10 February 2023

SALES PROSPECTUS

(including annexes and management regulations)

Flossbach von Storch

Sub-funds:

Flossbach von Storch - Multiple Opportunities II
Flossbach von Storch - Der erste Schritt
Flossbach von Storch - Multi Asset - Defensive
Flossbach von Storch - Multi Asset - Balanced
Flossbach von Storch - Multi Asset - Growth
Flossbach von Storch - Foundation Defensive
Flossbach von Storch - Foundation Growth
Flossbach von Storch - Global Quality
Flossbach von Storch - Dividend
Flossbach von Storch - Global Emerging Markets Equities
Flossbach von Storch - Global Convertible Bond
Flossbach von Storch - Bond Opportunities
Flossbach von Storch - Currency Diversification Bond
Flossbach von Storch – Laufzeitfonds 2027

Management Company: Flossbach von Storch Invest S.A.
Depositary: DZ PRIVATBANK S.A.

Flossbach von Storch

Combating money laundering

The obliged entities under international provisions and Luxembourg laws and regulations, including, but not exclusively, the Law of 12 November 2004 on the fight against money laundering and terrorist financing, the Grand Ducal Regulation of 1 February 2010, CSSF Regulation 12-02 of 14 December 2012 and CSSF Circulars CSSF 13/556, CSSF 15/609, CSSF 17/650 and CSSF 17/661 on the fight against money laundering and terrorist financing and all amendments and subsequent provisions in this regard are responsible for preventing undertakings for collective investment being misused for the purposes of money laundering or terrorist financing. The Management Company or its agent can request any document from applicants that it considers necessary for determining their identity. The Management Company (or its agent) can also request any other information that it requires to fulfil applicable statutory and regulatory provisions, including, but not limited to the CRS and FATCA laws.

If the applicant does not provide the requested documents or does not provide them in full or in timely fashion, the subscription order will be rejected. In the case of redemptions, incomplete documentation can cause a delay in payment of the redemption price. The Management Company is not responsible for delayed processing or failure of a transaction if the applicant does not provide the documents, or does not provide them in full, or in timely fashion.

The Management Company (or its agent) can request that investors provide additional or updated documents concerning their identity from time to time in accordance with applicable laws and provisions concerning its duties to continuously monitor and control its clients. If these documents are not provided without delay, the Management Company is obligated and entitled to block the fund units of the investors in question.

Under the Law of 13 January 2019 on establishing a register of beneficial owners (implementation of Article 30 of Directive (EU) 2015/849 of the European Parliament and of the Council, the so-called 4th EU Anti-Money Laundering Directive), registered legal entities are required to report their beneficial owners to the register established for this purpose.

Investment funds are legally included in the definition of "registered legal entities" in Luxembourg.

Within the meaning of the Law of 13 January 2019 in conjunction with the Law of 12 November 2004, beneficial owners are, for example, generally those natural persons who hold a total of more than 25% of the shares or units of a legal entity or control it in some other way.

Depending on the specific situation, this might also require the Management Company to report the names and other personal data of the end investors in an investment fund to the register of beneficial owners. The following data on beneficial owners can be seen by anyone free of charge on the internet website of the "Luxembourg Business Register": Family name, first name(s), citizenship(s), date and place of birth, country of residence and the nature and extent of the beneficial interest. Public access can only be restricted under extraordinary circumstances after a case-by-case examination subject to a fee.

Information on data protection

Personal data can be collected, stored and processed in accordance with Regulation (EU) 2016/679 of the European Parliament and the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC ("General Data Protection Regulation") and data protection law applicable in Luxembourg (including, but not limited to the amended Law of 2 August 2002 on the protection of persons with regard to the processing of personal data) in connection with an investment in the Fund by the parties indicated in this Sales Prospectus. This takes place, in particular, in order to process subscription and redemption orders, to manage the unit register and for the purposes of performance of the above-mentioned parties' tasks and compliance with applicable laws or regulations, in Luxembourg and in other jurisdictions, including, but not limited to, applicable corporate law, legislation and regulations with regard to combating money laundering and the financing of terrorism, as well as tax law, such as the Foreign Account Tax Compliance Act (FATCA), Common Reporting Standard (CRS) or similar laws or regulations (such as at OECD level).

Personal data will only be disclosed to third parties if this is necessary either due to justified business interests or in order to exercise or defend legal claims, or if laws or regulations call for mandatory disclosure. This may include disclosure to third parties, such as government or supervisory authorities, including tax authorities and auditors in Luxembourg, as well as in other jurisdictions.

Except in the cases mentioned above, no personal data is transferred to countries outside the European Union or the European Economic Area, in principle.

By subscribing and/or holding units, investors give their consent – implicitly, at least – for their personal data to be processed in the aforementioned manner, and in particular for such data to be disclosed to and processed by the parties below, including affiliates in countries outside the European Union that may not offer the same protection as Luxembourg data protection law.

The investors hereby acknowledge and accept that the failure to provide the personal data requested by the Management Company within the scope of their existing relationship with the fund may prevent the continued existence of their holding in the fund and may result in a corresponding notification to the relevant Luxembourg authorities by the Management Company.

The investors hereby acknowledge and accept that the Management Company will report all relevant information in connection with their investment in the fund to the Luxembourg tax authorities, who will share this information in an automated procedure with the competent authorities of the relevant countries or other approved jurisdictions in accordance with CRS law or in accordance with relevant European and Luxembourg legislation.

If the personal data provided in connection with an investment in the fund also includes personal data of the investor's representatives (deputies), authorised signatories or beneficial owners, it is assumed that the investor has obtained the consent of the persons concerned for their personal data to be processed in the aforementioned manner, and in particular for such data to be disclosed to and processed by the above parties, including parties in countries outside the European Union that may not offer the same protection as Luxembourg data protection law.

In accordance with applicable data protection law, investors may apply to access, correct or delete their personal data free of charge at any time. Any such applications should be sent in writing to the Management Company. It is assumed that investors shall inform any representatives (deputies), authorised signatories or beneficial owners whose personal data is processed of these rights.

Although the parties indicated in this Sales Prospectus have taken suitable measures to ensure the confidentiality of personal data, the same level of confidentiality and protection as currently provided by Luxembourg data protection law cannot be guaranteed if the personal data is located in another country, as such data is transferred electronically and is accessible outside of Luxembourg.

The above-mentioned parties assume no responsibility for any unauthorised third party becoming aware of or obtaining access to the personal data, except in cases of deliberate or gross negligence on the part of the above-mentioned parties.

Personal data is only stored until it has fulfilled data processing purposes. However, the applicable legal minimum storage periods are always taken into account.

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MANAGEMENT, DISTRIBUTION AND ADVISORY SERVICES

Management Company

Flossbach von Storch Invest S.A.
2, rue Jean Monnet
L-2180 Luxembourg, Luxembourg
Subscribed capital as at 31 December 2021:
EUR 5,000,000

Email: info@fvsinvest.lu
Website: www.fvsinvest.lu

Executive Board of the Management Company (management body)
Markus Müller
Christian Schlosser

Chairman of the Supervisory Board
Dirk von Velsen
Member of the Executive Board
Flossbach von Storch AG, Cologne, Germany

Deputy Chairman of the Supervisory Board
Julien Zimmer
Investment Funds' Chief Representative
DZ PRIVATBANK S.A., L-Strassen

Member of the Supervisory Board
Matthias Frisch
Independent Member of the Board of Directors

Auditor of the Management Company

KPMG Audit S.à.r.l.
39, Avenue John F. Kennedy
L-1855 Luxemburg, Luxemburg

Depositary

DZ PRIVATBANK S.A. (société anonyme)
4, rue Thomas Edison
L-1445 Strassen, Luxembourg

Paying agent

DZ PRIVATBANK S.A. (société anonyme)
4, rue Thomas Edison
L-1445 Strassen, Luxembourg

Registrar and transfer agent and various subservices for central administration tasks

DZ PRIVATBANK S.A.
4, rue Thomas Edison
L-1445 Strassen, Luxembourg

Fund Manager

Flossbach von Storch AG
Ottoplatz 1
D-50679 Cologne, Germany

Auditor of the Fund

PricewaterhouseCoopers, société coopérative
2, rue Gerhard Mercator, B.P. 1443
L-1014 Luxemburg, Luxemburg

The investment fund described in this sales prospectus (including annexes and management regulations) (the "sales prospectus") is a Luxembourg investment fund (*fonds commun de placement*) (hereinafter referred to as the "Investment Fund" or "Fund") that has been established for an unlimited period in the form of an umbrella fund with one or more sub-funds in accordance with the UCITS Directive in the form of an undertaking for collective investment in transferable securities ("UCITS") and in accordance with Part I of the Luxembourg Law of 17 December 2010 on undertakings for collective investment (the "Law of 17 December 2010"), as amended. However, the term of individual sub-funds may be limited; this information can be found in the respective sub-fund-specific Annex to the Sales Prospectus.

This sales prospectus is only valid in conjunction with the most recently published annual report, which may not be more than 16 months old. If more than eight months have elapsed since the date of the annual report, the purchaser will also be provided with the semi-annual report. The current sales prospectus and the "Key Investor Information Document" shall form the legal foundation for the purchase of units. As of 1 January 2023, the key investor information document will be replaced by the basic information sheet for packaged retail and insurance-based investment products (PRIIP). When purchasing a unit, the investor acknowledges the sales prospectus and the "Key Investor Information Document", as well as all approved and published changes thereto.

The investor will be provided with the "Key Investor Information Document" (hereinafter: KIID) at no charge on a timely basis prior to acquisition of fund units.

The units issued by the fund and its sub-funds may only be offered for purchase or sold in jurisdictions in which such offer or sale is permitted.

It is forbidden to provide information or explanations which are at variance with the sales prospectus or the KIID. The Management Company shall not be liable for any information or explanations given which deviate from the current sales prospectus or the KIID.

The sales prospectus, the KIID and the relevant annual and semi-annual reports of the fund are available on a durable medium free of charge from the registered office of the Management Company, the Depositary, the paying agents and sales agent. The sales prospectus and the KIID may also be downloaded from the website www.fvsinvest.lu. At the investor's request, a hard copy of the aforementioned documents will also be provided free of charge.
For more information, please refer to the "Information for investors" section.

SALES PROSPECTUS

This sales prospectus includes annexes concerning in general and in particular the fund's respective sub-funds and management regulations. The management regulations came into force for the first time on 19 May 1999 and were published on 1 June 1999 in "*Mémorial, Recueil des Sociétés et Associations*", the official journal of the Grand Duchy of Luxembourg ("Mémorial") and were last amended on 10 February 2023 and published in Recueil électronique des sociétés et associations ("RESA"), the trade and companies register of Luxembourg.

The sales prospectus (with annexes) and management regulations constitute a whole in terms of their substance and thus supplement each other.

The Management Company

The Management Company of the fund is Flossbach von Storch Invest S.A. (the "Management Company"), a public limited company under the law of the Grand Duchy of Luxembourg with its registered office at 2, rue Jean Monnet, L-2180 Luxembourg. It was incorporated for an indefinite period on 13 September 2012. Its articles of association were published on 5 October 2012 in Mémorial and were last amended and published on 15 November 2019 in Recueil électronique des sociétés et associations („RESA"), the trade and companies register of Luxembourg. The Management Company is registered in the Luxembourg Trade and Companies Register under registration number R.C.S. Luxembourg B-171513. The Management Company's financial year ends on 31 December of each year.

The purpose of the Management Company is

- collective portfolio management (incl. all of the responsibilities indicated in Annex II of the Law of 17 December 2010 on undertakings for collective investment, as amended (the "Law of 2010)" of one or more Luxembourg and/or foreign undertakings for collective investment in transferable securities ("UCITS") in the interests of the unit holders and in accordance with the provisions of Chapter 15 of the Law of 2010;

- collective portfolio management of other Luxembourg or foreign undertakings for collective investment that do not fall under the above-mentioned law ("UCIs") and are not considered alternative investment funds ("AIFs") within the meaning of the Law of 12 July 2013 on alternative investment fund managers, as amended (the "Law of 2013"), including the management, administration and distribution of specialised investment funds in accordance with the Law of 13 February 2007, and of Luxembourg investment companies in risk capital within the meaning of the Law of 15 June 2004 on investment companies in risk capital;

- the management of Luxembourg or foreign AIFs (incl. all of the responsibilities indicated in Annex I of the Law of 2013);

- individualised management of individual portfolios in accordance with Article 101 (3) (a) of the Law of 2010 and Article 5 (4) (a) of the Law of 2013. It can also provide the ancillary services listed in indent two of Article 101 (3) (b) of the Law of 2010 and in Article 5 (4) (b) (ii) and (iii) of the Law of 2013;

- management of its own assets. For this purpose it can perform its activities domestically and abroad, establish branch offices and conduct all other business that is conducive to the attainment of its purpose and remains within the scope of statutory provisions, in particular those of the Law of 10 August 1915 on commercial companies, the Law of 2010 and the Law of 2013.

The Management Company is responsible for the management and administration of the fund. Acting for the account of the fund, it may take all management and administrative measures and exercise all rights directly or indirectly connected with the fund or sub-fund assets.

When carrying out its tasks, the Management Company acts honestly, fairly, professionally and independently of the Depositary and solely in the interests of investors.

The Supervisory Board of the Management Company appointed Messrs Markus Müller and Christian Schlosser as members of the Executive Board and transferred the management of business operations to them.

In addition to the investment fund described in this sales prospectus, the Management Company currently manages other investment funds. The list of investment funds can be acquired from the registered office of the Management Company.

In connection with the management of the assets of the respective sub-fund, the Management Company may consult a fund manager, assuming full control and responsibility for this. The fund manager is paid for services provided either from the Management Company's management fee or directly from the relevant sub-fund assets.

Investment decisions, the placement of orders and the selection of brokers are the sole responsibility of the Management Company, insofar as no fund manager has been entrusted with the administration of the respective sub-fund assets.

In addition to asset management, the Management Company is also entitled to outsource other activities (administrative activities and distribution) to a third party while retaining responsibility and control.

The delegation of duties must not impair the effectiveness of supervision by the Management Company in any way. In particular, the delegation of duties must not prevent the Management Company from acting in the interests of investors.

The Fund Manager

The Management Company has appointed Flossbach von Storch AG, a company operating under German law with its registered office in Cologne, as Fund Manager for the fund and has transferred responsibility to it for asset management.

The fund manager is licensed to manage assets and is subject to supervision by the German Federal Financial Supervisory Authority (Bundesanstalt für Finanzdienstleistungen – BaFin) in Germany.

The role of the Fund Manager is, in particular, to independently implement the investment policy of the respective sub-fund assets and to manage the day-to-day transactions connected with asset management as well as other related services under the supervision, responsibility and control of the Management Company. The manager must execute these tasks while obeying the principles of the investment policy and investment restrictions of the respective sub-fund, as described in this sales prospectus, as well as the statutory investment restrictions.

The Fund Manager is authorised to select brokers and traders to carry out transactions using the fund assets. The Fund Manager is responsible for investment decisions and the issuing of orders.

The Fund Manager has the right to obtain advice from third parties, particularly from various investment advisers, at its own cost and under its own responsibility.

The Fund Manager is authorised, with the prior consent of the Management Company, to transfer some or all of its main duties and obligations to a third party, whose remuneration shall be paid by the Fund Manager. In this case, the sales prospectus shall be amended accordingly.

The Fund Manager bears all expenses that it incurs in conjunction with the services it provides. Commission for brokers, transaction fees and other transaction costs arising in connection with the purchase and sale of assets are borne by the relevant sub-fund.
The Fund Manager is not authorised to accept monies from investors.

The Depositary

The sole Depositary of the fund is DZ PRIVATBANK S.A. with its registered office at 4, rue Thomas Edison, L-1445 Strassen, Luxembourg. The Depository is a public limited company under the laws of the Grand Duchy of Luxembourg and conducts banking business. The rights and obligations of the Depositary are governed by the Law of 17 December 2010, the applicable regulations, the Depositary agreement, the management regulations (Article 3) and this sales prospectus (including annexes). It acts honestly, fairly, professionally and independently of the Management Company and solely in the interest of the fund and the investors.

Under Article 3 of the management regulations, the Depositary can delegate some of its tasks to third parties ("sub-depositaries"), while ensuring that the statutory requirements are satisfied. An up-to-date overview of the sub-depositaries is provided on the Management Company's website (www.fvsinvest.lu) and can be requested free of charge from the Management Company.

Upon request, the Management Company will provide investors with up-to-date information regarding the identity of the fund's Depositary, a description of the obligations of the Depositary, as well as conflicts of interest that may arise and a description of all of the Depositary functions delegated by the Depositary, a list of sub-depositaries and depositaries, and information on all of the conflicts of interest that may arise from outsourcing activities.

The appointment of the Depositary and/or the sub-depositaries may give rise to conflicts of interest, which are described in more detail in the "Potential conflicts of interest" section.

Central administration agent, including registrar and transfer agent

The management company is the central administration agent for the fund. The management company has, under its responsibility and control, transferred various administrative tasks, in particular the duties of the registrar and transfer agent and fund accounting, to DZ PRIVATBANK S.A., with its registered office at 4, rue Thomas Edison, L-1445 Strassen, Luxembourg. DZ PRIVATBANK S.A. is a public limited company under the law of the Grand Duchy of Luxembourg. The duties of the registrar and transfer agent include the processing of applications and orders for the subscription, redemption, exchange and transfer of units, as well as the keeping of the unit register. Fund accounting includes the accounting for the fund and the calculation of net asset values. In turn, DZ PRIVATBANK S.A. has, under its responsibility and control, transferred tasks, such as the calculation of net asset values, to Attrax Financial Services S.A., with its registered office at 3, Heienhaff, L-1736 Senningerberg, Luxembourg.

Legal position of investors

The Management Company invests money paid into the respective sub-funds in securities and/or other permissible assets in accordance with Article 41 of the Law of 17 December 2010 in its own name for the collective account of the investors pursuant to the principle of risk diversification. The monies invested and the assets acquired with such monies form the sub-fund assets, which are held separately from the Management Company's own assets.

As joint owners, investors hold the respective sub-fund's assets in proportion to the number of units they hold. The units of the respective sub-fund are issued as registered and bearer units. Bearer units and registered units are issued for each sub-fund with up to three decimal places. Registered units are entered by the Registrar and Transfer Agent in the unit register maintained for the fund. In this regard, a confirmation shall be sent to the investors to the address specified in the unit register concerning the entry in the register. There is no entitlement to the delivery of physical securities.

All units in a sub-fund have, fundamentally, the same rights, unless the Management Company decides to issue different unit classes within the same sub-fund pursuant to Article 5 (3) of the management regulations.

Provided that the Management Company has admitted units of a fund for official trading on a stock exchange, this will be announced in the relevant annex to the sales prospectus.

The Management Company wishes to point out to all investors that they can directly assert all their rights relating to the fund and/or sub-fund only if they are registered in the unitholder's register for the relevant fund or sub-fund under their own name. In cases where an investor has invested in a fund or sub-fund through an intermediary which makes the investment in its name but on behalf of the investor, said investor cannot necessarily directly assert all his rights with regard to the fund and/or sub-fund. Therefore, investors are advised to obtain information on their rights.

General information on trading in sub-fund units

Investing in the sub-funds is regarded as a medium- to long-term commitment. The Management Company rejects arbitrage techniques such as market timing and late trading.

"Market timing" refers to the method of arbitrage whereby the investor systematically subscribes, exchanges or redeems units of a sub-fund within a short period of time for the purpose of exploiting time differences and/or weaknesses or any incompleteness of the valuation system used for the net asset value of the fund. The Management Company takes the relevant protection and control measures to prevent such practices. It also reserves the right to reject, cancel or suspend an order from an investor for the subscription or exchange of units if there is suspicion that the investor is engaging in market timing.

The purchase or sale of units after the close of trading at already established or foreseeable closing prices – so called "late trading"
– is strictly rejected by the Management Company. The Management Company ensures that units are issued and redeemed on the basis of a unit value previously unknown to the investor. However, if there is a suspicion that an investor is engaging in late trading, the Management Company may refuse to accept the subscription or redemption order until the applicant has removed all doubt relating to his order.

The trading of sub-fund units on an official stock exchange or on other markets without the approval of the Management Company (for example, inclusion in the open market of a stock exchange) cannot be excluded.

The market price forming the basis for stock market trading or trading on other markets is not determined exclusively by the value of the assets kept in the respective sub-fund but also by supply and demand. This market price can therefore differ from the unit price.

Investment policy

The objective of each sub-fund's investment policy (or "financial product") is to achieve reasonable value growth in the relevant sub-fund currency (as defined in the respective annex). All sub-funds follow an actively managed investment policy. The fund manager chooses, regularly reviews and, if necessary, adjusts the composition of the portfolio in accordance with the criteria specified in the investment policy. Details of the investment policy of each sub-fund are contained in the relevant annexes to this sales prospectus.

The general investment principles and restrictions specified in Article 4 of the management regulations apply to all sub-funds, insofar as no deviations or additions are contained in the relevant annex to the sales prospectus for the respective sub-fund.

The Management Company and Flossbach von Storch AG as the Fund Manager are using an integrated definition of sustainability for this purpose, in which long-term corporate governance with integrity plays a major role. Further information on the sustainability policy is provided in the "Sustainability policy" section.

The respective sub-fund assets are invested pursuant to the principle of risk diversification in the sense of the provisions of Part I of the Law of 17 December 2010 and in accordance with the investment policy principles described in Article 4 of the management regulations and in line with the investment restrictions.

Information on derivatives and other techniques and instruments

In accordance with the general provisions of the investment policy referred to in Article 4 of the management regulations, the Management Company can make use of derivatives and other techniques and instruments for a particular sub-fund within the framework of efficient portfolio management. The counterparties for the aforementioned transactions must be institutions subject to supervision in a category approved by the Commission de Surveillance du Secteur Financier ("CSSF"). In addition, they must specialise in these types of transactions.

Derivatives and other techniques and instruments are associated with considerable opportunities but also high risks. Due to the leverage effect of these products, high losses can be incurred for the sub-fund with a relatively low capital investment. The following is a sample, non-exhaustive list of derivatives, techniques and instruments that can be used for the respective sub-fund:

1. Option rights
   An option right is a right to buy ("call option") or sell ("put option") a particular asset at a predetermined time ("strike date") or during a predetermined period at a predetermined price ("strike price"). The price of a call or put option is the option premium.
   For each respective sub-fund, both call and put options may only be bought or sold insofar as the respective sub-fund is permitted to invest in the underlying assets pursuant to the investment policy described in the relevant annex.

2. Financial futures contracts
   Financial futures contracts are unconditionally binding agreements for both contracting parties to buy or sell a determined quantity of a specified underlying at a determined time – the maturity date – at a price agreed in advance.
   Financial futures contracts may only be concluded for each respective sub-fund insofar as the respective sub-fund is permitted to invest in the underlying assets pursuant to the investment policy described in the relevant annex.

