class is EUR.

## Practical Information

- **Management Company:** NS Partners Europe SA, 11 Boulevard de la Foire, L-1528 Luxembourg
- **Investment Manager:** Clarion Asset Management Ltda., rua Helena 260, Cj 12 (1ro andar), Vila Olimpia, Sao Paulo 04552-050, Brazil
- **Investment Advisor:** CAM Global Investments LTD, 160, Main Street, Road Town, Tortola, British Virgin Islands, VG1110
- **Auditors:** PricewaterhouseCoopers, Société coopérative, 2 rue Gerhard Mercator B.P. 1443, L-1014 Luxembourg
- **Administrative, Register and Transfer Agent:** Apex Fund Services S.A., 3, rue Gabriel Lippmann, Münsbach, L-5365 Luxembourg
- **Depository Bank & Paying Agent:** UBS Europe SE, Luxembourg Branch, 33A avenue J.F. Kennedy, L-1855 Luxembourg
- **Price publication:** The latest prices of the shares are available on Bloomberg and [www.fundsquare.net](http://www.fundsquare.net).
- **Tax legislation:** The Sub-Fund is subject to the tax laws and regulations of Luxembourg. Depending on the investor's country of residence, this might have an impact on the personal tax position of the investor. For further details, the investor should consult a tax adviser.
- **Liability statement:** AVALORN may be held liable solely on the basis of any statement contained in this document that is misleading, inaccurate or inconsistent with the relevant parts of the Prospectus.
- **Switching:** Investors may switch between shares of the AVALORN umbrella Fund. Please see the Prospectus or contact your financial advisor for details.
- **Remuneration policy:** Information regarding the Management Company's remuneration policy in accordance with Directive 2014/91/EU amending Directive 2009/65/EC (the "UCITS V Directive") is available free of charge at [www.nspgroup.com/nspfunds](http://www.nspgroup.com/nspfunds).
- **Further information:** This key investor information document relates to a Sub-Fund forming part of the AVALORN umbrella Fund. The Prospectus and annual and semi annual reports are prepared for the entire umbrella Fund and may be obtained free of charge, in EN, from the registered office of the Fund, 3, rue Gabriel Lippmann, Münsbach, L-5365 Luxembourg or the appointed distributors.