3. Derivatives embedded in financial instruments
   Financial instruments with embedded derivatives may be acquired for the respective sub-fund, provided the underlyings are instruments within the meaning of Article 41 (1) of the Law of 17 December 2010 or, for example, financial indexes, interest rates, exchange rates or currencies. Financial instruments with embedded derivatives can, for example, be structured products (certificates, reverse convertible bonds, bonds with warrants, convertible bonds, credit-linked notes, etc.) or warrants. Products designed as derivatives embedded in financial instruments are generally characterised by the fact that the embedded derivative components affect the cash flows of the entire product. Alongside the risk characteristics of securities, the risk characteristics of derivatives and other techniques and instruments are also of relevance.
   Structured products may only be used on the condition that these products are securities within the meaning of Article 2 of the Grand Ducal Regulation of 8 February 2008.

4. Securities financing transactions

   Securities financing transactions include, for example:

- Securities lending
- Repurchase agreements

4.1. Securities lending

No securities lending is performed for the sub-funds.

4.2. Repurchase agreements

No repurchase agreements are concluded for the sub-funds.

5. Forward exchange contracts

The Management Company can conclude forward exchange contracts for the respective sub-fund.
Forward exchange contracts are unconditionally binding agreements for both contracting parties to buy or sell a determined quantity of the underlying foreign currency at a determined time – the maturity date – at a price agreed in advance.

6. Swaps

The management company can conclude swap transactions for the account of the respective sub-fund within the framework of the investment principles.
A swap is an agreement in which two counterparties agree to exchange one stream of cash flows on assets, income or risks for another stream. Swap transactions that can be concluded for the respective sub-fund include, for example, interest, currency, equity and credit default transactions.
An interest rate swap is a transaction in which two parties exchange cash flows based on fixed or variable interest payments. The transaction can be compared with absorbing funds at a fixed interest rate and simultaneously issuing funds at a variable interest rate, not involving the exchange of nominal asset amounts.
Currency swaps mainly include the exchange of nominal asset amounts. They can be compared with borrowing in one currency and simultaneously allocating funds in another currency.
The counterparty may not exert any influence on the composition or management of the UCITS' investment portfolio or the underlyings of the derivatives. Transactions in connection with the UCITS' investment portfolio do not require the consent of the counterparty.

6.1. Total return swaps or other derivatives with the same characteristics

For these sub-funds, the Management Company will not conclude total return swaps or other derivatives with the same characteristics.

7. Swaptions

A swaption is the right, but not the obligation, to enter into swaps specified under certain conditions on a specific date or within a specific period of time. In addition, the investment principles for option transactions shall apply.

8. Techniques for the management of credit risks

The Management Company can also use credit default swaps ("CDS") for the efficient management of the respective sub-fund assets.
CDS are the most widespread and most significant instruments used in the credit derivative market. CDS allow credit risk to be separated from the underlying debtor-creditor relationship. This separate trading of default risks expands the range of possibilities for systematic risk and income management. With a CDS, a protection buyer can hedge against certain risks from a debtor-creditor relationship by paying a periodic premium for transferring the credit risk calculated on the basis of the nominal amount to a protection seller for a defined period. This premium depends, among other things, on the quality of the underlying reference debtor(s) (= credit risk). The risks to be transferred are defined in advance as credit events. Unless a credit event occurs, the CDS seller does not have to render a service. If a credit event occurs, the seller pays the predefined amount, e.g. the nominal value or an adjustment payment amounting to the difference between the nominal sum of the reference assets and their market value, after the credit event occurs (cash settlement). The buyer then has the right to tender an asset of the

reference debtor, which is qualified in the agreement, while the buyer's premium payments are stopped as of this point. The respective sub-fund can be either a protection buyer or protection seller.
CDS are traded over the counter (OTC market) so that more specific, non-standard requirements can be addressed for both counterparties – at the price of lower liquidity.
Exposure to the liabilities arising from CDS must not only be in the exclusive interests of the fund but also be in harmony with its investment policy. The bonds underlying CDS and the respective issuer must be taken into account in the investment restrictions pursuant to Article 4 (6) of the management regulations.
Credit default swaps are valued on a regular basis in keeping with reasonable and transparent methods. The Management Company and the auditor will monitor the reasonableness and transparency of the valuation methods. The Management Company will rectify any differences ascertained as a result of the monitoring procedure.

9. Remarks
The above-mentioned techniques and instruments can, where appropriate, be expanded by the Management Company if new instruments corresponding to the investment objective are offered on the market that the respective sub-fund may use in accordance with regulatory and statutory provisions.
By using techniques and instruments for efficient portfolio management, various direct/indirect costs may be incurred which are then charged to the fund assets or which reduce the fund assets. These costs may be incurred for third parties and for parties related to the Management Company or the Depositary.

Sustainability policy

The sustainability policy of the management company and of Flossbach von Storch AG as the Fund Manager describes how certain sustainability factors related to environmental protection, society and corporate governance are taken into account in the management of the respective sub-funds. Further information can be found at www.fvsinvest.lu under the item "Disclosure requirements under Regulation (EU) 2019/2088" and in the sustainability policy detailed there. For information on its active engagement as a shareholder, please refer to the management company's guidelines on exercising voting rights and participation, which are available on the website indicated above.

Flossbach von Storch AG has signed the United Nations-supported Principles for Responsible Investment as fund manager for the sub-funds (UN PRI). The Flossbach von Storch Group is therefore obligated to take ESG factors into account when making investment decisions and actively integrate them into its voting decisions as a shareholder.

Flossbach von Storch AG, as the fund manager of the sub-funds, will consider in the investment process the principal adverse impacts (PAIs) of the investment decision on sustainability factors pursuant to Article 7(1)(a) of Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector. The fund manager will systematically incorporate the principal adverse impacts of investment decisions on sustainability factors in their decision-making processes and participation. The principal adverse impacts are determined, prioritised and evaluated within the framework of the in-house analysis process on the basis of specific ESG analyses, which are prepared individually for invested issuers/guarantors and are taken into account in the risk-return profile of the company analyses.

The PAI indicators are prioritised according to relevance, severity of negative impacts, and data availability. The evaluation is not based on rigid bandwidths or thresholds that companies must meet or achieve; rather, the focus is on whether there is a positive development in how they are managing the PAI indicators.

The engagement policy aims to reduce particularly negative impacts, including on greenhouse gas emission indicators Scope 1 & 2, energy consumption of non-renewable energy sources, and serious violations of the UN Global Compact principles and OECD Guidelines for Multinational Enterprises. This means that if one of the companies is not managing the indicators identified as particularly negative adequately, this company will address the issue and attempt to work toward

a positive development. If the management does not take the necessary steps to improve the situation to a sufficient extent, the voting rights in this regard will be exercised, and the shareholding reduced or sold.

Due to the insufficient quality and coverage of the data, so-called Scope 3 emissions and energy production of non-renewable energies are not taken into account within the framework of greenhouse gas emissions. The fund manager will continuously monitor data coverage and, if deemed feasible, include it in its investment and engagement process.

In addition, exclusions, such as the production and/or distribution of controversial weapons and the extraction and/or distribution of coal, can help to reduce or avoid individual adverse impacts on sustainability.

Information on the identified principal adverse impacts on sustainability factors that are taken into account in the investment strategy is provided in the annex to the annual report in accordance with Art. 11 of Regulation (EU) 2019/2088.

The investments underlying the sub-funds do not contribute achieving an environmental objective pursuant to Article 9 of Regulation (EU) 2020/852 (EU Taxonomy). The minimum proportion of environmentally sustainable investments undertaken as defined by the EU Taxonomy is 0%.

Exclusions:
The investment policies of each sub-fund include additional ESG criteria that the Fund Manager takes into account when making investment decisions. This means that investment decisions are screened against an exclusion list. The exclusion list is based on the following requirements:

Exclusion criteria applied to all sub-funds:
Compliance with the Group-wide minimum exclusions is based on revenue thresholds. Investments in companies that generate:

- >0% of their turnover from controversial weapons,
- >10% of their turnover with the production and/or distribution of armaments,
- >5% of their turnover from producing tobacco products,
- >30% of their turnover from mining and/or selling coal

are excluded.

Additional exclusion criteria for the Flossbach von Storch - Foundation Defensive and Flossbach von Storch - Foundation Growth sub-funds:
In addition to the exclusions mentioned above, investments in companies that generate:

- >5% of their turnover from the provision of gambling services,
- >5% of their turnover from the production of alcoholic beverages

are also excluded.

With all sub-funds, companies in serious violation of the UNGC principles (with no positive outlook) and sovereign issuers that fail to achieve adequate scores (classification «not free») in the Freedom House Index are also excluded.

Further product-specific information relating to the sub-funds will be published on the website at www.fvsinvest.lu. Detailed information will also published on an ongoing basis in the fund's annual reports.

Unit value calculation

The assets of the fund are denominated in euros ("the reference currency").

The value of a unit ("unit value") is in the currency stated in the relevant annex to the sales prospectus ("sub-fund currency") unless another sub-fund currency is stated for other unit classes in the relevant annex to the sales prospectus ("unit class currency").

The unit value is calculated by the Management Company, or a third party commissioned for this purpose by the Management Company, under the supervision of the Depositary, on each banking day in Luxembourg with the exception of 24 and 31 December of each year ("valuation day"). The value is calculated on each valuation day based on the value of the assets of the respective sub-fund minus the liabilities of the respective sub-fund ("net sub-fund assets"). Further details on calculating the unit value are in particular stated in Article 6 of the management regulations.

Issue of units

1. Units are issued at the issue price on each valuation day. The issue price is the unit value pursuant to Article 6 (4) of the management regulations, plus a subscription fee, the maximum amount of which is regulated for each sub-fund in annex 2 to this sales prospectus. The issue price can be increased by fees or other charges incurred in distribution countries.

2. Subscription applications for the acquisition of registered units may be submitted to the management company, depositary, registrar and transfer agent, sales agent and paying agents. These receiving organisations are obliged to pass on subscription requests to the Registrar and Transfer Agent without delay. Receipt by the Registrar and Transfer Agent is decisive. The Registrar and Transfer Agent receives the subscription orders on behalf of the Management Company.
   Buy orders for the purchase of units that are certificated by a global certificate ("bearer units") are forwarded to the Registrar and Transfer Agent by the agent at which the subscriber holds its securities account. Receipt by the Registrar and Transfer Agent is decisive.
   Complete subscription orders for registered units and buy orders for bearer units received by the relevant agent no later than 14:00 CET/CEST on a valuation day are settled at the issue price on the next valuation day, provided the countervalue for the subscribed units is available. The Management Company ensures that units are issued on the basis of a unit value previously unknown to the investor. However, if there is a suspicion that an investor is engaging in late trading, the Management Company may refuse to accept the subscription order until the applicant has removed all doubt relating to his subscription order. Complete subscription orders for registered units and buy orders for bearer units received by the relevant agent after 14:00 CET/CEST on a valuation day are settled at the issue price on the valuation day after the next valuation day.
   If the equivalent proceeds for the subscribed registered units are not available at the time the complete subscription order is received by the Registrar and Transfer Agent or the subscription order is incorrect or incomplete, the subscription order is considered to have been received by the Registrar and Transfer Agent on the date on which the equivalent proceeds for the subscribed units are available and a proper subscription order has been received.
   After settlement with the Registrar and Transfer Agent, the bearer units will be transferred to the agent at which the subscriber holds its securities account using so-called delivery versus payments transactions, i.e. against payment of the stipulated investment amount.

3. The issue price is payable at the Depositary in Luxembourg within two banking days after the relevant valuation day in the respective sub-fund currency or, in the event of several unit classes, in the relevant unit class currency.

4. The circumstances under which the issue of units is suspended are described in Article 9 in conjunction with Article 7 of the management regulations.

5. Acquisition in the form of a fixed-price transaction may be refused for specific sub-funds or unit classes under certain circumstances. In this case, this will be highlighted in the relevant sub-fund annex.

Redeeming and exchanging units

1. The investors are entitled to request the redemption of their units at the unit value according to Article 6 (4) of the management regulations, less any redemption fee if applicable ("redemption price"). Units will only be redeemed on a valuation day. If a redemption fee is payable, the maximum amount of this redemption fee for each sub-fund is specified in annex 2 to this sales prospectus.
   In certain countries the payment of the redemption price may be reduced by local taxes and other charges. Upon payment of the redemption price, the corresponding unit expires.

2. Payment of the redemption price and any other payments to investors are made via DZ PRIVATBANK S.A. and the paying agents. DZ PRIVATBANK S.A. is obliged to pay only insofar as no legal provisions, such as exchange control regulations, or other circumstances which cannot be influenced by the Depositary prohibit the transfer of the redemption price to the applicant's country.
   The Management Company may buy back units unilaterally against payment of the redemption price if this appears to be necessary in the interests of all of the investors or to protect the investors or the sub-fund.

3. The exchange of all or some of the units for units in another sub-fund will take place on the basis of the unit value of the relevant sub-funds, taking into account the applicable exchange fee, which is set at no more than 3% of the unit value of the units to be subscribed. If no exchange fee is charged, this is specified for each sub-fund in annex 2 to this sales prospectus.
   If different unit classes are offered within a sub-fund, it is also possible to exchange units within one unit class for units in another class within the sub-fund, as long as nothing to the contrary is specified in annex 1 to the sales prospectus. In this case, no exchange fee is charged.
   The Management Company may reject an exchange order for the respective sub-fund if this appears appropriate in the interests of the fund or respective sub-fund or of investors.

4. Complete orders for the redemption or exchange of registered units can be submitted to the Management Company, Depositary, Registrar and Transfer Agent, sales agent and paying agents. These receiving agents are obliged to pass on the redemption or exchange orders to the Registrar and Transfer Agent without delay.
   A redemption or exchange order for the redemption or exchange of registered units is only complete if it states the name and address of the investor and the number or countervalue of the units to be redeemed or exchanged and the name of the sub-fund, and if it has been signed by the relevant investor.
   Complete sell orders for the redemption or exchange of bearer units will be forwarded to the Registrar and Transfer Agent by the agent at which the investor holds its securities account. Bearer units cannot be exchanged.
   Complete redemption/sell orders or complete exchange orders received no later than 14:00 CET/CEST on a valuation day are settled at the unit value on the following valuation day, less any redemption fee or taking into account the exchange fee. The Management Company ensures that units are redeemed, sold or exchanged on the basis of a unit value previously unknown to the investor. Complete redemption/sell orders or complete exchange orders received after 14:00 CET/CEST on a valuation day are settled at the unit value on the valuation day after the next valuation day, less any applicable redemption fees and/or exchange fees.
   Receipt by the Registrar and Transfer Agent is decisive with regard to the receipt of the redemption/sell orders.

The redemption price is payable within two valuation days after the relevant valuation day in the respective sub-fund currency or, in the event of several unit classes, in the relevant unit class currency. In the case of registered units, payment is made to an account to be stated by the investor.

5. The Management Company is obliged to temporarily suspend the redemption or exchange of units due to the suspension of the calculation of the unit value.

6. However, with the prior approval of the Depositary and while safeguarding the interests of the unit holders, the Management Company is entitled to fulfil high volumes of redemption requests only once corresponding assets of the respective sub-fund have been sold without delay. In this case, redemption takes place at the redemption price on the first valuation date after the temporary suspension of redemptions. This also applies to orders for the exchange of units. The Management Company will, however, ensure that adequate liquid funds are available to the respective sub-fund assets so that a redemption or exchange of units can take place at the request of investors under normal circumstances without delay.

RISK WARNINGS

General market risk
The securities in which the Management Company invests the sub-fund assets present opportunities for gain but also the possibility of risk. If a sub-fund invests directly or indirectly in securities and other assets, it is subject to many general trends and tendencies on the markets, which are sometimes attributable to irrational factors, particularly on the securities markets. Losses can occur when the market value of the assets decreases against the cost price. If a unit holder disposes of units in a sub-fund at a time when the quoted price of the sub-fund assets is less than at the time of investment, then the unit holder will not recover the full value of the investment. While each sub-fund constantly strives to achieve growth, growth cannot be guaranteed. The risk exposure of the investor is, however, limited to the sum invested. There is no obligation to make additional capital contributions beyond investors' investments.
Interest change risk
An investment in fixed-interest securities is associated with a risk that the market interest level at the time a security is issued may change. Should the market interest rate rise compared to the rate at the time of issue, the prices of fixed-interest securities usually fall. On the other hand, if market interest rates fall, prices for fixed-interest securities will rise. This price trend means that the current yield on a fixed-interest security is roughly equivalent to the current market interest rate. All the same, these price fluctuations vary significantly depending on the term of the fixed-interest securities. Fixed-interest securities with shorter terms are exposed to fewer price risks than fixed-interest securities with longer terms. In contrast, fixed-interest securities with shorter terms tend to have lower yields than fixed-interest securities with longer terms.

Risk of negative credit interest
The Management Company invests the liquid assets of the fund at the Depositary or other banks for account of the fund. In some cases, an interest rate is agreed for these balances at financial institutions that is equal to international interest rates minus a certain margin. If these interest rates fall below the agreed margin, this results in negative interest for the corresponding account. Depending on the development of the interest rate policy of the relevant central banks, short-term, medium-term and long-term balances at financial institutions may produce a negative return.

Credit risk
The creditworthiness (ability and willingness to pay) of the issuer of a security or money market instrument directly or indirectly held by a sub-fund may subsequently fall. This normally leads to a fall in the price of the relevant security that exceeds general market fluctuations.

Company-specific risk
The performance of the securities and money market instruments directly or indirectly held by a sub-fund also depends on company-specific factors, for example, the business position of the issuer. If the company-specific factors deteriorate,

the market value of a given security may fall substantially and permanently, even if stock market developments are otherwise generally positive.

Risk of counterparty default
The issuer of a security held directly or indirectly by a sub-fund or the debtor of a claim belonging to a sub-fund may become insolvent. The corresponding assets of the sub-fund may become worthless as a result of this.

Counterparty risk
To the extent that transactions are not handled through a stock exchange or a regulated market ("OTC transactions"), there is the risk (above and beyond the general risk of counterparty default) that the counterparty to the transaction may default or not completely fulfil its obligations. This applies in particular to transactions that use techniques and instruments. In order to reduce counterparty risk in the case of OTC derivatives, the Management Company is authorised to accept collateral for the respective sub-fund. This shall be in accordance with and in consideration of the requirements of ESMA Guideline 2014/937. Collateral may be paid in cash or in the form of government bonds or debentures from international institutions governed by public law to which one or more Member States of the European Union belong, or in the form of covered debentures. Collateral received in the form of cash is not reinvested. Other collateral received is not sold, reinvested or pledged. The Management Company applies graded valuation discounts (a "haircut strategy") to the collateral received, taking into account the specific characteristics of the collateral received and the issuer. The following table sets out the details of the lowest valuation discounts applied for each type of collateral:

Collateral	**Minimum haircut**
Cash (sub-fund currency)	0%
Cash (foreign currencies)	8%
Government bonds	0.50%
Debentures from international institutions governed by public law to which one or more Member States of the European Union belong and covered debentures	0.50%

Further details on the haircut strategy applied may be obtained from the Management Company free of charge at any time.

The collateral is based on individual contractual agreements between the counterparty and the management company. These define the type and quality of the collateral, haircuts, margins and minimum-transfer amounts. The value of OTC derivatives and provided collateral is calculated on a daily basis. If the individual contractual agreements necessitate an increase or reduction in the amount of collateral, the counterparty will be asked to take appropriate action. Details of the agreements can be obtained from the Management Company free of charge at any time. With regard to risk diversification in the collateral received, the maximum exposure to any one issuer may not exceed 20% of the respective net sub-fund assets. By way of derogation, Article 4 (5) (h) of the management regulations pertaining to issuer risk applies with regard to the receipt of collateral from certain issuers.

Currency risk
If a sub-fund directly or indirectly holds assets which are denominated in foreign currencies, unless the foreign currency positions are hedged, it shall be subject to currency risk. Any devaluation of the foreign currency against the sub-fund currency leads to a drop in the value of the assets denominated in that foreign currency.

Unit classes denominated in a currency that is not the respective sub-fund currency may therefore be subject to a different currency risk. In some cases, this currency risk may be hedged against the sub-fund currency.

Specific risks in connection with currency-hedged unit classes

Unit classes denominated in a currency that is not the respective sub-fund currency are subject to a currency risk which can be hedged by using derivative financial instruments. The Fund Manager reserves the right to hedge foreign currency unit classes against currency fluctuations only if the volume of a unit class is greater than 1,000,000.00 in the respective unit class currency. The costs, liabilities and/or benefits associated with this hedging are charged to the respective unit class.

The use of financial derivatives for just one unit class may also result in counterparty risks and operational risks for the investors in other unit classes of the respective sub-fund.

Hedging is used to lower any exchange rate fluctuations between the sub-fund currency and the hedged unit class currency. This hedging strategy is intended to balance out the currency risk of the hedged unit class such that the performance of the hedged unit class tracks the development of a unit class in the sub-fund currency as precisely as possible.

The use of this hedging strategy may offer the investor in the respective unit class significant protection against the risk of decreases in value of the unit class currency against the value of the sub-fund currency. However, it may also mean that the investors in the hedged unit class may not benefit from an increase in value against the sub-fund currency. It may also – in particular in the case of strong market turbulence – result in inconsistencies between the currency position of the sub-fund and the currency position of the hedged unit class.

In the event of a net flow into or out of this hedged unit class, this currency hedging may in some circumstances only be performed subsequently or may be adjusted so that it is not reflected in the net asset value of the hedged unit class until a later point in time.

Industry risk
If a sub-fund focuses its investments on specific industries, this shall reduce the risk diversification. Consequently, the sub-fund is particularly dependent both on the general development and the development of corporate profits of individual industries or industries that influence each other.

Country and regional risk
If a sub-fund focuses its investments on particular countries or regions, this also reduces the risk diversification. Consequently, the sub-fund is particularly dependent on the development of individual or related countries and regions, or of companies based and/or operating in those countries or regions.
Legal and tax risk
Amendments to tax provisions and the evaluation of circumstances in countries in which the Fund holds assets could affect the tax situation of the Fund and its investors. The Fund must fulfil all the requirements imposed by tax law. If these laws are amended during the term of the Fund, the legal requirements applicable to the Fund and investors could differ considerably from current requirements.
Statutory and other regulatory framework conditions in relevant jurisdictions could change to the detriment of the sub-fund and/or investors. Points of contact with different jurisdictions could make legal prosecution and the enforcement of claims and other rights of the sub-fund and investors more difficult. The possibility of agreements being interpreted differently than intended or considered invalid by courts cannot be ruled out. Foreign courts might also not judicially recognise the legal form of funds.

Country and transfer risk
Economic or political instability in countries in which a sub-fund invests may mean that a sub-fund does not receive, in whole or in part, the monies owing to it in spite of the solvency of the issuer of the respective security or other form of assets, does not receive the same on time, or receives them but in another currency. The reasons for this may include, for example, currency or transfer restrictions, the inability or unwillingness to transfer the funds or other legal changes. If the issuer pays in another currency, this position is additionally subject to a currency risk.

Risk of force majeure

Force majeure is defined as events whose occurrence cannot be controlled by the persons affected. These include but are not limited to serious traffic accidents, pandemics, earthquakes, floods, hurricanes, nuclear accidents, war and terrorism, architectural and construction failures that the fund cannot control, environmental legislation, general economic circumstances and industrial disputes. If a sub-fund is affected by one or more events of force majeure, this can lead to partial losses for or total loss of the respective sub-fund.

Liquidity risk

Assets and derivatives that are not admitted for trading on a stock exchange nor admitted to another organised market or included in such market may also be purchased for the fund. Should the need arise, it may only be possible to sell these assets at greatly reduced prices or after a delay, or it may not be possible to sell them at all. Depending on the market situation, volume, time frame and planned costs, even assets admitted to trading on a stock exchange might be impossible to sell, or only possible to sell at a large price discount. Although it is only possible to purchase assets for the fund that can in principle be liquidated at any time, it cannot be ruled out that they can only be sold temporarily or permanently at a loss.

Depositary risk

Safekeeping of assets entails a risk of loss due to insolvency or breaches of the duty of care by the depositary or a sub-depositary or due to external influences.

Emerging markets risks

Investing in emerging markets entails investing in countries that are not included in the category of “high per capita gross national product” according to the definition by the World Bank, among others, i.e. that are not classified as “developed” countries. In addition to the risks specific to the asset class, investments in those countries are generally subject to higher risks, in particular liquidity risk and general market risk. In emerging market countries, political, economic and social instability or diplomatic incidents can negatively impact investments. Additionally, increased risks may arise in connection with the settlement of transactions in securities in these countries and harm investors, especially as it may not be general practice or even possible to deliver securities directly when payment is made in such countries. The country and transfer risks described are likewise particularly high in these countries.

In addition, the legal and regulatory environment and the accounting, auditing and reporting standards in emerging markets may differ significantly from the level and standard which is otherwise customary internationally, to the detriment of an investor. This can entail not only differences in state supervision and regulation, but also further risks associated with the assertion and settlement of claims by the fund. There may also be an increased depositary risk in such countries which may, in particular, also result from differing procurement methods for acquired assets. The markets in emerging market countries are generally more volatile and less liquid than markets in industrialised countries, leading to increased volatility in the unit values of the fund.

Inflation risk

Inflation risk is the risk that assets will lose value because of a decrease in the value of money. As a result of inflation, the income of a sub-fund as well as the value of the asset as such may decrease in terms of purchasing power. Different currencies are subject to different levels of inflation risk.

Concentration risk

Further risks may arise from a concentration of investments in particular types of asset or particular markets. In such cases, events that affect these assets or markets could have a greater effect on the fund assets, thereby causing larger losses for the fund than would occur under a more diversified investment policy.

Performance risk

As there is no express third-party guarantee, positive performance cannot be promised. In addition, the performance recorded by assets acquired for a sub-fund may differ from the performance that was expected at the time of acquisition.

Settlement risk

During the settlement of securities transactions, there is a risk that one of the contracting parties does not pay or only pays after a delay or not in accordance with the agreement, or that the securities are not delivered or not delivered on time. This settlement risk also exists in the case of the reversal of collateral for the fund.

Risks entailed in using derivatives and other techniques and instruments

Through the leverage effect of option rights, the value of the respective sub-fund assets can be more heavily influenced – both positively and negatively – than is the case for the direct purchase of securities and other assets; to this extent, their use is associated with special risks.

Financial futures contracts which are used for purposes other than hedging are also associated with significant opportunities and risks, as only a fraction of the contract value (the "margin") must be paid immediately.

Price changes may therefore result in significant gains or losses. As a result, the risk and the volatility of the fund may increase.

Depending on the structure of swaps, the value thereof can be affected by any future change in the market interest rate (interest rate risk), counterparty insolvency (counterparty risk) or a change in the underlying. In principle, any future (value) changes to the underlying payment flows, assets, income or risks may lead to gains as well as losses in the fund.

Techniques and instruments carry certain investment risks and liquidity risks.

As the use of derivatives embedded in financial instruments may be associated with a leverage effect, their use can lead to substantial fluctuations – both positive and negative – in the value of the sub-fund assets.

Risks related to target funds

The risks associated with target fund units that can be acquired for a sub-fund are closely related to the risks associated with the assets included in the target fund and the investment strategy it follows. These risks can, however, be reduced by diversification of investments in the target funds whose units are acquired and by diversification within this sub-fund/fund.

However, since the managers of the individual target funds act independently of each other, it may also occur that several target funds make the same or opposing investments. This may give rise to the accumulation of existing risks, and any opportunities may cancel each other out.

It is generally not possible for the Management Company to control the management of the target funds. The investment decisions of the target funds may not necessarily concur with the assumptions or expectations of the Management Company.

The Management Company is often not up-to-date on the current composition of the target funds. If their composition does not correspond to its assumptions or expectations, the Management Company may not react until much later by redeeming the target fund units.

Open-ended investment funds in which the fund purchases units may also temporarily suspend the redemption of units. The Management Company would then be prevented from selling the units in the target fund by returning these to the target fund's management company or depositary against payment of the redemption price.

In addition, as a rule, target funds can charge fees when their units are purchased. This means that investments in target funds result in double fees being paid. These double fees do not occur for target funds within the same umbrella structure.

Risk of redemption suspension

Investors may, in principle, request the redemption of their units from the Management Company on any valuation day in accordance with the information provided in the section on the redemption of units. However, the management company may temporarily suspend the redemption of units under exceptional circumstances and buy back the units at a later point at the price valid at that time (see Article 7 of the management regulations, "Suspension of calculation of the unit value", and Article 10 of the management regulations, "Redemption and exchange of units"). This price may be lower than it was before redemption was suspended.

The Management Company may also be forced to suspend redemption in particular if one or more target funds whose units were acquired for a sub-fund suspend(s) the redemption of their units and such units make up a significant proportion of the net sub-fund assets.

Risks in connection with investments in permissible Chinese equities with the Shanghai and Shenzhen Hong Kong Stock Connect programme

Shanghai and Shenzhen Hong Kong Stock Connect ("SHSC") is a mutual market access programme that allows investors (in this case the fund) to use the stock exchange and clearing houses in Hong Kong to trade in selected securities that are listed on the Shanghai Stock Exchange (SSE) ("Northbound Trading"), and allows investors on the Chinese mainland that satisfy certain criteria to use the stock exchange and clearing houses in Shanghai to trade in selected securities that are listed on the Stock Exchange of Hong Kong Limited (SEHK) ("Southbound Trading"). Flossbach von Storch Invest S.A. will participate in Northbound Trading.

The fund may use the SHSC programme to acquire Chinese A shares that are permitted under its investment policy. Equities designated as A shares on the Shanghai Stock Exchange or Shenzhen Stock Exchange are shares of companies that are traded in renminbi, the currency of the People's Republic of China. These shares could previously only be traded by Chinese citizens. Use of SHSC could create the following risks or increase the risks indicated in this section:

- Trades using SHSC are subject to a daily quota, which could limit the fund's investment options or make it impossible for the fund to realise its planned investments on a certain day via SHSC. The daily quota limits the maximum net purchases that can be performed in cross-border trading each day under the Stock Connect programme. As soon as the remaining balance of the daily Northbound Trading quota reaches zero or is exceeded at the opening of the session, new buy orders are rejected and not accepted again until the next trading day. There are also limits on the total amount of foreign investment made by all investors in Hong Kong and abroad, and limits on the holdings of individual foreign investors. Investors should bear in mind that the difference in trading hours and various quota and holding limits could restrict the fund's ability to perform timely investments.

- The stock exchanges connected under SHSC reserve the right to suspend trading whenever they feel it is necessary to ensure orderly market trading. Also note that SHSC only operates on days that are trading days in the People's Republic of China and Hong Kong and the following day is a banking day in the above countries.

- Operational risks (e.g. that systems might not operate properly) could arise due to the fact that SHSC is new and due to preparation of the processes and resources needed for SHSC and required for the use of SHSC. Settlement risk is reduced by only settling fund transactions in A shares using the delivery versus payment method.

- SHSC is subject to supervision by the Chinese financial supervisory authority (China Securities Regulatory Commission – CSRC) and therefore to the statutory and regulatory provisions of the People's Republic of China, which could have an influence on the fund due to use of SHSC.

- Economic developments in the People's Republic of China could have an effect on the assets of the fund due to use of SHSC and, consequently, investments in certain permitted Chinese A shares.

Potential conflicts of interests

The Management Company, its employees, representatives and/or associated companies may act as a member of the Executive Board, investment adviser, fund manager, Central Administration Agent, Registrar and Transfer Agent or as any other service provider on behalf of the fund/sub-funds. The function of the Depositary or sub-depositaries that have been commissioned to carry out depositary functions can also be assumed by an associated company of the Management Company. The Management Company and the Depositary, insofar as an association exists between them, have appropriate structures in place to avoid possible conflicts of interest arising out of the association. If conflicts of interest cannot be prevented, the Management Company and the Depositary shall identify, control and observe any conflicts of interest. The

Management Company is aware that conflicts of interest may arise given the different activities that it itself performs in relation to the management of the fund/sub-funds. In accordance with the Law of 17 December 2010 and the applicable administrative provisions of the CSSF, the Management Company has adequate and appropriate organisational structures and control mechanisms. In particular, it acts in the best interest of the fund/sub-funds. Any conflicts of interest that may arise from outsourcing activities are described in the principles for dealing with conflicts of interest, which the Management Company has published on its website www.fvsinvest.lu. To the extent that investors' interests are compromised by a conflict of interest, the Management Company will disclose the type and the sources of the existing conflict of interest on its website. When outsourcing tasks to third parties, the management company ensures that the third parties have fulfilled the required measures for complying with all requirements for organisation and prevention of conflicts of interest as set forth in the applicable Luxembourg laws and regulations and monitor compliance with these requirements.

Risk profile
The investment funds managed by the Management Company are classified into one of the following risk profiles. The risk profile for each sub-fund can be found at the end of this section. The descriptions of the following profiles were prepared under the assumption of normally functioning markets. In unforeseen market situations or in the event of market disturbances due to non-functioning markets, risks may arise other than those stated in the risk profile.

The categorisation in one of the possible risk classes mentioned in the sales prospectus at the time of unit acquisition is intended to serve as a guide. It is possible that the risk classification set out in the sub-fund-specific annex might change during the term of the fund.

Risk profile – Security-oriented
The fund is suitable for security-oriented investors. Due to the composition of the net sub-fund assets, there is a low degree of risk but also a corresponding degree of profit potential. The risks may consist in particular of currency risk, credit risk and price risk, as well as market interest rate risks.

Risk profile – Conservative
The Fund is suitable for conservative investors. Owing to the composition of the net sub-fund assets, there is a moderate level of overall risk but this is set against the prospect of moderate income. The risks may consist in particular of currency risk, credit risk and price risk, as well as market interest rate risks.

Risk profile – Growth-oriented
The fund is suitable for growth-oriented investors. Due to the composition of the net sub-fund assets, there is a high degree of risk but also a high degree of profit potential. The risks may consist in particular of currency risk, credit risk and price risk, as well as market interest rate risks.

Risk profile – Speculative
The fund is suitable for speculative investors. Due to the composition of the net sub-fund assets, there is a very high degree of risk but also a very high degree of profit potential. The risks may consist in particular of currency risk, credit risk and price risk, as well as market interest rate risks.

Risk profile of the typical investor
The investment horizon may be short-term, medium-term or long-term, depending on the sub-fund. The investor's return expectations based on the investment strategy are counterbalanced by a suitable acceptance of risk. The investor must be willing and able to bear the risks resulting from the investment strategy (also see the section "Risk warnings"). The risk profile of the typical investor for each sub-fund can be seen in the following table.

Name of the sub-fund	**Risk profile**	**Risk profile of the typical investor**
Flossbach von Storch – Multiple Opportunities II	Growth-oriented	Long-term
Flossbach von Storch – Der erste Schritt	Conservative	Medium-term

Name of the sub-fund	Risk profile	Risk profile of the typical investor
Flossbach von Storch – Multi Asset – Defensive	Conservative	Medium-term
Flossbach von Storch – Multi Asset – Balanced	Growth-oriented	Long-term
Flossbach von Storch – Multi Asset – Growth	Growth-oriented	Long-term
Flossbach von Storch – Foundation Defensive	Conservative	Medium-term
Flossbach von Storch - Foundation Growth	Growth-oriented	Long-term
Flossbach von Storch – Global Quality	Growth-oriented	Long-term
Flossbach von Storch – Dividend	Growth-oriented	Long-term
Flossbach von Storch – Global Emerging Markets Equities	Speculative	Long-term
Flossbach von Storch – Global Convertible Bond	Conservative (as of 16/03/2023: Growth-oriented)	Medium-term (as of 16/03/2023: Long-term)
Flossbach von Storch – Bond Opportunities	Conservative	Medium-term
Flossbach von Storch – Currency Diversification Bond	Growth-oriented	Long-term
Flossbach von Storch – Laufzeitfonds 2027	Conservative	Medium-term

Risk management procedures

The management company employs a risk-management procedure enabling it to monitor and assess the risk connected with investment holdings as well as their share in the total risk profile of the investment portfolio of the funds it manages at any time. In accordance with the Law of 17 December 2010 and the applicable supervisory requirements of the CSSF, the Management Company reports regularly to the CSSF about the risk management procedures used. Within the framework of the risk management procedure and using the necessary, appropriate methods, the Management Company ensures that the overall risk of the managed funds associated with derivatives does not exceed the total net value of its portfolios. To this end, the Management Company makes use of the following methods:

- Commitment approach:
  With the commitment approach, the positions from derivative financial instruments are converted into their corresponding (delta-weighted, where applicable) underlying equivalents or nominal values. In doing so, the netting and hedging effects between derivative financial instruments and their underlyings are taken into account. The total of these underlying equivalents may not exceed the total net value of the fund's portfolio.

- Value-at-risk (VaR) approach:
  The VaR figure is a mathematical, statistical concept and is used as a standard risk measure in the financial sector. The VaR indicates the potential loss of a portfolio which, with a certain probability (the confidence level), will not be exceeded during a certain period (the holding period).

- Relative VaR approach:
  In the relative VaR approach, the VaR of the fund may not exceed the VaR of a reference portfolio by a factor that depends on the risk profile level of the fund. The maximum factor permitted by supervisory regulations is 200%. The reference portfolio is essentially an accurate reflection of the fund's investment policy.

- Absolute VaR approach:
  In the absolute VaR approach, the VaR (99% confidence level, 20-day holding period) of the fund may not exceed a share of the fund assets that depends on the risk profile level of the fund. The maximum limit permitted by supervisory regulations is 20% of the fund assets.
  For funds whose total risk associated with derivatives is determined using VaR approaches, the Management Company estimates the anticipated degree of leverage. Depending on the respective market situation, this degree of leverage may deviate from the actual value and may either exceed or be less than that value. Investors should

be aware that no conclusions about the risk content of the fund may be drawn from this data. In addition, the published expected degree of leverage is explicitly not to be considered an investment limit.

The method used to determine the total risk associated with derivatives and, if applicable, the disclosure of the benchmark portfolio and of the anticipated degree of leverage, as well as its method of calculation, are as follows for each sub-fund:

Name of the sub-fund	**Risk management procedures**	**Degree of leverage**	**Benchmark**
Flossbach von Storch – Multiple Opportunities II	Commitment approach		-
Flossbach von Storch – Der erste Schritt	Commitment approach	-	-
Flossbach von Storch – Multi Asset – Defensive	Commitment approach	-	-
Flossbach von Storch – Multi Asset – Balanced	Commitment approach	-	-
Flossbach von Storch – Multi Asset – Growth	Commitment approach	-	-
Flossbach von Storch – Foundation Defensive	Commitment approach	-	-
Flossbach von Storch - Foundation Growth	Commitment approach	-	-
Flossbach von Storch – Global Quality	Commitment approach	-	-
Flossbach von Storch – Dividend	Commitment approach	-	-
Flossbach von Storch – Global Emerging Markets Equities	Relative VaR approach	Up to 30%	MSCI Emerging Markets Daily Net Total Return Index
Flossbach von Storch – Global Convertible Bond	Absolute VaR approach	Up to 130%	-
Flossbach von Storch – Bond Opportunities	Absolute VaR approach	Up to 150%	-
Flossbach von Storch – Currency Diversification Bond	Commitment approach	-	-
Flossbach von Storch – Laufzeitfonds 2027	Commitment approach		

Liquidity risk management

The Management Company has drawn up written policies and procedures for the sub-fund to enable it to monitor the sub-fund's liquidity risks and ensure that the liquidity profile of the sub-fund's investments covers the sub-fund's underlying liabilities. On the basis of the investment strategy, the sub-fund's liquidity profile is as follows: A sub-fund's liquidity profile is determined in its entirety by its structure with regard to the sub-fund's assets and liabilities, as well as the investor structure and the redemption conditions set out in the sales prospectus.

The policies and procedures include the following:

- The Management Company monitors the liquidity risks that may arise at sub-fund or asset level. In doing so, it assesses the liquidity of the assets held in the sub-fund in relation to the sub-fund's assets and determines liquidity classes for this purpose. The assessment of liquidity includes analysing the trading volume, the complexity or other typical characteristics and, if necessary, assessing the quality of an asset.
- The Management Company monitors the liquidity risks that may arise as a result of increased investor demand for unit redemption or large-scale calls. In doing so, it forms expectations about net changes in funds, taking into account available information about past values from historical net changes in funds.
- The Management Company monitors the sub-fund's ongoing receivables and liabilities and assesses their impact on the sub-fund's liquidity situation.
- The Management Company has determined adequate limits for liquidity risks for the Fund. It monitors compliance with these limits and has established procedures in the event that the limits have been or may be exceeded.
- The procedures put in place by the Management Company ensure consistency between liquidity classes, liquidity risk limits and expected net changes in funds.

The Management Company regularly reviews these policies and updates them as appropriate.

The Management Company conducts regular stress tests, which it can use to assess the sub-fund's liquidity risks. The Management Company bases these stress tests on reliable, up-to-date quantitative information or – if required – qualitative information. This includes the investment strategy, redemption periods, payment obligations and periods during which assets may be sold, as well as specific information about historical events or hypothetical assumptions. The stress tests simulate a situation where the sub-fund assets lack liquidity or where there are an atypical number of redemption requests. They cover market risks and their effects, including margin calls and requirements for collateral or credit lines. They are performed at a frequency appropriate for the type of sub-fund and take account of the fund's investment strategy, liquidity profile, investor profile and redemption policies.

Risk associated with investments in a sustainability strategy
The sub-funds follow an investment strategy that partially reduces the number and categories of target investments available for selection by screening against an exclusion list. The investment strategy of a sub-fund could cause the sub-fund to invest in securities sectors or economic sectors that underperform the market as a whole or individual investment funds that do not take a sustainability strategy into account. As a result, the sub-fund may not perform as strongly.

Sustainability risk
The occurrence of an event or fulfilment of a condition related to the environment, society and/or corporate governance could have a significant adverse effect on the performance of the sub-fund and lead to a significant decrease in value. Sustainability risks could have a considerable effect on other types of risks described in this section and contribute to the materiality of these risk types.

Management of sustainability risk

Sustainability risks could have a considerable effect on other types of risks and contribute to the materiality of these risk types. The Management Company uses an integrated risk management procedure to record and measure market risk, liquidity risk, counterparty risk and all other risks, including operational risks, sustainability risks that are material to the sub-funds.

A specific ESG analysis examines sustainability factors for their potential opportunities and risks and assesses to the best of our knowledge whether a company stands out negatively in terms of its environmental and social activities and how it manages them. Each of the factors is considered from the perspective of a long-term investor to ensure that none of these aspects have a negative impact on the long-term success of an investment.

The findings of the ESG analysis are taken into account in the risk-return profile of the company analyses. Only if there are no serious sustainability risks that could negatively affect the future potential of a company or issuers, is an investment idea included in the focus list (for equities) or guarantor list (for bonds), making it a possible investment. The portfolio managers can only invest in securities that are on the internal focus or guarantor list. This principle ensures that invested securities have passed the in-house analysis process and comply with the common understanding of quality.

The Management Company continuously monitors developments in the risk-return profile of the company analyses and coordinates the mitigation of sustainability risks or their impact on the other risk classes and the fund's overall risk profile with the fund manager as part of the risk management process.

Based on ESG analysis, the Management Company continuously monitors the development of the internally derived ESG risk scores at the individual equity level and aggregates these at the sub-fund level into a weighted overall score, which is monitored depending on the risk profile. In addition, various ESG stress tests are regularly carried out for the sub-funds.

Fund taxation

From a Luxembourg tax perspective, the Fund has no legal personality as an investment fund and is tax transparent. The Fund is not subject to tax on income or profits from its assets in the Grand Duchy of Luxembourg. The assets of the Fund are only subject to the so-called "taxe d'abonnement" in the Grand Duchy of Luxembourg, at a current rate of 0.05% p.a. A reduced "taxe d'abonnement" of 0.01% p.a. is applicable to (i) sub-funds or unit classes whose units are only issued to institutional investors within the meaning of Article 174 of the Law of 17 December 2010, (ii) sub-funds whose only purpose is investing in money market instruments, in term money at financial institutions, or both. If the sub-fund invests in sustainable economic activities in accordance with Article 3 of Regulation (EU) 2020/852 (EU Taxonomy), a reduction in the *"taxe d'abonnement"* may be made in accordance with Article 174(3) of the Law of 17 December 2010. The "taxe d'abonnement" is payable quarterly on the sub-fund's net assets reported at the end of each quarter. The amount of the "taxe d'abonnement" is specified for each sub-fund or unit class in Annex 2 to the Sales Prospectus. An exemption from the "taxe d'abonnement" applies to fund assets that are invested in other Luxembourg investment funds that are themselves already subject to the taxe d'abonnement.
Income received from the Fund (in particular interest and dividends) could be subject to withholding tax or investment tax in the countries where the fund assets are invested. The Fund could also be subject to tax on realised or unrealised capital gains in the source country. Fund distributions, liquidation gains and disposal gains are not subject to withholding tax in the Grand Duchy of Luxembourg. Neither the Depositary nor the Management Company are obliged to obtain tax certificates.
Investors and potential investors are advised to inform themselves about the laws and regulations that apply to taxation of the fund assets and the subscription, purchase, possession, redemption, exchange and transfer of units and to seek advice from outside third parties, in particular from a tax advisor.

Taxation of earnings from investment fund units held by the investor

Investors that are or were not resident for tax purposes in the Grand Duchy of Luxembourg and do not maintain a business establishment or have a permanent representative there are not subject to Luxembourg income tax on income or disposal gains from their units in the Fund.
Natural persons who are resident for tax purposes in the Grand Duchy of Luxembourg are subject to the progressive Luxembourg income tax.
Investors and potential investors are advised to inform themselves about the laws and regulations that apply to taxation of the fund assets and the subscription, purchase, possession, redemption, exchange and transfer of units and to seek advice from outside third parties, in particular from a tax advisor.

Publication of the unit value and issue and redemption price

The current unit value, issue and redemption prices and all other information for investors may be requested at any time from the registered office of the Management Company, the Depositary, paying agents and any distribution agents. The issue and redemption prices are also published on each stock exchange day on the Management Company's website (www.fvsinvest.lu).

Information for investors

Information, particularly notices to investors, is published on the Management Company's website (www.fvsinvest.lu). In addition, notices will also be published in Luxembourg in the "RESA" and in the "Tageblatt" where required by law. In countries where the units are sold outside the Grand Duchy of Luxembourg, notices will also be published in the media provided for this where required by law.
The following documents are available for inspection free of charge during normal business hours on business days in Luxembourg (except Saturday) at the registered office of the Management Company:

- Articles of Association of the Management Company,
- Depositary agreement,
- Agreement on the assumption of the functions of the registrar and transfer agent and paying agent and various subservices for central administration tasks.

The current sales prospectus, the KIID as well as the annual and semi-annual reports of the fund can be obtained free of charge from the Management Company's website (www.fvsinvest.lu). The current sales prospectus and the KIID as well as the relevant annual and semi-annual reports of the fund are also available in hard copy free of charge from the registered office of the Management Company, the Depositary, the paying agents and any sales agents.
Investors may receive information on the Management Company's principles and strategies on the exercise of voting rights based on the assets held for the Fund and on participation as an investor in the companies that issue the assets held for the Fund at the website www.fvsinvest.lu free of charge.
When executing decisions about the acquisition or sale of assets for a sub-fund, the Management Company acts in the best interest of the investment fund. Information on the principles set out by the Management Company in this regard can be found on www.fvsinvest.lu.
The Management Company shall inform the investor without delay by durable medium if it is determined that a financial instrument held in custody has been lost. For further information, please refer to article 3 no. 12 of the management regulations.
Investors may address questions, comments and complaints to the management company in writing, including by e-mail. Information on the complaint procedure can be downloaded at no charge on the Management Company's website (www.fvsinvest.lu).
Information on payments which the Management Company receives from third parties or pays to third parties can be found in the current annual report.

The Flossbach von Storch Group has established an appropriate remuneration system for all employees that takes into account relevant functions and is consistent with the Flossbach von Storch Group business and risk strategy and objectives and values as well as the company's long-term interests and measures in relation to handling conflicts of interest. The policy surrounding remuneration is adapted to the companies' risk profile and incorporates sustainability risks, i.e. events or conditions relating to the environment, social affairs or corporate governance that could have a negative impact on the company's financial situation or profits, or on the reputation of Flossbach von Storch. It takes into account the long-term and sustainable performance of the Flossbach von Storch Group as well as the interests of the company's employees, customers, investors and owners, and is thus designed to avoid conflicts of interest.

An employee's total remuneration may be composed of both a fixed and a variable component.
Fixed remuneration is defined as the contractually agreed fixed salary, usually paid monthly, as well any financial benefits or benefits in kind within the meaning of the law that are based on a previously established, general, permanent and non-discretionary Flossbach von Storch regulation. Variable remuneration is granted by Flossbach von Storch as a performance-related bonus in return for an employee's sustained and risk-adjusted performance based on an assessment of the individual performance, the performance of the division or business unit in question and the overall financial performance of Flossbach von Storch; payment of variable remuneration and the amount thereof will be based on merit and be at the discretion of Flossbach von Storch. Qualitative and quantitative criteria should be taken into account in the determination of variable remuneration.

The variable and fixed remuneration must be appropriately balanced, with a view to avoiding excessive risk assumption.
The companies of the Flossbach von Storch Group are obligated to identify people who, due to their role and/or responsibilities, could potentially have a significant influence on the risk profile of the respective Flossbach von Storch company or the portfolios it manages. Accordingly, individual employees are determined as being "identified employees" or "risk carriers" pursuant to statutory requirements.

The establishment of a remuneration committee is currently not required in view of proportionality principles, i.e. on the basis of the internal organisation of Flossbach von Storch and the nature and scope of its transactions.

Details regarding the Flossbach von Storch Group's remuneration policy, including a description of how the remuneration and the other benefits are calculated, and the responsibilities for allocating the remuneration and other benefits, are available free of charge on the Management Company's website at www.fvsinvest.lu. A paper version will be provided free of charge to investors on request.

Information for investors in the United States of America

The units of the fund have not been, are not and will not be approved or registered in accordance with the U.S. Securities Act of 1933, as amended (the "Securities Act") and the stock market legislation of individual federal states or local authorities of the United States of America or one of its territories or other territories which are either owned by or are under the jurisdiction of the United States of America, including the Commonwealth of Puerto Rico (the "United States"); it is also prohibited for them to be transferred, offered or sold to or for the benefit of a US person (in accordance with the definition in the Securities Act), whether directly or indirectly.
The fund is not, nor will it be, approved or registered in accordance with the US Investment Company Act of 1940, as amended or in accordance with the laws of individual federal states of the USA, and investors have no claim to the advantage of registration in accordance with the Investment Company Act.
In addition to any other requirements contained in the sales prospectus, the management regulations or the subscription certificate, the investor may not be (a) a "US Person" within the meaning of the definition in Regulation S of the Securities Act, (b) a "Specified US Person" within the meaning of the definition of the Foreign Account Tax Compliance Act ("FATCA"), may be (c) a "Non-US Person" within the meaning of the Commodity Exchange Act, and may not be (d) a "US Person" within the meaning of the US Internal Revenue Code of 1986, as amended (the "Code") and within the meaning of the US Treasury Regulations issued in accordance with the Code. For further information, please contact the Management Company.
Persons wishing to acquire units must confirm in writing that they meet the above requirements.
FATCA was adopted into law as part of the Hiring Incentives to Restore Employment Act of March 2010 in the United States. Under FATCA, financial institutions outside the United States of America ("foreign financial institutions" or "FFIs") are obliged to submit information on financial accounts directly or indirectly managed by "Special US Persons" to the US tax authorities ("Internal Revenue Service" or "IRS") on an annual basis. A withholding tax of 30% is levied on certain US income from FFIs that do not comply with this obligation.
On 28 March 2014 the Grand Duchy of Luxembourg entered into an intergovernmental agreement ("IGA") in accordance with Model 1 with the United States of America and an associated Memorandum of Understanding.
The Management Company and the fund comply with the FATCA regulations.

The unit classes of the fund can be subscribed by investors either

i. through a FATCA-compliant independent intermediary (nominee) or
ii. directly and indirectly through a sales agent (that acts solely as a mediator and not as a nominee), with the exception of:

- *Specified US Persons*
  This investor group includes those US persons who are classified by the government of the United States as at risk with respect to practices pertaining to tax avoidance and evasion. This does not, however, apply to listed companies, tax-exempt organisations, real estate investment trusts (REIT), trust companies, US securities dealers and the like.
- *Passive non-financial foreign entities (or passive NFFE) with one or more substantial U.S. owners*
  This investor group is understood to mean those NFFEs that are substantially owned by one or several US persons and (i) that do not qualify as active NFFEs or (ii) that are not a withholding foreign partnership or withholding foreign trust according to the Treasury Regulations of the United States Treasury Department.
- *Non-participating financial institutions*

The United States of America identifies this status on the basis of the non-conformity of a financial institution which has not complied with stipulated requirements owing to a breach of conditions of the relevant country-specific IGA within 18 months of first being notified of these.

Should the fund be obliged to pay a withholding tax or to submit reports or should it suffer other damage as a result of an investor not being FATCA-compliant, the fund reserves the right, notwithstanding other rights, to assert claims for compensation against the investor concerned.

The Management Company will use the personal data required for confirmation of FATCA compliance exclusively for the purpose intended according to the FATCA Law. For this reason, personal data may be reported to the Luxembourg tax authorities ("Administration des Contributions Directes"). Investors are entitled to access the data reported and to demand the correction of data where necessary.

The provision of information required for verifying FATCA compliance is mandatory. Orders with missing information or information not in accordance the law or IGA may be rejected by the Management Company.

For questions relating to FATCA and the FATCA status of the fund, it is recommended that investors, and potential investors, consult their financial, tax and/or legal advisor.

Information for investors regarding the automatic exchange of information

With Council Directive 2014/107/EU of 09 December 2014 regarding the mandatory automatic exchange of (tax) information and the common reporting standard ("CRS"), a reporting and due diligence standard for the automatic exchange of information on financial accounts that was developed by the OECD, the automatic exchange of information is being implemented in accordance with the intergovernmental agreements and the Luxembourg regulations (Act on the implementation of the automatic exchange of information on financial accounts in tax matters of 18 December 2015). The automatic exchange of information will be implemented in Luxembourg for the first time in tax year 2016.
In this respect, financial institutions subject to mandatory reporting will report information on the applicants and the registers that are subject to mandatory reporting to the Luxembourg tax authority ("Administration des Contributions Directes in Luxembourg"), which will in turn forward this to the tax authorities of the countries in which the applicant is resident for tax purposes.

This includes, in particular, the communication of:

- Name, address, tax identification number, countries of residence and date and place of birth of all persons subject to mandatory reporting,
- Registration number,
- Register balance or value,
- Credited capital income including sales proceeds.

The information subject to mandatory reporting for a specific tax year that must be communicated to the Luxembourg tax authority by 30 June of the following year is exchanged between the relevant financial authorities up to 30 September of that year.

Information for unitholders with respect to disclosure obligations – DAC 6

The Sixth Council Directive on administrative cooperation (EU) 2018/822 ("DAC 6") amending EU Directive 2011/16/EU, which was introduced into Luxembourg law by the Law of 25 March 2020, as amended, sets down binding disclosure requirements for cross-border tax arrangements related to the EU if certain conditions are satisfied (existence of one or more features) and for certain types of intermediaries or taxpayers.

DAC 6 provides for a mandatory exchange of information on tax arrangements by such intermediaries or taxpayers to their competent tax authorities and introduces an automatic exchange of information between the tax authorities in various EU Member States.

The management company might be considered an intermediary for certain tax arrangements under the provisions of DAC 6 and therefore be obligated to report certain information on tax arrangements that have those features to the competent tax authorities. Such a report could include information about a unitholder's identity and the reported tax arrangement, such as name, residence for tax purposes and TIN number. Unitholders could be subject to the DAC 6 reporting requirement themselves, or might want more advice on DAC 6; unitholders should consult their tax advisors in this case.

ANNEX 1

Unit classes

The investment policy is identical for all unit classes within a sub-fund. There may be differences in terms of the scope of investors, minimum initial investment, appropriation of income, the "*taxe d' abonnement*" and the fees of the service providers.
Unit classes "I", "I2", "IT", "CHF-IT", "GBP-IT" and "USD-IT" were primarily established for institutional investors.
Unit classes with the identifier "ET", "E" and "USD-ET" are not intended for distribution in Luxembourg, Germany, Austria and Switzerland and unit classes with the identifier "MT", "MT2" are exclusively intended for investments by funds managed by the Management Company Flossbach von Storch Invest S.A.
The unit classes with the identifier "X" and "XT" are reserved for institutional investors who qualify as professional investors as defined in the MiFID II Directive and who conclude a written contract with the Management Company prior to the first investment. For these unit classes, the management fee is not deducted from the net asset value of the unit class, but instead invoiced separately to the investor.
The unit classes with the identifier "Q" and "QT" are reserved for institutional investors who qualify as professional investors as defined in the MiFID II Directive and who conclude a written contract with the Management Company prior to the first investment.
Acquisition and holding of unit classes marked "SI" and "SR" is solely at the discretion of the Management Company and is reserved for investors in the form of foundations that satisfy the requirements in § 44a (7) sentence 1 of the German Income Tax Act (Einkommensteuergesetz – EStG) or comparable foreign investors that have their registered offices and management in another country. Investors that do not satisfy the above requirements may not acquire or hold units of the sub-fund. Units can therefore only be acquired and held if investors provide proof that they satisfy the requirements above. Investors must provide the proof to the Management Company. Before a subscription order is submitted, the Management Company must be provided certification in accordance with § 44a (7) sentence 2 of the German Income Tax Act (exemption certification) or equivalent proof for non-German investors as confirmation that requirements similar to § 44a (7) sentence 2 of the German Income Tax Act are satisfied so that the Management Company can check that the units can be acquired. Only once the Management Company has confirmation that acquisition is permitted can the subscription order be submitted or a previously submitted subscription order accepted. If the above requirements are no longer satisfied, the investor must inform the Management Company within 30 days and redeem the units held.

Unit classes "H", "HT", "CHF-H" and "CHF-HT" are, subject to the discretion of the Management Company (taking into account legal structures at national level), intended exclusively for independent investment advice or discretionary financial portfolio management service providers or other distributors who

(i) provide investment services and conduct activities within the meaning of Directive 2014/65/EU on Markets in Financial Instruments (MiFID II Directive) and
(ii) have made separate remuneration agreements with their customers in relation to these services and activities and
(iii) receive no other fees, discounts or other payments by the Management Company or the relevant sub-fund in relation to these services and activities
or
(iv) institutional investors who, under the definition outlined in the MiFID II Directive, can be classed as professional investors or as eligible counterparties. This includes, for example, insurance investments in the context of unit-linked insurance solutions.

Subject to the discretion of the Management Company, unit classes "VI" are reserved exclusively for asset management clients of Flossbach von Storch AG.

Calculation and appropriation of income

Each sub-fund may launch accumulating and distributing unit classes. Detailed information regarding the use of income will, in principle, be published on the Management Company's website (www.fvsinvest.lu).

Distributing units

Distributing unit classes can be identified by the suffix "R", "CHF-R", "CHF-I", "I", "I2", "H", "CHF-H", "SR", "SI", "E", "X", "Q" or "VI". The income of these unit classes can be distributed. The distributions will be made at intervals determined by the Management Company. The bearers of registered units will be accounted for in the unit register with a number of units in the sub-fund corresponding to the amount of the distribution. Upon request, distributions will be made directly to an account to be named by the investor. If the issue price was originally paid by direct debit, distributions will be made to the same account.

Accumulating units

Accumulating units can be identified by the suffix "RT", "IT", "MT", "MT2", "HT", "ET", "XT" or "QT" or in foreign currencies by the currency prefix, e.g. "CHF-RT". The income from these unit classes generated in the financial year will not be paid out. Instead, it will be reinvested.

Exchange of units

Units in unit classes "R", "RT", "CHF-R", "CHF-RT" and "USD-RT" cannot be exchanged for units in unit classes "I", "IT", "MT", "MT2", "CHF- I", "CHF-IT", "GBP-IT" and "USD-IT", and units in the unit class "E", "ET" and "USD-ET" cannot be exchanged for units in unit classes "R", "I", "I2", "IT", "RT", "MT", "CHF-R", "CHF-RT", "CHF-I", "CHF-IT", "USD-RT", "GBP-IT" and "USD-IT". In addition, an exchange of units in unit classes "I", "IT", "CHF-I", "CHF-IT", "GBP-IT" and "USD-IT" for units in unit classes with the suffix "H", "HT", "CHF-H" or "CHF-HT" is not possible either. Exchanges from or into units of the "SI", "SR", "Q", "QT", "VI", "X" or "XT" unit classes are not possible. The Management Company is authorised, at its discretion, to accept an exchange of units or a change to units of the unit classes "SI", "SR", "Q", "QT", "VI", "X" or "XT".

Savings and withdrawal plans
Investors receive information from the Registrar and Transfer Agent/the institution maintaining their securities accounts.

Registered units
Investors receive information from the Registrar and Transfer Agent.

Bearer units
Investors receive information from the institution maintaining their securities accounts.

Unit value calculation

The unit value will be calculated for each unit class on every banking day in Luxembourg, except for 24 and 31 December of each year.

Type of certificates

Registered units and bearer units will be issued for each unit class. Bearer units are securitised exclusively via global certificates; registered units are entered in the unit register. Within unit class "VI", only registered units are issued.

Denomination of units

Bearer units and registered units will be issued up to three decimal places.

Currency hedging

Unit classes that are denominated in a currency other than the sub-fund's currency are generally hedged against currency risks in relation to the sub-fund's currency ("hedged unit classes"). The Fund Manager reserves the right to hedge foreign currency unit classes against currency fluctuations only if the volume of a unit class is greater than 1,000,000.00 in the respective unit class currency.

The use of this hedging strategy can offer the investor in the respective unit class significant protection against the risk of any fall in value of the unit class currency in relation to the value of the sub-fund currency. However, it may also mean that the investors in the hedged unit class cannot benefit from an increase in value in relation to the sub-fund currency. It may also – in particular in the case of strong market turbulence – result in inconsistencies between the currency position of the sub-fund and the currency position of the hedged unit class. No assurance can be given that the hedging objective will be achieved.

Foreign currency unit classes which are not hedged against currency risks in relation to the sub-fund currency are listed explicitly in the relevant annex for the sub-fund.

Minimum initial investments

The minimum initial investments in unit classes "I", "IT", "CHF-I", "CHF-IT", "GBP-IT", "USD-IT", "VI" and "SI" each amount to 1,000,000.00 per investor in the respective unit class currency and those of unit classes "I2" are 10,000,000.00 per investor in the respective unit class currency. The minimum initial investment for unit classes "X" and "XT" is 50,000,000.00 per investor in the respective unit class currency and for unit classes "Q" and "QT" it is 25,000,000.00 per investor in the respective unit class currency. The Management Company is authorised to accept smaller amounts at its discretion.
None of the other asset classes have minimum initial investments.

ANNEX 2

Statement of fees and costs

The Management Company fee, Depositary fee and central administration fee are each calculated and paid pro rata monthly in arrears on the last day of the month. The fees are subject to value added tax, if applicable.

Name of the sub-fund	Unit class	Maximum subscription fee	Maximum exchange commission	Maximum redemption fee	Maximum management fee	Additional performance-based fee	Maximum depositary fee	Maximum Central Administration Agent fee	Taxe d'abonnement
Flossbach von Storch - Multiple Opportunities II	R / RT	5%	3%	-	1.60%	See Annex	0.065%	0.02%	0.05%
	CHF-RT / USD-RT	5%	3%	-	1.60%	See Annex	0.065%	0.02%	0.05%
	I / IT	5%	3%	-	1.10%	See Annex	0.065%	0.02%	0.05%
	CHF-IT / USD-IT	5%	3%	-	1.10%	See Annex	0.065%	0.02%	0.05%
	ET / USD-ET	1%	1%	-	1.93%	See Annex	0.065%	0.02%	0.05%
	MT	-	-	-	0.65%	-	0.065%	0.02%	0.01%
	H / HT / CHF-HT	-	-	-	0.98%	See Annex	0.065%	0.02%	0.05%
	Q	5%	3%	-	1.10%	See Annex	0.065%	0.02%	0.01%
Flossbach von Storch - Der erste Schritt	R / RT	1%	1%	-	1.10%	-	0.065%	0.02%	0.05%
	I / IT	1%	1%	-	0.50%	-	0.065%	0.02%	0.05%
	HT	1%	1%	-	0.53%	-	0.065%	0.02%	0.05%
	VI	1%	1%	-	0.50%		0.065%	0.02%	0.05%
Flossbach von Storch - Multi Asset - Defensive	R / RT	3%	3%	-	1.53%	-	0.065%	0.02%	0.05%
	I / IT	3%	3%	-	0.78%	-	0.065%	0.02%	0.05%
	ET	1%	1%	-	1.93%	-	0.065%	0.02%	0.05%
	H / HT	-	-	-	0.88%	-	0.065%	0.02%	0.05%
	QT	3%	3%	-	0.78%	-	0.065%	0.02%	0.01%
Flossbach von Storch - Multi Asset - Balanced	R / RT	5%	3%	-	1.53%	-	0.065%	0.02%	0.05%
	CHF-RT	5%	3%	-	1.53%	-	0.065%	0.02%	0.05%
	I / IT	5%	3%	-	0.78%	-	0.065%	0.02%	0.05%
	CHF-IT	5%	3%	-	0.78%	-	0.065%	0.02%	0.05%
	ET	1%	1%	-	1.93%	-	0.065%	0.02%	0.05%
	HT	-	-	-	0.88%	-	0.065%	0.02%	0.05%
	QT	5%	3%	-	0.78%	-	0.065%	0.02%	0.01%
Flossbach von Storch - Multi Asset - Growth	R / RT	5%	3%	-	1.53%	-	0.065%	0.02%	0.05%
	I / IT	5%	3%	-	0.78%	-	0.065%	0.02%	0.05%
	ET	1%	1%	-	1.93%	-	0.065%	0.02%	0.05%
	HT	-	-	-	0.88%	-	0.065%	0.02%	0.05%
Flossbach von Storch - Foundation Defensive	SI	3%	3%	-	0.40%	-	0.065%	0.02%	0.05%
	SR	3%	3%	-	0.80%	-	0.065%	0.02%	0.05%
	R / RT	3%	3%	-	1.56%	-	0.065%	0.02%	0.05%
	I / IT	3%	3%	-	0.81%	-	0.065%	0.02%	0.05%
	HT	-	-	-	0.91%	-	0.065%	0.02%	0.05%
Flossbach von Storch - Foundation Growth	SI	3%	3%	-	0.40%	-	0.065%	0.02%	0.05%
	SR	3%	3%	-	0.80%	-	0.065%	0.02%	0.05%
	R / RT	5%	3%	-	1.56%	-	0.065%	0.02%	0.05%
	I / IT	5%	3%	-	0.81%	-	0.065%	0.02%	0.05%
	HT	-	-	-	0.91%	-	0.065%	0.02%	0.05%
Flossbach von Storch - Global Quality	R	5%	3%	-	1.60%	-	0.065%	0.02%	0.05%
	I / IT	5%	3%	-	0.75%	-	0.065%	0.02%	0.05%
	CHF-I	5%	3%	-	0,75%	-	0,065%	0,02%	0,05%
	H	-	-	-	1.10%	-	0.065%	0.02%	0.05%
	MT/MT2	-	-	-	0.65%	-	0.065%	0.02%	0.01%
	ET	1%	1%	-	1.93%	-	0.065%	0.02%	0.05%
	VI	5%	3%	-	0.75%	-	0.065%	0.02%	0.05%
Flossbach von Storch - Dividend	R / RT	5%	3%	-	1.60%	-	0.065%	0.02%	0.05%
	I / IT	5%	3%	-	0.75%	-	0.065%	0.02%	0.05%
	ET	1%	1%	-	1.93%	-	0.065%	0.02%	0.05%
	HT	-	-	-	0.88%	-	0.065%	0.02%	0.05%

Name of the sub-fund	Unit class	Maximum subscription fee	Maximum exchange commission	Maximum redemption fee	Maximum management fee	Additional performance-based fee	Maximum depositary fee	Maximum Central Administration Agent fee	Taxe d'abonnement
Flossbach von Storch - Global Emerging Markets Equities	R	5%	3%	-	1.53%	-	0.065%	0.02%	0.05%
	I / IT	5%	3%	-	0.78%	-	0.065%	0.02%	0.05%
	ET	1%	1%	-	1.93%	-	0.065%	0.02%	0.05%
Flossbach von Storch - Global Convertible Bond	R	5%	3%	-	1.45%	-	0.065%	0.02%	0.05%
	I / IT	5%	3%	-	0.75%	-	0.065%	0.02%	0.05%
	CHF-IT	5%	3%	-	0.75%	-	0.065%	0.02%	0.05%
	H	-	-	-	0.95%	-	0.065%	0.02%	0.05%
Flossbach von Storch - Bond Opportunities Flossbach von Storch - Bond Opportunities	R / RT / CHF-RT / USD-RT	3%	3%	-	1.10%	-	0.065%	0.02%	0.05%
	I / IT	3%	3%	-	0.60%	-	0.065%	0.02%	0.05%
	CHF-IT / GBP-IT / USD-IT	3%	3%	-	0.60%	-	0.065%	0.02%	0.05%
	H / HT / CHF-H	-	-	-	0.63%	-	0.065%	0.02%	0.05%
	X	-	-	*	**	-	0.065%	0.02%	0.01%
	XT	-	-	*	**	-	0.065%	0.02%	0.01%
	Q/QT	3%	3%	-	0.60%	-	0.065%	0.02%	0.01%
Flossbach von Storch - Currency Diversification Bond	R	3%	3%	-	1.10%	-	0.065%	0.02%	0.05%
	I	3%	3%	-	0.60%	-	0.065%	0.02%	0.05%
Flossbach von Storch – Laufzeit-fonds 2027	R	1,25%	-	2,00%***	0,79%		0,065%	0,02%	0,05%
	RT	1,25%	-	2,00%***	0,79%		0,065%	0,02%	0,05%
	I	1,25%	-	2,00%***	0,39%		0,065%	0,02%	0,05%
	I2	1,25%	-	2,00%***	0,30%		0,065%	0,02%	0,05%
	IT	1,25%	-	2,00%***	0,39%		0,065%	0,02%	0,05%

* If a maximum redemption fee applies, it is stipulated in a separate agreement with the investor concerned.

** The management fee is stipulated separately in a written agreement with each investor and invoiced to the investor by the Management Company.

*** The redemption fee is levied for the benefit of the sub-fund and is defined in the sub-fund-specific Appendix 16 a.

Fund management fee

The Fund Manager receives a fee for the performance of its duties from the management fee paid to the Management Company for each sub-fund. This fee is calculated and paid in arrears on a monthly pro rata basis at the end of each month. This fee is subject to value-added tax, if applicable.

Any additional, performance-based fee ("performance fee") is described in more detail in the Annex for the respective sub-fund.

Registrar and Transfer Agent fee

In return for the performance of its duties as stated in the Registrar and Transfer Agent agreement, the Registrar and Transfer Agent receives a fee of up to EUR 25 p.a. per investment account and up to EUR 40 p.a. per account with a savings plan and/or withdrawal plan for each sub-fund. This remuneration is calculated and paid out in arrears at the end of each calendar year. These fees are subject to value-added tax, if applicable.

Further costs

In addition, the costs detailed in Article 11 of the management regulations may also be charged against the relevant sub-fund assets.

Information about cost statements

If the investor is advised by third parties when purchasing units or these act as agents for this purchase, the third parties will, where applicable, disclose costs or expense ratios to the investor that are not congruent with the cost information in this Sales Prospectus and the Key Investor Information. One reason for this is often that the third party has to give further consideration to the costs of its own activities (e.g. brokerage, advice or portfolio management). In addition, the third party may have to take one-off costs such as issue surcharges into consideration and will usually use other calculation methods and also estimates for the costs incurred at sub-fund level, and in particular, the sub-fund transaction costs.
Deviations from the cost statement may arise both in information before conclusion of the contract and in regular cost information in relation to the existing sub-fund annex in the context of a durable customer relationship.

ANNEX 3a

Flossbach von Storch – Multiple Opportunities II

This sub-fund promotes environmental and social characteristics within the meaning of Article 8 of Regulation (EU) 2019/2088 (Disclosure Regulation).

Investment objectives

The objective of the investment policy of Flossbach von Storch – Multiple Opportunities II ("sub-fund") is to achieve reasonable growth in the sub-fund's currency while taking into consideration the risk involved for the investors. The investment strategy is defined based on fundamental analyses of the global financial markets. The sub-fund is actively managed. The fund manager chooses, regularly reviews and, if necessary, adjusts the composition of the portfolio in accordance with the criteria specified in the investment policy. No index is used for comparison purposes.

The performance of the sub-fund's unit classes is indicated in the relevant "Key Investor Information".

As a general rule, past results offer no guarantee of future performance. We cannot guarantee that the objectives of the investment policy will be achieved.

Investment policy

Subject to Article 4 of the management regulations, the following provisions shall apply to the sub-fund:

When making investment decisions for the sub-fund, the fund manager shall take into account the requirements of the sustainability policy of the Management Company and the criteria it contains, as specified in detail in the "Sustainability policy" section. Flossbach von Storch follows a holistic sustainability approach across the group: As a long-term investor, Flossbach von Storch attaches importance to companies dealing responsibly with their environmental and social footprint and actively counteracting negative impacts of their activities. To be able to recognise negative impacts at an early stage, the handling of investments with their ecological and social footprint is examined and evaluated. For this purpose, certain environmental and social characteristics are taken into account in the investment strategy and, where possible or necessary, positive development is worked towards. Specifically, this means: among other things, portfolio companies are checked for set climate targets and progress is monitored on the basis of certain sustainability indicators.

Furthermore, Flossbach von Storch applies group-wide exclusion criteria for social and environmental characteristics. These include the exclusion of investments in companies with certain business models. This includes, for example, controversial weapons.

A binding participation policy is also implemented to work towards positive development in the event of particularly severe negative impacts on certain sustainability factors in investments. This could be, but is not limited to, the topic area of greenhouse gas emissions and social issues/employment.

Depending on the market situation and appraisal by the fund management, the sub-fund generally has the possibility to invest in equities, bonds, money market instruments, certificates, other structured products (e.g. reverse convertible bonds, warrant-linked bonds, convertible bonds), target funds, derivatives, cash and fixed-term deposits. The certificates are for legally permitted underlying instruments, such as equities, bonds, investment fund units, financial indices and currencies.

In compliance with the "Additional investment restrictions" and in accordance with Art. 4 of the management regulations, at least 25 per cent of the sub-fund's net assets shall be continuously invested in equity interests.

The sub-fund may invest up to 20 per cent of its net assets indirectly in precious metals.

Such investments may be made via:

- Delta-1 certificates on precious metals (gold, silver, platinum)
- Listed closed-end funds on precious metals (gold, silver, platinum)

Delta-1 certificates are securities within the meaning of Article 2 of the Grand-Ducal Regulation of 08 February 2008.

In the interests of risk diversification, no more than 10 per cent of the sub-fund's net assets may be invested indirectly in one precious metal. The aforementioned options of investing indirectly in precious metals exclude physical deliveries.

In general, the investment in liquid assets is limited to 20 per cent of the sub-fund's net assets, but a breach of this requirement will be tolerated in the short term in the event of exceptionally unfavourable market conditions and if it is deemed appropriate while still safeguarding investor interests.

Units in UCITS or other UCI ("target funds") may be acquired up to a maximum limit of 10 per cent, making the sub-fund eligible as a target fund. With respect to the target funds that can be acquired for the sub-fund, there are no restrictions on the permissible types of target funds that can be acquired.

The use of derived financial instruments ("derivatives") is planned in order to achieve the aforementioned investment objectives, as well as for investment and hedging purposes. In addition to option rights, this includes, inter alia, swaps and futures contracts on securities, money market instruments, financial indices within the meaning of Article 9 (1) of Directive 2007/16/EC and Article XIII of ESMA Guidelines 2014/937, interest rates, exchange rates, currencies and investment funds pursuant to Article 41 (1) (e) of the Law of 17 December 2010. Derivatives may be used only within the limits outlined in Article 4 of the management regulations. Further details on techniques and instruments can be found in the sales prospectus in the chapter titled "Investment policy" in the "Information on derivatives and other techniques and instruments" section.

For this sub-fund, the Management Company will not conclude total return swaps or other derivatives with the same characteristics.

Information about the environmental and social characteristics promoted by the sub-fund and their implementation in the investment policy is set out in Annex 3b of the sales prospectus.

Risk profile of the sub-fund

Risk profile – growth-oriented (further details can be found in the sales prospectus in the chapter titled "Risk warnings", in the "Risk profiles" section)

Risk profile of the typical investor

Long-term (further details can be found in the sales prospectus in the chapter titled "Risk warnings", in the "Risk profiles" section)

Further information

	Unit class I	Unit class R	Unit class IT	Unit class RT	Unit class ET
ISIN	LU0952573300	LU0952573482	LU1038809049	LU1038809395	LU1245469744
Securities ID no. (WKN)	A1W17X	A1W17Y	A1XEQ3	A1XEQ4	A14ULR
Initial subscription period	16 September 2013 – 30 September 2013	16 September 2013 – 30 September 2013	14 March 2014 – 28 March 2014	14 March 2014 – 28 March 2014	01 July 2015 – 10 July 2015
Initial unit value (The initial issue price corresponds to the initial unit value plus the subscription fee)	EUR 100	EUR 100	EUR 100	EUR 100	EUR 100
Payment of the initial issue price	02 October 2013	02 October 2013	01 April 2014	01 April 2014	14 July 2015
Sub-fund currency	EUR				
Unit class currency	EUR				

	Unit class CHF-IT	Unit class CHF-RT	Unit class USD-IT	Unit class USD-RT	Unit class MT
ISIN	LU1172942424	LU1172943745	LU1280372415	LU1280372688	LU1716948093
Securities ID no. (WKN)	A1182B	A1182C	A14YS0	A14YS1	A2H690
Initial subscription period	17 February 2015 – 27 February 2015	17 February 2015 – 27 February 2015	01 July 2016	01 July 2016	05 December 2017 – 18 December 2017
Initial unit value (The initial issue price corresponds to the initial unit value plus the subscription fee)	CHF 100	CHF 100	USD 100	USD 100	EUR 100
Payment of the initial issue price	03 March 2015	03 March 2015	05 July 2016	05 July 2016	20 December 2017
Sub-fund currency	EUR				
Unit class currency	CHF		USD		EUR

	Unit class H	Unit class HT	Unit class CHF-HT	Unit class USD-ET	Unit class Q
ISIN	LU1748854863	LU1748854947	LU1748855167	LU2207301743	LU2312730349
Securities ID no. (WKN)	A2JA86	A2JA87	A2JA89	A2P9FT	A2QQ1E
Initial subscription period	24 January 2018 – 05 February 2018	24 January 2018 – 05 February 2018	24 January 2018 – 05 February 2018	22 July 2020 – 24 August 2020	15 March 2021
Initial unit value (The initial issue price corresponds to the initial unit value plus the subscription fee)	EUR 100	EUR 100	CHF 100	USD 100	EUR 100
Payment of the initial issue price	07 February 2018	07 February 2018	07 February 2018	26 August 2020	17 March 2021
Sub-fund currency	EUR				
Unit class currency	EUR		CHF	USD	EUR

Further information on the unit classes can be found in Annex 1 to this sales prospectus, “Unit classes”.

The sub-fund is established for an indefinite period of time.

Costs which can be reimbursed from the sub-fund assets

Detailed information on remuneration can be found in Annex 2 to the sales prospectus, "Statement of fees and costs".

Additional performance-based fee

In addition to the fund management fee, for unit classes "I", "R", "H", "IT", "RT", "HT", "ET", "CHF-IT", "CHF-RT", "CHF-HT", "USD-IT", "USD-RT", "USD-ET" and "Q", the Fund Manager receives, according to Annex 2, a performance fee from the net assets of the respective unit class in the amount of up to 10 per cent of the gross unit value performance if the gross unit value at the end of an accounting period exceeds the unit value at the end of the preceding accounting periods of the last 5 years ("high-water mark principle"), but not totalling more than 2.5 per cent of the average net asset value of the sub-fund in the accounting period of the relevant unit class. If the unit value at the start of the accounting period is lower than the maximum of the unit value of the relevant unit class, as achieved at the end of the five preceding accounting periods (hereinafter referred to as the "high-water mark"), the high-water mark is replaced by the unit value at the start of the accounting period for the purpose of calculating the unit performance. If full accounting periods for the sub-fund are not available for the past 5 years, all previous accounting periods are taken into account when calculating the fee claim. For the first accounting period of the sub-fund, the unit value is replaced by the high-water mark at the start of the first accounting period. The proportionate performance fee attributed to and accrued for unit redemptions at the time of outperformance of the unit class during the year is retained for these units ("crystallisation") and paid to the Management Company at the end of the accounting period. The increase in the performance fee attributed to unit subscriptions at the time of outperformance of the unit class during the year is not taken into account on a proportionate basis.

Accounting period: The accounting period commences on 1 October and ends on 30 September of each calendar year. The accounting period may be reduced in the event of mergers or the dissolution of the sub-fund.

The performance fee for the respective unit class is calculated on each valuation date by comparing the current unit value, which already includes the ongoing charges (in accordance with Regulation (EU) No. 583/2010), plus the performance amount contained in the current unit value for each unit (gross share value) to the highest unit value at the end of the respective previous accounting periods (high-water mark) on the basis of the units currently in circulation. In order to determine the unit value performance, any distributions made in the meantime will be taken into account accordingly.

On the valuation dates on which the gross unit value exceeds the high-water mark, the accrued total amount changes. On the valuation dates on which the gross unit value falls below the high-water mark, the total amount accrued in the respective unit class will be dissolved. The performance fee amount that has already been crystallised for unit redemptions over the course of a year is also retained in the event of future negative gross value performance.

The performance fee amount accrued on the last valuation date of the accounting period for the current units in circulation and crystallised assets may be taken from the sub-fund at the expense of the relevant unit class at the end of the accounting period. Any fees that comprise the performance fee do not include any VAT.

Calculation example:

Calculation assumptions for accounting period 1:

Net unit value at the start of the accounting period:	EUR 100.00
Gross unit value at the end of the accounting period:	EUR 118.00

(Gross unit value EUR 118.00 = net unit value EUR 117.00 + performance fee already included from previous day EUR 1.00)

Performance fee:	10%
High watermark:	EUR 110.00

(Current high watermark EUR 110.00, i.e. the highest unit value of the last five accounting period end points: EUR 90.00, EUR 110.00, EUR 91.00, EUR 95.00, EUR 100.00)

Distribution in the accounting period:	EUR 0.00
Number of units at the start and end of the accounting period:	100
No unit movements in the accounting period	
Average sub-fund assets in the accounting period:	EUR 11,000.00
Maximum performance fee payout	2.5 per cent of the sub-fund volume

Calculation of accounting period end point 1:

(EUR 118.00 + EUR 0.00 – EUR 110.00) x 10% x 100 = EUR 80.00 performance fee or EUR 0.80 per unit
(*Gross unit value plus distribution at the end of the accounting period minus high watermark) multiplied by performance fee rate multiplied by number of units*

Calculation of maximum amount at accounting period end point 1:

EUR 11,000.00 x 2.5% = EUR 275.00
(Average sub-fund assets in the accounting period multiplied by maximum amount in per cent)

The result is that the performance fee can be paid out, as the gross unit value of EUR 118.00 exceeds the high watermark of EUR 110.00 at the end of the accounting period. The payout amount of EUR 80.00 is below the maximum possible amount of EUR 275.00.

Calculation assumptions for accounting period 2:

Net unit value at the start of the accounting period:	EUR 117.20
Gross unit value at the end of the previous period minus the performance fee paid out:	EUR 118.00 –
	EUR 0.80 =
	EUR 117.20
Redemption of units in the accounting period:	20
Gross unit value at the time of redemption of the units	
EUR 126.20	
Gross unit value EUR 126.20 = net unit value EUR 125.10 + performance fee already included from previous day	EUR 1.10
Gross unit value at the end of the accounting period:	EUR 110.20
Gross unit value EUR 110.20 = net unit value EUR 110.20 + performance fee already included from previous day	EUR 0.00
Performance fee:	10%
High watermark:	EUR 117.20
Current high watermark EUR 117.20, highest unit value of the last five accounting period end points:	
(EUR 110.00, EUR 91.00, EUR 95.00, EUR 100.00, EUR 117.20)	
Distribution two months before the end of the accounting period and after the redemption date:	EUR 2.00
Number of units at the start of the accounting period:	100
Number of units at the end of the accounting period:	80

Calculation of crystallisation amount on the redemption date:

(EUR 126.20 + EUR 0.00 – EUR 117.20) x 10% x 20 = EUR 18.00 performance fee or EUR 0.90 per unit redeemed
(Gross unit value plus distribution on the redemption date of the units minus the high watermark) multiplied by performance fee rate multiplied by number of units redeemed

The result is that the performance fee can be crystallised proportionately on the redemption date of the units, as the gross unit value of EUR 126.20 exceeds the prevailing high watermark of EUR 117.20 on the redemption date. Irrespective of the subsequent performance, the amount of EUR 18.00 will be paid out to the Management Company at the end of the accounting period.

Calculation of accounting period end point 2:

(EUR 110.20 + EUR 2.00 – EUR 117.20) x 10% x 80 = EUR 0.00 performance fee or EUR 0.00 per unit
(Gross unit value plus distribution at the end of the accounting period minus high watermark) multiplied by performance fee rate multiplied by number of units

The result is that no performance fee can be paid proportionately for the existing unitholders at the end of the accounting period (total of 80 units), as the gross unit value plus distribution in the amount of EUR 112.20 did not exceed the high watermark of EUR 117.20 at the end of the accounting period.

However, the Management Company is entitled to a proportionate performance fee payout amount of EUR 18.00 at the end of the accounting period from those unitholders who have redeemed their units during the year with a positive gross unit performance (= crystallisation amount).

Pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Product name:
Flossbach von Storch – Multiple Opportunities II

Legal entity identifier:
529900CRWOZ5U0BEER72

Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?

☐ **Yes** ☒ **No**

☐ It will make a minimum of **sustainable investments with an environmental objective:** __%

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

☐ It will make a minimum of **sustainable investments with a social objective:** __%

☐ It promotes **Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of **0 percent** of sustainable investments

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

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

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

Flossbach von Storch follows a holistic sustainability approach across the group: As a long-term investor, Flossbach von Storch attaches importance to portfolio companies managing their environmental and social footprint responsibly and actively counteracting negative impacts of their activities. To be able to recognise negative impacts at an early stage, the handling of investments with their ecological and social footprint is examined and evaluated. For this purpose, certain environmental and social characteristics are taken into account in the investment strategy and, where possible or necessary, positive development is worked towards. Specifically, this means: Portfolio companies are, for example, reviewed for set climate targets and progress is monitored on the basis of certain sustainability indicators.

The following environmental and social characteristics are promoted as part of the investment strategy:

Flossbach von Storch – Multiple Opportunities II implements exclusion criteria with social and environmental characteristics. This means, for example, excluding investments in companies with certain business models. This includes, for example, controversial weapons.

In addition, a participation policy is implemented as part of the investment strategy in order to be able to work towards a positive development in the event of particularly severe negative impacts on certain sustainability factors in investments. This could be, but is not limited to, the topic area of greenhouse gas emissions and social issues/employment.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?

In order to achieve the environmental and social characteristics promoted by Flossbach von Storch – Multiple Opportunities II, the following sustainability indicators are considered.

The exclusions are applied based on turnover thresholds. Investments are excluded in companies that generate

- >0% of their turnover from controversial weapons,
- >10% of their turnover from producing and/or selling armaments,
- >5% of their turnover from producing tobacco products,
- >30% of their turnover from mining and/or selling coal.

Companies that commit serious violations of the principles of the UN Global Compact with no prospect of remedying them are also excluded. This means that, if there is no improvement in the circumstances leading to the serious violation, a disinvestment should generally take place. Furthermore, state issuers that are considered "not free" according to the Freedom House Index are excluded.

The exclusion list is continuously assessed and updated monthly based on internal and external ESG research data. Compliance with the exclusion criteria is monitored both before an investment is made and on an ongoing basis while the investment is held.

In order to measure potential severe negative environmental/social impacts of portfolio companies' activities, Flossbach von Storch takes into account the so-called "principal adverse impacts" (PAIs) pursuant to Article 7 (1) (a) of Regulation (EU) 2019/2088 (Disclosure Regulation) as part of the investment process.

Flossbach von Storch – Multiple Opportunities II has a particular focus on the following PAI indicators: Greenhouse gas emissions (Scope 1 and 2), greenhouse gas emission intensity and carbon footprint based on Scope 1 and 2, as well as the consumption of non-renewable energies. In addition, attention is paid to violations of the principles of the UN Global Compact, violations of the OECD Guidelines for Multinational Enterprises and the processes in place to comply with the two guidelines. The indicators are prioritised according to relevance, severity of negative impacts, and data availability. The evaluation is not based on rigid bandwidths or thresholds that companies must meet or achieve; rather, the focus is on whether there is a positive development in how they are managing the indicators or if they are working towards this where possible and necessary. More detailed information is provided below in the section on taking principal adverse impacts into account.
Due to the insufficient quality and coverage of the data, so-called Scope 3 emissions and energy production of non-renewable energies are not taken into account within the framework of greenhouse gas emissions. The fund manager will continuously monitor data coverage and, if deemed feasible, include it in its investment and engagement process.

- What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?

  Not applicable. Flossbach von Storch – Multiple Opportunities II promotes E/S characteristics but does not make sustainable investments.

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

  Not applicable. Flossbach von Storch – Multiple Opportunities II promotes E/S characteristics but does not make sustainable investments.

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

    Not applicable.

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

    Not applicable.

The EU Taxonomy sets out a "do no significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

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

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

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

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

☒ Yes

Flossbach von Storch – Multiple Opportunities II considers the principal adverse impacts of the investment decision on sustainability factors (PAIs or PAI indicators) in accordance with Article 7 (1) (a) of Regulation (EU) 2019/2088 (Disclosure Regulation), as well as an additional climate-related indicator and two additional social indicators of the Disclosure Regulation in its in-house investment process.

As part of this process, best efforts will be made to determine and document the information on the evaluation and prioritisation of the principal adverse impacts on sustainability factors. The identification, prioritisation and evaluation of the principal adverse impacts is carried out as part of the in-house analysis process using specific ESG analyses, which are prepared individually for invested issuers/guarantors and are taken into account in the risk/reward profile of the company analyses. The PAI indicators are prioritised according to relevance, severity of negative impacts, and data availability. The evaluation is not based on rigid bandwidths or thresholds that companies must meet or achieve; rather, the focus is on whether there is a positive development in how they are managing the PAI indicators.

The consideration of PAIs also serves to achieve the environmental and social characteristics promoted by Flossbach von Storch – Multiple Opportunities II:
As part of the participation policy, efforts are made to reduce particularly negative impacts for, among others, the indicators of greenhouse gas emissions Scope 1 & 2, as well as serious violations of the UN Global Compact Principles and OECD Guidelines for Multinational Enterprises. This means that, If one of the portfolio companies does not adequately manage the indicators identified as particularly negative, this is addressed with the company and an attempt is made to work towards a positive development over an appropriate period of time. If management does not take the necessary steps for improvement to a sufficient extent during this time, the fund management will use its voting rights in this regard, or reduce or sell the investment. In addition, exclusions such as producing and/or selling controversial weapons and mining and/or selling coal may contribute to a reduction or avoidance of individual adverse sustainability impacts.

Due to the insufficient quality and coverage of the data, so-called Scope 3 emissions and energy production of non-renewable energies are not taken into account within the framework of greenhouse gas emissions. The fund manager will continuously monitor data coverage and, if deemed feasible, include it in its investment and engagement process.

☐ No

What investment strategy does this financial product follow?

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

The general investment policy and investment strategy of Flossbach von Storch – Multiple Opportunities II is defined in Annex 3a and is based on the generally applicable sustainability approach of ESG integration, participation and voting of the Flossbach von Storch Group, as well as exclusion criteria and consideration of the principal adverse impacts of the investment decision on sustainability factors (as described above).

Flossbach von Storch integrates sustainability factors comprehensively into its multi-stage investment process. Sustainability factors include aspects related to environmental, social and employee matters, respect for human rights, and anti-corruption and anti-bribery matters, such as PAI indicators and other ESG controversies.

As part of a specific ESG analysis, sustainability factors are reviewed for their potential opportunities and risks, and an assessment is made to the best of our knowledge and belief as to whether or not a company stands out negatively in terms of its environmental and social activities and how it manages them. Each of the factors is considered from the perspective of a long-term investor to ensure that none of these aspects have a negative impact on the long-term success of an investment.

The findings of the ESG analysis are taken into account in the risk/reward profile of the company analyses. Only if there are no serious sustainability conflicts that jeopardise the future potential of a company or issuer is an investment idea entered in the focus list (for equities) or guarantor list (for bonds), thus becoming a potential investment. The fund managers can only invest in securities that are on the internal focus or guarantor list. This principle ensures that invested securities have passed the in-house analysis process and comply with the common understanding of quality.

In connection with active participation as a shareholder, Flossbach von Storch follows a fixed participation policy and guidelines for exercising voting rights. The developments of the portfolio investments are monitored and analysed in this context. If one of the portfolio companies does not adequately manage the sustainability factors identified as particularly negative, which can have a long-term impact on business development, this is addressed directly with the company and an attempt is made to work towards a positive development. Flossbach von Storch sees itself as a constructive sparring partner (where possible) or as a corrective partner (where necessary) that makes appropriate suggestions and supports management in the implementation. If management does not take the necessary steps to create a sufficiently sustainable business model, the fund management will use its voting rights in this regard, or reduce or sell the investment.

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

In the area of environmental and social characteristics, the sub-fund only makes investments in companies that comply with the following exclusion criteria:

- Controversial weapons (turnover tolerance ≤ 0%)
- Producing and/or selling armaments (turnover tolerance ≤ 10%)
- Producing tobacco products (turnover tolerance ≤ 5%)
- Mining and/or selling coal (turnover tolerance ≤ 30%)
- No serious violations of the UN Global Compact

In addition, sovereign issuers with an insufficient score according to the Freedom House Index classification (classification "not free") are excluded.

The sub-fund shall ensure responsible management of the following PAI indicators: Greenhouse gas emissions (Scope 1 and 2), greenhouse gas emission intensity and carbon footprint based on Scope 1 and 2, as well as the consumption of non-renewable energies. In addition, attention is paid to violations of the principles of the UN Global Compact, violations of the OECD Guidelines for Multinational Enterprises and the processes in place to comply with the two guidelines.

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

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

Not applicable. The sub-fund does not commit to reducing the investment portfolio by a certain minimum rate.

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

Flossbach von Storch pays particular attention to corporate governance in its analysis process, as this is responsible for the sustainable development of the company. This also requires responsible management of environmental and social factors that contribute to the long-term success of the company.

Within the framework of the multi-stage analysis process, an in-house review is carried out and an attempt is made to ensure, to the best of our knowledge and belief, that investments are made in companies that demonstrate good governance practices. This includes addressing the following questions:

- Does management properly and sufficiently take into account environmental, social and economic conditions?
- Do the (employed) managers act responsibly and with a view to the future?

In addition, the guidelines on the exercise of voting rights define critical factors that can stand in the way of good governance and that must be taken into account in principle when attending general and shareholders' meetings.

What is the asset allocation planned for this financial product?

Asset allocation describes the share of investments in specific assets.

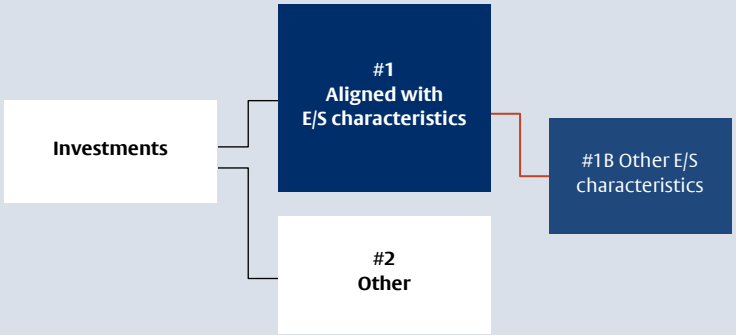
Taxonomy-aligned activities are

Depending on the market situation and appraisal by the fund management, the sub-fund generally has the possibility to invest in equities, bonds, money market instruments, certificates, derivatives, other structured products (e.g. reverse convertible bonds, warrant-linked bonds, convertible bonds), target funds, cash and fixed-term deposits. The certificates are for legally permitted underlying instruments, such as equities, bonds, investment fund units, financial indices and currencies. Details of the individual, product-specific limits can be found in the Investment Policy in Annex 3a.

The planned asset allocation is as follows.

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

#1 Aligned with E/S characteristics:
At least 51 per cent will be invested in transferable securities and money market instruments permitted under Article 41 (1a) of the Law of 17 December 2010 on Undertakings for Collective Investment and in accordance with the sub-fund's investment policy. These portfolio assets as well as derivatives for investment purposes and possible target fund investments are subject to ongoing screening with regard to the aforementioned exclusion criteria and PAI indicators.
#2 Other:
The remaining investment portion relates to liquid assets (esp. cash to service short-term payment obligations), derivatives (esp. forward exchange transactions for hedging purposes) and, for further diversification, indirect investments in precious metals, solely gold certificates. The options of investing indirectly in precious metals exclude physical deliveries.



#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2 Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category **#1 Aligned with E/S characteristics** covers:
- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

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

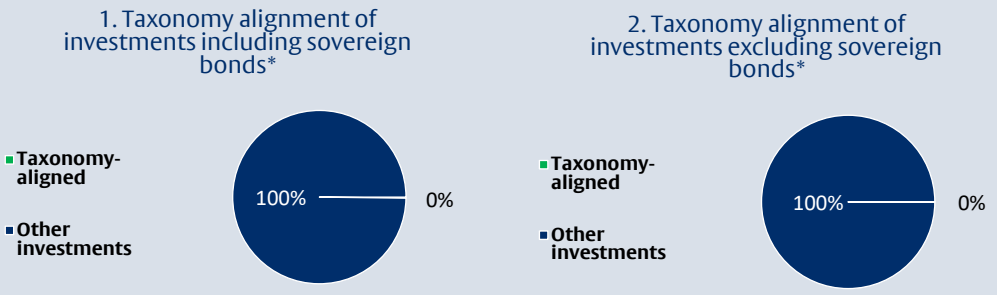
Derivatives are used to achieve the sub-fund's investment objectives, both for investment and hedging purposes. Where these are used for investment purposes, they take into account the environmental and social characteristics promoted by the sub-fund. This does not include derivatives on indices. Where these are used for hedging purposes, they are not used to achieve the environmental and social characteristics.

To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

The investments underlying Flossbach von Storch – Multiple Opportunities II do not

contribute to achieving an environmental objective pursuant to Article 9 of Regulation (EU) 2020/852 (EU Taxonomy). The minimum proportion of environmentally sustainable investments made in accordance with the EU Taxonomy is 0 per cent.
The main objective of the sub-fund is to contribute to the pursuit of the environmental and social characteristics. Therefore, this sub-fund does not currently commit to investing a minimum proportion of its total assets in environmentally sustainable economic activities as defined in Article 3 of the EU Taxonomy. This also concerns information on investments in economic activities classified as enabling or transitional activities under Article 16 or 10 (2) of the EU Taxonomy.

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



* For the purpose of these graphs, "sovereign bonds" consist of all sovereign exposures.

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

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

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

Not applicable. Flossbach von Storch – Multiple Opportunities II promotes E/S characteristics but does not make sustainable investments.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

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

Not applicable. Flossbach von Storch – Multiple Opportunities II promotes E/S characteristics but does not make sustainable investments.

What is the minimum share of socially sustainable investments?

Not applicable. Flossbach von Storch – Multiple Opportunities II promotes E/S characteristics but does not make sustainable investments.

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

The following investments fall under "#2 Other":

Liquid assets are used primarily in the form of cash to service short-term payment obligations. No environmental or social minimum safeguards are defined here.

Derivatives used for hedging purposes and derivatives on indices used for investment purposes.

Indirect investments in precious metals, currently exclusively gold certificates, are used for further diversification. These are only sourced from partners who are committed to adhering to the London Bullion Market Association's (LBMA) Responsible Gold Guidance. This Guidance aims to prevent gold from contributing to systematic or widespread human rights abuses, conflict financing, money laundering or terrorist financing.

Investments in target funds are used for further diversification. When selecting target funds, the environmental and social characteristics promoted by this sub-fund will be considered.

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

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

Not applicable. Flossbach von Storch – Multiple Opportunities II promotes E/S characteristics but does not designate an index as a reference benchmark.

- How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?
  Not applicable.
- How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?
  Not applicable.
- How does the designated index differ from a relevant broad market index?
  Not applicable.
- Where can the methodology used for the calculation of the designated index be found?
  Not applicable.

Where can I find more product-specific information online?

More product-specific information can be found on the website:
www.fvsinvest.lu/esg

ANNEX 4a

Flossbach von Storch – Der erste Schritt

This sub-fund promotes environmental and social characteristics within the meaning of Article 8 of Regulation (EU) 2019/2088 (Disclosure Regulation).

Investment objectives

The objective of the Flossbach von Storch – Der erste Schritt ("sub-fund") investment policy is to achieve reasonable growth and interest income while taking into consideration the risk involved for the investors. In accordance with the principle of risk diversification, the sub-fund's assets are mainly invested internationally in fixed-interest securities, equities and money market instruments. The sub-fund is actively managed. The fund manager chooses, regularly reviews and, if necessary, adjusts the composition of the portfolio in accordance with the criteria specified in the investment policy. No index is used for comparison purposes.

The performance of the sub-fund's unit classes is indicated in the relevant "Key Investor Information".

As a general rule, past results offer no guarantee of future performance. We cannot guarantee that the objectives of the investment policy will be achieved.

Investment policy

Subject to Article 4 of the management regulations, the following provisions shall apply to the sub-fund:

When making investment decisions for the sub-fund, the fund manager shall take into account the requirements of the sustainability policy of the Management Company and the criteria it contains, as specified in detail in the "Sustainability policy" section. Flossbach von Storch follows a holistic sustainability approach across the group: As a long-term investor, Flossbach von Storch attaches importance to companies dealing responsibly with their environmental and social footprint and actively counteracting negative impacts of their activities. To be able to recognise negative impacts at an early stage, the handling of investments with their ecological and social footprint is examined and evaluated. For this purpose, certain environmental and social characteristics are taken into account in the investment strategy and, where possible or necessary, positive development is worked towards. Specifically, this means: among other things, portfolio companies are checked for set climate targets and progress is monitored on the basis of certain sustainability indicators.

Furthermore, Flossbach von Storch applies group-wide exclusion criteria for social and environmental characteristics. These include the exclusion of investments in companies with certain business models. This includes, for example, controversial weapons.

A binding participation policy is also implemented to work towards positive development in the event of particularly severe negative impacts on certain sustainability factors in investments. This could be, but is not limited to, the topic area of greenhouse gas emissions and social issues/employment.

To achieve the investment objectives, the sub-fund assets are invested in accordance with the principle of risk diversification in shares, fixed-interest securities (including corporate bonds), money market instruments, bonds of all types, including zero coupon bonds, inflation-linked bonds, variable interest securities, fixed-term deposits, derivatives, certificates and other structured products (e.g. reverse convertible bonds, warrant-linked bonds, participation certificates with warrants, convertible bonds, convertible participation certificates) and in cash. The equity quota is limited to a maximum of 15 per cent of net sub-fund assets.

The sub-fund can acquire assets in foreign currencies and can therefore have a foreign currency exposure. The foreign currency exposure is limited to a maximum of 15 per cent of net sub-fund assets.

In general, the investment in liquid assets is limited to 20 per cent of the sub-fund's net assets, but a breach of this requirement will be tolerated in the short term in the event of exceptionally unfavourable market conditions and if it is deemed appropriate while still safeguarding investor interests.

Units in UCITS and other UCI ("target funds") may not be acquired; the sub-fund is therefore eligible as a target fund.

The use of derived financial instruments ("derivatives") is planned in order to achieve the aforementioned investment objectives, as well as for investment and hedging purposes. In addition to option rights, this includes, inter alia, swaps and futures contracts on securities, money market instruments, financial indices within the meaning of Article 9 (1) of Directive 2007/16/EC and Article XIII of ESMA Guidelines 2014/937, interest rates, exchange rates and currencies. Derivatives may be used only within the limits outlined in Article 4 of the management regulations. Further details on techniques and instruments can be found in the sales prospectus in the chapter titled "Investment policy" in the "Information on derivatives and other techniques and instruments" section.

For this sub-fund, the Management Company will not conclude total return swaps or other derivatives with the same characteristics.

Information about the environmental and social characteristics promoted by the sub-fund and their implementation in the investment policy is set out in Annex 4b of the sales prospectus.

Risk profile of the sub-fund

Risk profile – conservative (further details can be found in the sales prospectus in the chapter titled "Risk warnings", in the "Risk profiles" section)

Risk profile of the typical investor

Medium-term (further details can be found in the sales prospectus in the chapter titled "Risk warnings", in the "Risk profiles" section)

Further information

	Unit class I	**Unit class R**	**Unit class HT**	**Unit class IT**	**Unit class RT**
ISIN	LU0952573052	LU0952573136	LU2207302121	LU2279688183	LU2279688266
Securities ID no. (WKN)	A1W17V	A1W17W	A2P9FU	A2QLWA	A2QLWB
Initial subscription period	16 September 2013 – 30 September 2013	16 September 2013 – 30 September 2013	22 July 2020	10 February 2021	10 February 2021
Initial unit value (The initial issue price corresponds to the initial unit value plus the subscription fee)	EUR 100	EUR 100	EUR 100	EUR 100	EUR 100
Payment of the initial issue price	02 October 2013	02 October 2013	24 July 2020	12 February 2021	12 February 2021
Sub-fund currency	EUR				
Unit class currency	EUR				

	Unit class VI
ISIN	LU2528596245
Securities ID no. (WKN)	A3DTR2
Initial subscription period	01 December 2022 – 05 December 2022
Initial unit value (The initial issue price corresponds to the initial unit value plus the subscription fee)	EUR 100
Payment of the initial issue price	07 December 2022
Sub-fund currency	EUR
Unit class currency	EUR

Further information on the unit classes can be found in Annex 1 to this sales prospectus, “Unit classes”.

The sub-fund is established for an indefinite period of time.

Costs which can be reimbursed from the sub-fund assets

Detailed information on remuneration can be found in Annex 2 to the sales prospectus, “Statement of fees and costs”.

Pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Product name:
Flossbach von Storch - Der erste Schritt

Legal entity identifier:
529900E8NDF4T74R2Z77

Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?

☐ **Yes** ☒ **No**

☐ It will make a minimum of **sustainable investments with an environmental objective:** __%

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

☐ It will make a minimum of **sustainable investments with a social objective:** __%

☐ It promotes **Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of **0 percent** of sustainable investments

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

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

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

Flossbach von Storch follows a holistic sustainability approach across the group: As a long-term investor, Flossbach von Storch attaches importance to portfolio companies managing their environmental and social footprint responsibly and actively counteracting negative impacts of their activities. To be able to recognise negative impacts at an early stage, the handling of investments with their ecological and social footprint is examined and evaluated. For this purpose, certain environmental and social characteristics are taken into account in the investment strategy and, where possible or necessary, positive development is worked towards. Specifically, this means: Portfolio companies are, for example, reviewed for set climate targets and progress is monitored on the basis of certain sustainability indicators.

The following environmental and social characteristics are promoted as part of the investment strategy:

Flossbach von Storch – Der erste Schritt implements exclusion criteria with social and environmental characteristics. This means, for example, excluding investments in companies with certain business models. This includes, for example, controversial weapons.

In addition, a participation policy is implemented as part of the investment strategy in order to be able to work towards a positive development in the event of particularly severe negative impacts on certain sustainability factors in investments. This could be, but is not limited to, the topic area of greenhouse gas emissions and social issues/employment.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?

In order to achieve the environmental and social characteristics promoted by Flossbach von Storch – Der erste Schritt, the following sustainability indicators are considered.

The exclusions are applied based on turnover thresholds. Investments are excluded in companies that generate

- >0% of their turnover from controversial weapons,
- >10% of their turnover from producing and/or selling armaments,
- >5% of their turnover from producing tobacco products,
- >30% of their turnover from mining and/or selling coal.

Companies that commit serious violations of the principles of the UN Global Compact with no prospect of remedying them are also excluded. This means that, if there is no improvement in the circumstances leading to the serious violation, a disinvestment should generally take place. Furthermore, state issuers that are considered “not free” according to the Freedom House Index are excluded.

The exclusion list is continuously assessed and updated monthly based on internal and external ESG research data. Compliance with the exclusion criteria is monitored both before an investment is made and on an ongoing basis while the investment is held.

In order to measure potential severe negative environmental/social impacts of portfolio companies’ activities, Flossbach von Storch takes into account the so-called “principal adverse impacts” (PAIs) pursuant to Article 7 (1) (a) of Regulation (EU) 2019/2088 (Disclosure Regulation) as part of the investment process.

Flossbach von Storch – Der erste Schritt has a particular focus on the following PAI indicators: Greenhouse gas emissions (Scope 1 and 2), greenhouse gas emission intensity and carbon footprint based on Scope 1 and 2, as well as the consumption of non-renewable energies. In addition, attention is paid to violations of the principles of the UN Global Compact, violations of the OECD Guidelines for Multinational Enterprises and the processes in place to comply with the two guidelines. The indicators are prioritised according to relevance, severity of negative impacts, and data availability. The evaluation is not based on rigid bandwidths or thresholds that companies must meet or achieve; rather, the focus is on whether there is a positive development in how they are managing the indicators or if they are working towards this where possible and necessary. More detailed information is provided below in the section on taking principal adverse impacts into account.
Due to the insufficient quality and coverage of the data, so-called Scope 3 emissions and energy production of non-renewable energies are not taken into account within the framework of greenhouse gas emissions. The fund manager will continuously monitor data coverage and, if deemed feasible, include it in its investment and engagement process.

- What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?

  Not applicable. Flossbach von Storch – Der erste Schritt promotes E/S characteristics but does not make sustainable investments.

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

  Not applicable. Flossbach von Storch – Der erste Schritt promotes E/S characteristics but does not make sustainable investments.

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

    Not applicable.

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

    Not applicable.

The EU Taxonomy sets out a "do no significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

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

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

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

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

☒ Yes

Flossbach von Storch – Der erste Schritt considers the principal adverse impacts of the investment decision on sustainability factors (PAIs or PAI indicators) in accordance with Article 7 (1) (a) of Regulation (EU) 2019/2088 (Disclosure Regulation), as well as an additional climate-related indicator and two additional social indicators of the Disclosure Regulation in its in-house investment process.
As part of this process, best efforts will be made to determine and document the information on the evaluation and prioritisation of the principal adverse impacts on sustainability factors. The identification, prioritisation and evaluation of the principal adverse impacts is carried out as part of the in-house analysis process using specific ESG analyses, which are prepared individually for invested issuers/guarantors and are taken into account in the risk/reward profile of the company analyses. The PAI indicators are prioritised according to relevance, severity of negative impacts, and data availability. The evaluation is not based on rigid bandwidths or thresholds that companies must meet or achieve; rather, the focus is on whether there is a positive development in how they are managing the PAI indicators.

The consideration of PAIs also serves to achieve the environmental and social characteristics promoted by Flossbach von Storch – Der erste Schritt:
As part of the participation policy, efforts are made to reduce particularly negative impacts for, among others, the indicators of greenhouse gas emissions Scope 1 & 2, as well as serious violations of the UN Global Compact Principles and OECD Guidelines for Multinational Enterprises. This means that, If one of the portfolio companies does not adequately manage the indicators identified as particularly negative, this is addressed with the company and an attempt is made to work towards a positive development over an appropriate period of time. If management does not take the necessary steps for improvement to a sufficient extent during this time, the fund management will use its voting rights in this regard, or reduce or sell the investment. In addition, exclusions such as producing and/or selling controversial weapons and mining and/or selling coal may contribute to a reduction or avoidance of individual adverse sustainability impacts.

Due to the insufficient quality and coverage of the data, so-called Scope 3 emissions and energy production of non-renewable energies are not taken into account within the framework of greenhouse gas emissions. The fund manager will continuously monitor data coverage and, if deemed feasible, include it in its investment and engagement process.

☐ No

What investment strategy does this financial product follow?

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

The general investment policy and investment strategy of Flossbach von Storch – Der erste Schritt is defined in Annex 4b and is based on the generally applicable sustainability approach of ESG integration, participation and voting of the Flossbach von Storch Group, as well as exclusion criteria and consideration of the principal adverse impacts of the investment decision on sustainability factors (as described above).

Flossbach von Storch integrates sustainability factors comprehensively into its multi-stage investment process. Sustainability factors include aspects related to environmental, social and employee matters, respect for human rights, and anti-corruption and anti-bribery matters, such as PAI indicators and other ESG controversies.

As part of a specific ESG analysis, sustainability factors are reviewed for their potential opportunities and risks, and an assessment is made to the best of our knowledge and belief as to whether or not a company stands out negatively in terms of its environmental and social activities and how it manages them. Each of the factors is considered from the perspective of a long-term investor to ensure that none of these aspects have a negative impact on the long-term success of an investment.

The findings of the ESG analysis are taken into account in the risk/reward profile of the company analyses. Only if there are no serious sustainability conflicts that jeopardise the future potential of a company or issuer is an investment idea entered in the focus list (for equities) or guarantor list (for bonds), thus becoming a potential investment. The fund managers can only invest in securities that are on the internal focus or guarantor list. This principle ensures that invested securities have passed the in-house analysis process and comply with the common understanding of quality.

In connection with active participation as a shareholder, Flossbach von Storch follows a fixed participation policy and guidelines for exercising voting rights. The developments of the portfolio investments are monitored and analysed in this context. If one of the portfolio companies does not adequately manage the sustainability factors identified as particularly negative, which can have a long-term impact on business development, this is addressed directly with the company and an attempt is made to work towards a positive development. Flossbach von Storch sees itself as a constructive sparring partner (where possible) or as a corrective partner (where necessary) that makes appropriate suggestions and supports management in the implementation. If management does not take the necessary steps to create a sufficiently sustainable business model, the fund management will use its voting rights in this regard, or reduce or sell the investment.

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

In the area of environmental and social characteristics, the sub-fund only makes investments in companies that comply with the following exclusion criteria:

- Controversial weapons (turnover tolerance ≤ 0%)
- Producing and/or selling armaments (turnover tolerance ≤ 10%)
- Producing tobacco products (turnover tolerance ≤ 5%)
- Mining and/or selling coal (turnover tolerance ≤ 30%)
- No serious violations of the UN Global Compact

In addition, sovereign issuers with an insufficient score according to the Freedom House Index classification (classification "not free") are excluded.

The sub-fund shall ensure responsible management of the following PAI indicators: Greenhouse gas emissions (Scope 1 and 2), greenhouse gas emission intensity and carbon footprint based on Scope 1 and 2, as well as the consumption of non-renewable energies. In addition, attention is paid to violations of the principles of the UN Global Compact, violations of the OECD Guidelines for Multinational Enterprises and the processes in place to comply with the two guidelines.

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

Not applicable. The sub-fund does not commit to reducing the investment portfolio by a certain minimum rate.

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

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

Flossbach von Storch pays particular attention to corporate governance in its analysis process, as this is responsible for the sustainable development of the company. This also requires responsible management of environmental and social factors that contribute to the long-term success of the company.

Within the framework of the multi-stage analysis process, an in-house review is carried out and an attempt is made to ensure, to the best of our knowledge and belief, that investments are made in companies that demonstrate good governance practices. This includes addressing the following questions:

- Does management properly and sufficiently take into account environmental, social and economic conditions?
- Do the (employed) managers act responsibly and with a view to the future?

In addition, the guidelines on the exercise of voting rights define critical factors that can stand in the way of good governance and that must be taken into account in principle when attending general and shareholders' meetings.

What is the asset allocation planned for this financial product?

Asset allocation describes the share of investments in specific assets.

Taxonomy-aligned activities are

Depending on the market situation and appraisal by the fund management, the sub-fund generally has the possibility to invest in equities, bonds, money market instruments, certificates, derivatives, other structured products (e.g. reverse convertible bonds, warrant-linked bonds, convertible bonds, convertible participation certificates), cash and fixed-term deposits. Details of the individual, product-specific limits can be found in the Investment Policy in Annex 4a.

The planned asset allocation is as follows.

#1 Aligned with E/S characteristics:

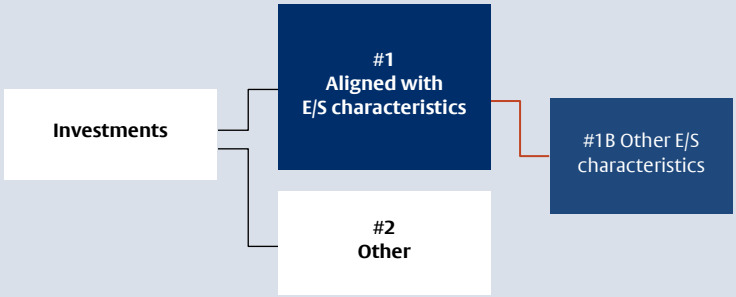
At least 51 per cent will be invested in transferable securities and money market instruments

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

permitted under Article 41 (1a) of the Law of 17 December 2010 on Undertakings for Collective Investment and in accordance with the sub-fund's investment policy. These portfolio assets as well as derivatives for investment purposes are subject to ongoing screening with regard to the aforementioned exclusion criteria and PAI indicators.

#2 Other:

The remaining investment portion relates to liquid assets (esp. cash to service short-term payment obligations) and derivatives (esp. forward exchange transactions for hedging purposes).



#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2 Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category **#1 Aligned with E/S characteristics** covers:

- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

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

Derivatives are used to achieve the sub-fund's investment objectives, both for investment and hedging purposes. Where these are used for investment purposes, they take into account the environmental and social characteristics promoted by the sub-fund. This does not include derivatives on indices. Where these are used for hedging purposes, they are not used to achieve the environmental and social characteristics.

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

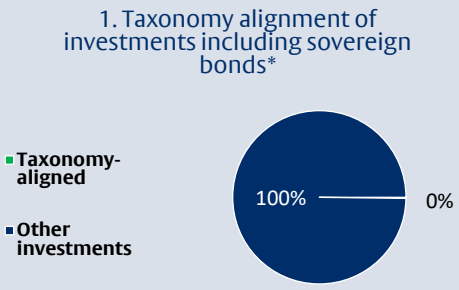
Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

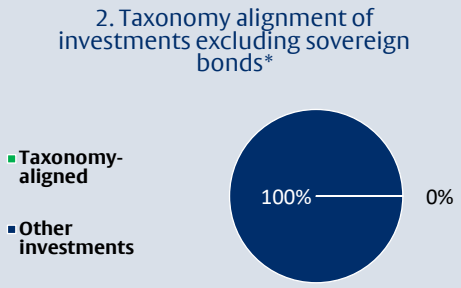
To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

The investments underlying Flossbach von Storch – Der erste Schritt do not contribute to achieving an environmental objective pursuant to Article 9 of Regulation (EU) 2020/852 (EU Taxonomy). The minimum proportion of environmentally sustainable investments made in accordance with the EU Taxonomy is 0 per cent.

The main objective of the sub-fund is to contribute to the pursuit of the environmental and social characteristics. Therefore, this sub-fund does not currently commit to investing a minimum proportion of its total assets in environmentally sustainable economic activities as defined in Article 3 of the EU Taxonomy. This also concerns information on investments in economic activities classified as enabling or transitional activities under Article 16 or 10 (2) of the EU Taxonomy.

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





* For the purpose of these graphs, "sovereign bonds" consist of all sovereign exposures.

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

Not applicable. Flossbach von Storch – Der erste Schritt promotes E/S characteristics but does not make sustainable investments.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

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

Not applicable. Flossbach von Storch – Der erste Schritt promotes E/S characteristics but does not make sustainable investments.

What is the minimum share of socially sustainable investments?

Not applicable. Flossbach von Storch – Der erste Schritt promotes E/S characteristics but does not make sustainable investments.

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

The following investments fall under "#2 Other":

Liquid assets are used primarily in the form of cash to service short-term payment obligations. No environmental or social minimum safeguards are defined here.

Derivatives used for hedging purposes and derivatives on indices used for investment purposes.

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

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

Not applicable. Flossbach von Storch – Der erste Schritt promotes E/S characteristics but does not designate an index as a reference benchmark.

- How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?
  Not applicable.

- How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?
  Not applicable.

- How does the designated index differ from a relevant broad market index?
  Not applicable.

- Where can the methodology used for the calculation of the designated index be found?
  Not applicable.

Where can I find more product-specific information online?

More product-specific information can be found on the website:
www.fvsinvest.lu/esg

ANNEX 5a

Flossbach von Storch – Multi Asset – Defensive

This sub-fund promotes environmental and social characteristics within the meaning of Article 8 of Regulation (EU) 2019/2088 (Disclosure Regulation).

Investment objectives

The objective of the investment policy of Flossbach von Storch – Multi Asset – Defensive ("sub-fund") is to achieve reasonable growth in the sub-fund's currency while taking the investment risk into consideration. The investment strategy is defined based on fundamental analyses of the global financial markets. Investments are also selected on the basis of value criteria. The sub-fund is actively managed. The fund manager chooses, regularly reviews and, if necessary, adjusts the composition of the portfolio in accordance with the criteria specified in the investment policy. No index is used for comparison purposes.

The performance of the sub-fund's unit classes is indicated in the relevant "Key Investor Information".

As a general rule, past results offer no guarantee of future performance. We cannot guarantee that the objectives of the investment policy will be achieved.

Investment policy

Subject to Article 4 of the management regulations, the following provisions shall apply to the sub-fund:

When making investment decisions for the sub-fund, the fund manager shall take into account the requirements of the sustainability policy of the Management Company and the criteria it contains, as specified in detail in the "Sustainability policy" section. Flossbach von Storch follows a holistic sustainability approach across the group: As a long-term investor, Flossbach von Storch attaches importance to companies dealing responsibly with their environmental and social footprint and actively counteracting negative impacts of their activities. To be able to recognise negative impacts at an early stage, the handling of investments with their ecological and social footprint is examined and evaluated. For this purpose, certain environmental and social characteristics are taken into account in the investment strategy and, where possible or necessary, positive development is worked towards. Specifically, this means: among other things, portfolio companies are checked for set climate targets and progress is monitored on the basis of certain sustainability indicators.

Furthermore, Flossbach von Storch applies group-wide exclusion criteria for social and environmental characteristics. These include the exclusion of investments in companies with certain business models. This includes, for example, controversial weapons.

A binding participation policy is also implemented to work towards positive development in the event of particularly severe negative impacts on certain sustainability factors in investments. This could be, but is not limited to, the topic area of greenhouse gas emissions and social issues/employment.

Depending on the market situation and appraisal by the fund management, the sub-fund generally has the possibility to invest in equities, bonds, money market instruments, certificates, other structured products (e.g. reverse convertible bonds, warrant-linked bonds, convertible bonds), target funds, derivatives, cash and fixed-term deposits. The certificates are for legally permitted underlying instruments, such as equities, bonds, investment fund units, financial indices and currencies. The equity quota is limited to a maximum of 35 per cent of net sub-fund assets.

The sub-fund may invest up to 20 per cent of its net assets indirectly in precious metals.

Such investments may be made via:

- Delta-1 certificates on precious metals (gold, silver, platinum)
- Listed closed-end funds on precious metals (gold, silver, platinum)

Delta-1 certificates are securities within the meaning of Article 2 of the Grand-Ducal Regulation of 08 February 2008.

In the interests of risk diversification, no more than 10 per cent of the sub-fund's net assets may be invested indirectly in one precious metal. The aforementioned options of investing indirectly in precious metals exclude physical deliveries.

In general, the investment in liquid assets is limited to 20 per cent of the sub-fund's net assets, but a breach of this requirement will be tolerated in the short term in the event of exceptionally unfavourable market conditions and if it is deemed appropriate while still safeguarding investor interests.

Units in UCITS or other UCI ("target funds") will be acquired only up to a maximum limit of **10 per cent** of the sub-fund assets, making the sub-fund eligible as a target fund. With respect to the target funds that can be acquired for the sub-fund, there are no restrictions on the permissible types of target funds that can be acquired.

The use of derived financial instruments ("derivatives") is planned in order to achieve the aforementioned investment objectives, as well as for investment and hedging purposes. In addition to option rights, this includes, inter alia, swaps and futures contracts on securities, money market instruments, financial indices within the meaning of Article 9 (1) of Directive 2007/16/EC and Article XIII of ESMA Guidelines 2014/937, interest rates, exchange rates and currencies. Derivatives may be used only within the limits outlined in Article 4 of the management regulations. Further details on techniques and instruments can be found in the sales prospectus in the chapter titled "Investment policy" in the "Information on derivatives and other techniques and instruments" section.

For this sub-fund, the Management Company will not conclude total return swaps or other derivatives with the same characteristics.

Information about the environmental and social characteristics promoted by the sub-fund and their implementation in the investment policy is set out in Annex 5b of the sales prospectus.

Risk profile of the sub-fund

Risk profile – conservative (further details can be found in the sales prospectus in the chapter titled "Risk warnings", in the "Risk profiles" section)

Risk profile of the typical investor

Medium-term (further details can be found in the sales prospectus in the chapter titled "Risk warnings", in the "Risk profiles" section)

Further information

	Unit class I	**Unit class R**	**Unit class IT**	**Unit class RT**	**Unit class ET**	**Unit class H**	**Unit class HT**
ISIN	LU0323577840	LU0323577923	LU1245470080	LU1245470163	LU1245470593	LU1245470247	LU1245470320
Securities ID no. (WKN)	A0M43T	A0M43U	A14ULS	A14ULT	A14ULW	A14ULU	A14ULV

	Unit class I	Unit class R	Unit class IT	Unit class RT	Unit class ET	Unit class H	Unit class HT
Initial subscription period	The assets of another (Luxembourg) fund managed by the Management Company were transferred to this sub-fund with effect from 01 July 2015.		01 July 2015 – 10 July 2015	01 July 2015 – 10 July 2015	01 July 2015 – 10 July 2015	24 January 2018 – 05 February 2018	24 January 2018 – 05 February 2018
Initial unit value (The initial issue price corresponds to the initial unit value plus the subscription fee)			EUR 100	EUR 100	EUR 100	EUR 100	EUR 100
Payment of the initial issue price			14 July 2015	14 July 2015	14 July 2015	07 February 2018	07 February 2018
Sub-fund currency	EUR						
Unit class currency	EUR						

	Unit class QT
ISIN	LU2369861955
Securities ID no. (WKN)	A3CV3Y
Initial subscription period	01 October 2021
Initial unit value (The initial issue price corresponds to the initial unit value plus the subscription fee)	EUR 100
Payment of the initial issue price	05 October 2021
Sub-fund currency	EUR
Unit class currency	EUR

Further information on the unit classes can be found in Annex 1 to this sales prospectus, “Unit classes”.

The sub-fund is established for an indefinite period of time.

Costs which can be reimbursed from the sub-fund assets

Detailed information on remuneration can be found in Annex 2 to the sales prospectus, “Statement of fees and costs”.

Pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Product name:
Flossbach von Storch – Multi Asset – Defensive

Legal entity identifier:
529900DG18G28REV5Z23

Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?

☐ Yes	☒ No
☐ It will make a minimum of **sustainable investments with an environmental objective:** __%	☐ It promotes **Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of **0 per cent** of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☐ with a social objective
☐ It will make a minimum of **sustainable investments with a social objective:** __%	☒ It promotes E/S characteristics, but **will not make any sustainable investments**.

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

Flossbach von Storch follows a holistic sustainability approach across the group: As a long-term investor, Flossbach von Storch attaches importance to portfolio companies managing their environmental and social footprint responsibly and actively counteracting negative impacts of their activities. To be able to recognise negative impacts at an early stage, the handling of investments with their ecological and social footprint is examined and evaluated. For this purpose, certain environmental and social characteristics are taken into account in the investment strategy and, where possible or necessary, positive development is worked towards. Specifically, this means: Portfolio companies are, for example, reviewed for set climate targets and progress is monitored on the basis of certain sustainability indicators.

The following environmental and social characteristics are promoted as part of the investment strategy:

Flossbach von Storch – Multi Asset – Defensive implements exclusion criteria with social and environmental characteristics. This means, for example, excluding investments in companies with certain business models. This includes, for example, controversial weapons.

In addition, a participation policy is implemented as part of the investment strategy in order to be able to work towards a positive development in the event of particularly severe negative impacts on certain sustainability factors in investments. This could be, but is not limited to, the topic area of greenhouse gas emissions and social issues/employment.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?

In order to achieve the environmental and social characteristics promoted by Flossbach von Storch – Multi Asset – Defensive, the following sustainability indicators are considered.

The exclusions are applied based on turnover thresholds. Investments are excluded in companies that generate

- >0% of their turnover from controversial weapons,
- >10% of their turnover from producing and/or selling armaments,
- >5% of their turnover from producing tobacco products,
- >30% of their turnover from mining and/or selling coal.

Companies that commit serious violations of the principles of the UN Global Compact with no prospect of remedying them are also excluded. This means that, if there is no improvement in the circumstances leading to the serious violation, a disinvestment should generally take place. Furthermore, state issuers that are considered “not free” according to the Freedom House Index are excluded.

The exclusion list is continuously assessed and updated monthly based on internal and external ESG research data. Compliance with the exclusion criteria is monitored both before an investment is made and on an ongoing basis while the investment is held.

In order to measure potential severe negative environmental/social impacts of portfolio companies’ activities, Flossbach von Storch takes into account the so-called “principal adverse impacts” (PAIs) pursuant to Article 7 (1) (a) of Regulation (EU) 2019/2088 (Disclosure Regulation) as part of the investment process.

Flossbach von Storch – Multi Asset – Defensive has a particular focus on the following PAI indicators: Greenhouse gas emissions (Scope 1 and 2), greenhouse gas emission intensity and carbon footprint based on Scope 1 and 2, as well as the consumption of non-renewable energies. In addition, attention is paid to violations of the principles of the UN Global Compact, violations of the OECD Guidelines for Multinational Enterprises and the processes in place to comply with the two guidelines. The indicators are prioritised according to relevance, severity of negative impacts, and data availability. The evaluation is not based on rigid bandwidths or thresholds that companies must meet or achieve; rather, the focus is on whether there is a positive development in how they are managing the indicators or if they are working towards this where possible and necessary. More detailed information is provided below in the section on taking principal adverse impacts into account.
Due to the insufficient quality and coverage of the data, so-called Scope 3 emissions and energy production of non-renewable energies are not taken into account within the framework of greenhouse gas emissions. The fund manager will continuously monitor data coverage and, if deemed feasible, include it in its investment and engagement process.

- What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?

  Not applicable. Flossbach von Storch – Multi Asset – Defensive promotes E/S characteristics but does not make sustainable investments.

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

  Not applicable. Flossbach von Storch – Multi Asset – Defensive promotes E/S characteristics but does not make sustainable investments.

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

    Not applicable.

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

    Not applicable.

The EU Taxonomy sets out a "do no significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

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

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

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

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

☒ Yes

Flossbach von Storch – Multi Asset – Defensive considers the principal adverse impacts of the investment decision on sustainability factors (PAIs or PAI indicators) in accordance with Art. 7 (1) (a) Regulation (EU) 2019/2088 (Disclosure Regulation), as well as an additional climate-related indicator and two additional social indicators of the Disclosure Regulation in its in-house investment process.

As part of this process, best efforts will be made to determine and document the information on the evaluation and prioritisation of the principal adverse impacts on sustainability factors. The identification, prioritisation and evaluation of the principal adverse impacts is carried out as part of the in-house analysis process using specific ESG analyses, which are prepared individually for invested issuers/guarantors and are taken into account in the risk/reward profile of the company analyses. The PAI indicators are prioritised according to relevance, severity of negative impacts, and data availability. The evaluation is not based on rigid bandwidths or thresholds that companies must meet or achieve; rather, the focus is on whether there is a positive development in how they are managing the PAI indicators.
The consideration of PAIs also serves to achieve the environmental and social characteristics promoted by Flossbach von Storch – Multi Asset – Defensive:

As part of the participation policy, efforts are made to reduce particularly negative impacts for, among others, the indicators of greenhouse gas emissions Scope 1 & 2, as well as serious violations of the UN Global Compact Principles and OECD Guidelines for Multinational Enterprises. This means that, If one of the portfolio companies does not adequately manage the indicators identified as particularly negative, this is addressed with the company and an attempt is made to work towards a positive development over an appropriate period of time. If management does not take the necessary steps for improvement to a sufficient extent during this time, the fund management will use its voting rights in this regard, or reduce or sell the investment. In addition, exclusions such as producing and/or selling controversial weapons and mining and/or selling coal may contribute to a reduction or avoidance of individual adverse sustainability impacts.

Due to the insufficient quality and coverage of the data, so-called Scope 3 emissions and energy production of non-renewable energies are not taken into account within the framework of greenhouse gas emissions. The fund manager will continuously monitor data coverage and, if deemed feasible, include it in its investment and engagement process.

☐ No

What investment strategy does this financial product follow?

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

The general investment policy and investment strategy of Flossbach von Storch – Multi Asset – Defensive is defined in Annex 5a and is based on the generally applicable sustainability approach of ESG integration, participation and voting of the Flossbach von Storch Group, as well as exclusion criteria and consideration of the principal adverse impacts of the investment decision on sustainability factors (as described above).

Flossbach von Storch integrates sustainability factors comprehensively into its multi-stage investment process. Sustainability factors include aspects related to environmental, social and employee matters, respect for human rights, and anti-corruption and anti-bribery matters, such as PAI indicators and other ESG controversies.

As part of a specific ESG analysis, sustainability factors are reviewed for their potential opportunities and risks, and an assessment is made to the best of our knowledge and belief as to whether or not a company stands out negatively in terms of its environmental and social activities and how it manages them. Each of the factors is considered from the perspective of a long-term investor to ensure that none of these aspects have a negative impact on the long-term success of an investment.

The findings of the ESG analysis are taken into account in the risk/reward profile of the company analyses. Only if there are no serious sustainability conflicts that jeopardise the future potential of a company or issuer is an investment idea entered in the focus list (for equities) or guarantor list (for bonds), thus becoming a potential investment. The fund managers can only invest in securities that are on the internal focus or guarantor list. This principle ensures that invested securities have passed the in-house analysis process and comply with the common understanding of quality.

In connection with active participation as a shareholder, Flossbach von Storch follows a fixed participation policy and guidelines for exercising voting rights. The developments of the portfolio investments are monitored and analysed in this context. If one of the portfolio companies does not adequately manage the sustainability factors identified as particularly negative, which can have a long-term impact on business development, this is addressed directly with the company and an attempt is made to work towards a positive development. Flossbach von Storch sees itself as a constructive sparring partner (where possible) or as a corrective partner (where necessary) that makes appropriate suggestions and supports management in the implementation. If management does not take the necessary steps to create a sufficiently sustainable business model, the fund management will use its voting rights in this regard, or reduce or sell the investment.

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

In the area of environmental and social characteristics, the sub-fund only makes investments in companies that comply with the following exclusion criteria:

- Controversial weapons (turnover tolerance ≤ 0%)
- Producing and/or selling armaments (turnover tolerance ≤ 10%)
- Producing tobacco products (turnover tolerance ≤ 5%)
- Mining and/or selling coal (turnover tolerance ≤ 30%)
- No serious violations of the UN Global Compact

In addition, sovereign issuers with an insufficient score according to the Freedom House Index classification (classification "not free") are excluded.

The sub-fund shall ensure responsible management of the following PAI indicators: Greenhouse gas emissions (Scope 1 and 2), greenhouse gas emission intensity and carbon footprint based on Scope 1 and 2, as well as the consumption of non-renewable energies. In addition, attention is paid to violations of the principles of the UN Global Compact, violations of the OECD Guidelines for Multinational Enterprises and the processes in place to comply with the two guidelines.

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

Not applicable. The sub-fund does not commit to reducing the investment portfolio by a certain minimum rate.

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

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

Flossbach von Storch pays particular attention to corporate governance in its analysis process, as this is responsible for the sustainable development of the company. This also requires responsible management of environmental and social factors that contribute to the long-term success of the company.

Within the framework of the multi-stage analysis process, an in-house review is carried out and an attempt is made to ensure, to the best of our knowledge and belief, that investments are made in companies that demonstrate good governance practices. This includes addressing the following questions:

- Does management properly and sufficiently take into account environmental, social and economic conditions?
- Do the (employed) managers act responsibly and with a view to the future?

In addition, the guidelines on the exercise of voting rights define critical factors that can stand in the way of good governance and that must be taken into account in principle when attending general and shareholders' meetings.

What is the asset allocation planned for this financial product?

Asset allocation describes the share of investments in specific assets.

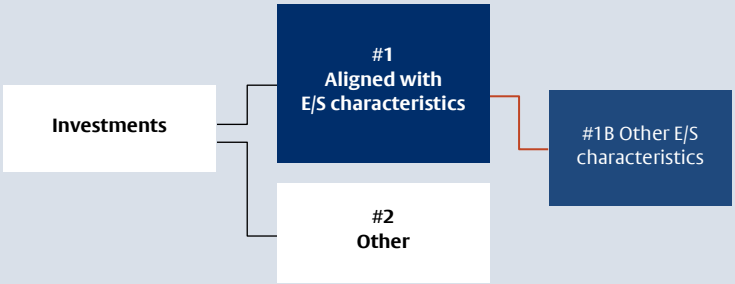
Taxonomy-aligned activities are

Depending on the market situation and appraisal by the fund management, the sub-fund generally has the possibility to invest in equities, bonds, money market instruments, certificates, derivatives, other structured products (e.g. reverse convertible bonds, warrant-linked bonds, convertible bonds), target funds, cash and fixed-term deposits. The certificates are for legally permitted underlying instruments, such as equities, bonds, investment fund units, financial indices and currencies. Details of the individual, product-specific limits can be found in the Investment Policy in Annex 5a.

The planned asset allocation is as follows.

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

#1 Aligned with E/S characteristics:
At least 51 per cent will be invested in transferable securities and money market instruments permitted under Article 41 (1a) of the Law of 17 December 2010 on Undertakings for Collective Investment and in accordance with the sub-fund's investment policy. These portfolio assets as well as derivatives for investment purposes and possible target fund investments are subject to ongoing screening with regard to the aforementioned exclusion criteria and PAI indicators.
#2 Other:
The remaining investment portion relates to liquid assets (esp. cash to service short-term payment obligations), derivatives (esp. forward exchange transactions for hedging purposes) and, for further diversification, indirect investments in precious metals, solely gold certificates. The options of investing indirectly in precious metals exclude physical deliveries.



#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2 Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category **#1 Aligned with E/S characteristics** covers:
- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

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

Derivatives are used to achieve the sub-fund's investment objectives, both for investment and hedging purposes. Where these are used for investment purposes, they take into account the environmental and social characteristics promoted by the sub-fund. This does not include derivatives on indices. Where these are used for hedging purposes, they are not used to achieve the environmental and social characteristics.

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

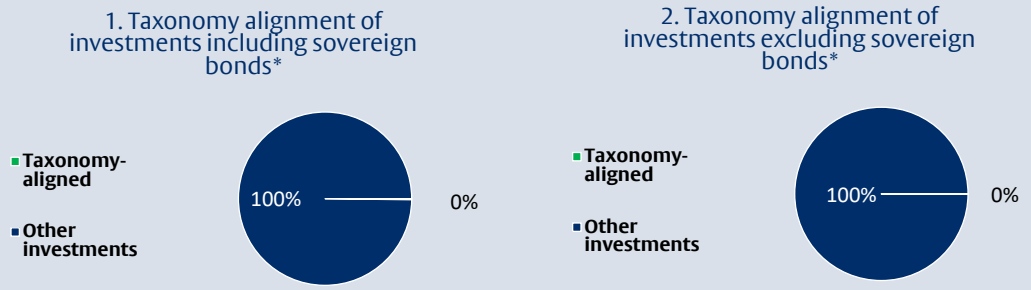
Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas

To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

The investments underlying Flossbach von Storch – Multi Asset – Defensive do not contribute to achieving an environmental objective pursuant to Article 9 of Regulation (EU) 2020/852 (EU Taxonomy). The minimum proportion of environmentally sustainable investments made in accordance with the EU Taxonomy is 0 per cent.
The main objective of the sub-fund is to contribute to the pursuit of the environmental and social characteristics. Therefore, this sub-fund does not currently commit to investing a minimum proportion of its total assets in environmentally sustainable economic activities as defined in Article 3 of the EU Taxonomy. This also concerns information on investments in economic activities classified as enabling or transitional activities under Article 16 or 10 (2) of the EU Taxonomy.

emission levels corresponding to the best performance.

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



* For the purpose of these graphs, "sovereign bonds" consist of all sovereign exposures.

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

Not applicable. Flossbach von Storch – Multi Asset – Defensive promotes E/S characteristics but does not make sustainable investments.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

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

Not applicable. Flossbach von Storch – Multi Asset – Defensive promotes E/S characteristics but does not make sustainable investments.

What is the minimum share of socially sustainable investments?

Not applicable. Flossbach von Storch – Multi Asset – Defensive promotes E/S characteristics but does not make sustainable investments.

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

The following investments fall under "#2 Other":

Liquid assets are used primarily in the form of cash to service short-term payment obligations. No environmental or social minimum safeguards are defined here.

Derivatives used for hedging purposes and derivatives on indices used for investment purposes.

Indirect investments in precious metals, currently exclusively gold certificates, are used for further diversification. These are only sourced from partners who are committed to adhering to the London Bullion Market Association's (LBMA) Responsible Gold Guidance. This Guidance

aims to prevent gold from contributing to systematic or widespread human rights abuses, conflict financing, money laundering or terrorist financing.

Investments in target funds are used for further diversification. When selecting target funds, the environmental and social characteristics promoted by this sub-fund will be considered.

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

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

Not applicable. Flossbach von Storch – Multi Asset – Defensive promotes E/S characteristics but does not designate an index as a reference benchmark.

- How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?
  Not applicable.

- How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?
  Not applicable.

- How does the designated index differ from a relevant broad market index?
  Not applicable.

- Where can the methodology used for the calculation of the designated index be found?
  Not applicable.

Where can I find more product-specific information online?

More product-specific information can be found on the website:
www.fvsinvest.lu/esg

ANNEX 6a

Flossbach von Storch – Multi Asset – Balanced

This sub-fund promotes environmental and social characteristics within the meaning of Article 8 of Regulation (EU) 2019/2088 (Disclosure Regulation).

Investment objectives

The objective of the investment policy of Flossbach von Storch – Multi Asset – Balanced ("sub-fund") is to achieve reasonable growth in the sub-fund's currency while taking the investment risk into consideration. The investment strategy is defined based on fundamental analyses of the global financial markets. The sub-fund is actively managed. The fund manager chooses, regularly reviews and, if necessary, adjusts the composition of the portfolio in accordance with the criteria specified in the investment policy. No index is used for comparison purposes.

The performance of the sub-fund's unit classes is indicated in the relevant "Key Investor Information".

As a general rule, past results offer no guarantee of future performance. We cannot guarantee that the objectives of the investment policy will be achieved.

Investment policy

Subject to Article 4 of the management regulations, the following provisions shall apply to the sub-fund:

When making investment decisions for the sub-fund, the fund manager shall take into account the requirements of the sustainability policy of the Management Company and the criteria it contains, as specified in detail in the "Sustainability policy" section. Flossbach von Storch follows a holistic sustainability approach across the group: As a long-term investor, Flossbach von Storch attaches importance to companies dealing responsibly with their environmental and social footprint and actively counteracting negative impacts of their activities. To be able to recognise negative impacts at an early stage, the handling of investments with their ecological and social footprint is examined and evaluated. For this purpose, certain environmental and social characteristics are taken into account in the investment strategy and, where possible or necessary, positive development is worked towards. Specifically, this means: among other things, portfolio companies are checked for set climate targets and progress is monitored on the basis of certain sustainability indicators.

Furthermore, Flossbach von Storch applies group-wide exclusion criteria for social and environmental characteristics. These include the exclusion of investments in companies with certain business models. This includes, for example, controversial weapons.

A binding participation policy is also implemented to work towards positive development in the event of particularly severe negative impacts on certain sustainability factors in investments. This could be, but is not limited to, the topic area of greenhouse gas emissions and social issues/employment.

Depending on the market situation and appraisal by the fund management, the sub-fund generally has the possibility to invest in equities, bonds, money market instruments, certificates, other structured products (e.g. reverse convertible bonds, warrant-linked bonds, convertible bonds), target funds, derivatives, cash and fixed-term deposits. The certificates are for legally permitted underlying instruments, such as equities, bonds, investment fund units, financial indices and currencies. The equity quota is limited to a maximum of 55 per cent of net sub-fund assets.

In compliance with the "Additional investment restrictions" and in accordance with Art. 4 of the management regulations, at least 25 per cent of the sub-fund's net assets shall be continuously invested in equity interests.

The sub-fund may invest up to 20 per cent of its net assets indirectly in precious metals.

Such investments may be made via:

- Delta-1 certificates on precious metals (gold, silver, platinum)
- Listed closed-end funds on precious metals (gold, silver, platinum)

Delta-1 certificates are securities within the meaning of Article 2 of the Grand-Ducal Regulation of 08 February 2008.

In the interests of risk diversification, no more than 10 per cent of the sub-fund's net assets may be invested indirectly in one precious metal. The aforementioned options of investing indirectly in precious metals exclude physical deliveries.

In general, the investment in liquid assets is limited to 20 per cent of the sub-fund's net assets, but a breach of this requirement will be tolerated in the short term in the event of exceptionally unfavourable market conditions and if it is deemed appropriate while still safeguarding investor interests.

Units in UCITS or other UCI ("target funds") will be acquired only up to a maximum limit of **10 per cent** of the sub-fund assets, making the sub-fund eligible as a target fund. With respect to the target funds that can be acquired for the sub-fund, there are no restrictions on the permissible types of target funds that can be acquired.

The use of derived financial instruments ("derivatives") is planned in order to achieve the aforementioned investment objectives, as well as for investment and hedging purposes. In addition to option rights, this includes, inter alia, swaps and futures contracts on securities, money market instruments, financial indices within the meaning of Article 9 (1) of Directive 2007/16/EC and Article XIII of ESMA Guidelines 2014/937, interest rates, exchange rates and currencies. Derivatives may be used only within the limits outlined in Article 4 of the management regulations. Further details on techniques and instruments can be found in the sales prospectus in the chapter titled "Investment policy" in the "Information on derivatives and other techniques and instruments" section.

For this sub-fund, the Management Company will not conclude total return swaps or other derivatives with the same characteristics.

Information about the environmental and social characteristics promoted by the sub-fund and their implementation in the investment policy is set out in Annex 6b of the sales prospectus.

Risk profile of the sub-fund

Risk profile – growth-oriented (further details can be found in the sales prospectus in the chapter titled "Risk warnings", in the "Risk profiles" section)

Risk profile of the typical investor

Long-term (further details can be found in the sales prospectus in the chapter titled "Risk warnings", in the "Risk profiles" section)

Further information

	Unit class I	Unit class R	Unit class IT	Unit class RT	Unit class ET	Unit class CHF-IT	Unit class CHF-RT
ISIN	LU0323578061	LU0323578145	LU1245470676	LU1245470759	LU1245471054	LU1245470833	LU1245470916
Securities ID no. (WKN)	A0M43V	A0M43W	A14ULX	A14ULY	A14UL1	A14ULZ	A14UL0
Initial subscription period	The assets of another (Luxembourg) fund managed by the Management Company were transferred to this sub-fund with effect from 01 July 2015.		01 July 2015 – 10 July 2015	01 July 2015 – 10 July 2015	01 July 2015 – 10 July 2015	01 July 2015 – 10 July 2015	01 July 2015 – 10 July 2015
Initial unit value (The initial issue price corresponds to the initial unit value plus the subscription fee)			EUR 100	EUR 100	EUR 100	CHF 100	CHF 100
Payment of the initial issue price			14 July 2015	14 July 2015	14 July 2015	14 July 2015	14 July 2015
Sub-fund currency	EUR						
Unit class currency	EUR					CHF	

	Unit class HT	Unit class QT
ISIN	LU1748855324	LU2369862094
Securities ID no. (WKN)	A2JA9B	A3CV3Z
Initial subscription period	24 January 2018 – 05 February 2018	01 October 2021
Initial unit value (The initial issue price corresponds to the initial unit value plus the subscription fee)	EUR 100	EUR 100
Payment of the initial issue price	07 February 2018	05 October 2021
Sub-fund currency	EUR	
Unit class currency	EUR	

Further information on the unit classes can be found in Annex 1 to this sales prospectus, “Unit classes”.

The sub-fund is established for an indefinite period of time.

Costs which can be reimbursed from the sub-fund assets

Detailed information on remuneration can be found in Annex 2 to the sales prospectus, “Statement of fees and costs”.

Pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Product name:
Flossbach von Storch – Multi Asset – Balanced

Legal entity identifier:
5299005N0U6ILK6KDX53

Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?

☐ Yes	☒ No
☐ It will make a minimum of **sustainable investments with an environmental objective:** __% ☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy ☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☐ It promotes **Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of **0 per cent** of sustainable investments ☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy ☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy ☐ with a social objective
☐ It will make a minimum of **sustainable investments with a social objective:** __%	☒ It promotes E/S characteristics, but **will not make any sustainable investments**.

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

Flossbach von Storch follows a holistic sustainability approach across the group: As a long-term investor, Flossbach von Storch attaches importance to portfolio companies managing their environmental and social footprint responsibly and actively counteracting negative impacts of their activities. To be able to recognise negative impacts at an early stage, the handling of investments with their ecological and social footprint is examined and evaluated. For this purpose, certain environmental and social characteristics are taken into account in the investment strategy and, where possible or necessary, positive development is worked towards. Specifically, this means: Portfolio companies are, for example, reviewed for set climate targets and progress is monitored on the basis of

certain sustainability indicators.
The following environmental and social characteristics are promoted as part of the investment strategy:

Flossbach von Storch – Multi Asset – Balanced implements exclusion criteria with social and environmental characteristics. This means, for example, excluding investments in companies with certain business models. This includes, for example, controversial weapons.

In addition, a participation policy is implemented as part of the investment strategy in order to be able to work towards a positive development in the event of particularly severe negative impacts on certain sustainability factors in investments. This could be, but is not limited to, the topic area of greenhouse gas emissions and social issues/employment.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?

In order to achieve the environmental and social characteristics promoted by Flossbach von Storch – Multi Asset – Balanced, the following sustainability indicators are considered.

The exclusions are applied based on turnover thresholds. Investments are excluded in companies that generate

- >0% of their turnover from controversial weapons,
- >10% of their turnover from producing and/or selling armaments,
- >5% of their turnover from producing tobacco products,
- >30% of their turnover from mining and/or selling coal.

Companies that commit serious violations of the principles of the UN Global Compact with no prospect of remedying them are also excluded. This means that, if there is no improvement in the circumstances leading to the serious violation, a disinvestment should generally take place. Furthermore, state issuers that are considered “not free” according to the Freedom House Index are excluded.

The exclusion list is continuously assessed and updated monthly based on internal and external ESG research data. Compliance with the exclusion criteria is monitored both before an investment is made and on an ongoing basis while the investment is held.

In order to measure potential severe negative environmental/social impacts of portfolio companies’ activities, Flossbach von Storch takes into account the so-called “principal adverse impacts” (PAIs) pursuant to Article 7 (1) (a) of Regulation (EU) 2019/2088 (Disclosure Regulation) as part of the investment process.

Flossbach von Storch – Multi Asset – Balanced has a particular focus on the following PAI indicators: Greenhouse gas emissions (Scope 1 and 2), greenhouse gas emission intensity and carbon footprint based on Scope 1 and 2, as well as the consumption of non-renewable energies. In addition, attention is paid to violations of the principles of the UN Global Compact, violations of the OECD Guidelines for Multinational Enterprises and the processes in place to comply with the two guidelines. The indicators are prioritised according to relevance, severity of negative impacts, and data availability. The evaluation is not based on rigid bandwidths or thresholds that companies must meet or achieve; rather, the focus is on whether there is a positive development in how they are managing the indicators or if they are working towards this where possible and necessary. More detailed information is provided below in the section on taking principal adverse impacts into account.
Due to the insufficient quality and coverage of the data, so-called Scope 3 emissions and energy production of non-renewable energies are not taken into account within the framework of greenhouse gas emissions. The fund manager will continuously monitor data coverage and, if deemed feasible, include it in its investment and engagement process.

- What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?

  Not applicable. Flossbach von Storch – Multi Asset – Balanced promotes E/S characteristics but does not make sustainable investments.

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

  Not applicable. Flossbach von Storch – Multi Asset – Balanced promotes E/S characteristics but does not make sustainable investments.

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

    Not applicable.

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

    Not applicable.

The EU Taxonomy sets out a "do no significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

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

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

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

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

☒ Yes

Flossbach von Storch – Multi Asset – Balanced considers the principal adverse impacts of the investment decision on sustainability factors (PAIs or PAI indicators) in accordance with Art. 7 (1) (a) Regulation (EU) 2019/2088 (Disclosure Regulation), as well as an additional climate-related indicator and two additional social indicators of the Disclosure Regulation in its in-house investment process.

As part of this process, best efforts will be made to determine and document the information on the evaluation and prioritisation of the principal adverse impacts on sustainability factors. The identification, prioritisation and evaluation of the principal adverse impacts is carried out as part of the in-house analysis process using specific ESG analyses, which are prepared individually for invested issuers/guarantors and are taken into account in the risk/reward profile of the company analyses. The PAI indicators are prioritised according to relevance, severity of negative impacts, and data availability. The evaluation is not based on rigid bandwidths or thresholds that companies must meet or achieve; rather, the focus is on whether there is a positive development in how they are managing the PAI indicators.

The consideration of PAIs also serves to achieve the environmental and social characteristics promoted by Flossbach von Storch – Multi Asset – Balanced:
As part of the participation policy, efforts are made to reduce particularly negative impacts for, among others, the indicators of greenhouse gas emissions Scope 1 & 2, as well as serious violations of the UN Global Compact Principles and OECD Guidelines for Multinational Enterprises. This means that, If one of the portfolio companies does not adequately manage the indicators identified as particularly negative, this is addressed with the company and an attempt is made to work towards a positive development over an appropriate period of time. If management does not take the necessary steps for improvement to a sufficient extent during this time, the fund management will use its voting rights in this regard, or reduce or sell the investment. In addition, exclusions such as producing and/or selling controversial weapons and mining and/or selling coal may contribute to a reduction or avoidance of individual adverse sustainability impacts.

Due to the insufficient quality and coverage of the data, so-called Scope 3 emissions and energy production of non-renewable energies are not taken into account within the framework of greenhouse gas emissions. The fund manager will continuously monitor data coverage and, if deemed feasible, include it in its investment and engagement process.

☐ No

What investment strategy does this financial product follow?

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

The general investment policy and investment strategy of Flossbach von Storch – Multi Asset – Balanced is defined in Annex 6a and is based on the generally applicable sustainability approach of ESG integration, participation and voting of the Flossbach von Storch Group, as well as exclusion criteria and consideration of the principal adverse impacts of the investment decision on sustainability factors (as described above).

Flossbach von Storch integrates sustainability factors comprehensively into its multi-stage investment process. Sustainability factors include aspects related to environmental, social and employee matters, respect for human rights, and anti-corruption and anti-bribery matters, such as PAI indicators and other ESG controversies.

As part of a specific ESG analysis, sustainability factors are reviewed for their potential opportunities and risks, and an assessment is made to the best of our knowledge and belief as to whether or not a company stands out negatively in terms of its environmental and social activities and how it manages them. Each of the factors is considered from the perspective of a long-term investor to ensure that none of these aspects have a negative impact on the long-term success of an investment.

The findings of the ESG analysis are taken into account in the risk/reward profile of the company analyses. Only if there are no serious sustainability conflicts that jeopardise the future potential of a company or issuer is an investment idea entered in the focus list (for equities) or guarantor list (for bonds), thus becoming a potential investment. The fund managers can only invest in securities that are on the internal focus or guarantor list. This principle ensures that invested securities have passed the in-house analysis process and comply with the common understanding of quality.

In connection with active participation as a shareholder, Flossbach von Storch follows a fixed participation policy and guidelines for exercising voting rights. The developments of the portfolio investments are monitored and analysed in this context. If one of the portfolio companies does not adequately manage the sustainability factors identified as particularly negative, which can have a long-term impact on business development, this is addressed directly with the company and an attempt is made to work towards a positive development. Flossbach von Storch sees itself as a constructive sparring partner (where possible) or as a corrective partner (where necessary) that makes appropriate suggestions and supports management in the implementation. If management does not take the necessary steps to create a sufficiently sustainable business model, the fund management will use its voting rights in this regard, or reduce or sell the investment.

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

In the area of environmental and social characteristics, the sub-fund only makes investments in companies that comply with the following exclusion criteria:

- Controversial weapons (turnover tolerance ≤ 0%)
- Producing and/or selling armaments (turnover tolerance ≤ 10%)
- Producing tobacco products (turnover tolerance ≤ 5%)
- Mining and/or selling coal (turnover tolerance ≤ 30%)
- No serious violations of the UN Global Compact

In addition, sovereign issuers with an insufficient score according to the Freedom House Index classification (classification "not free") are excluded.

The sub-fund shall ensure responsible management of the following PAI indicators: Greenhouse gas emissions (Scope 1 and 2), greenhouse gas emission intensity and carbon footprint based on Scope 1 and 2, as well as the consumption of non-renewable energies. In addition, attention is paid to violations of the principles of the UN Global Compact, violations of the OECD Guidelines for Multinational Enterprises and the processes in place to comply with the two guidelines.

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

Not applicable. The sub-fund does not commit to reducing the investment portfolio by a certain minimum rate.

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

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

Flossbach von Storch pays particular attention to corporate governance in its analysis process, as this is responsible for the sustainable development of the company. This also requires responsible management of environmental and social factors that contribute to the long-term success of the company.

Within the framework of the multi-stage analysis process, an in-house review is carried out and an attempt is made to ensure, to the best of our knowledge and belief, that investments are made in companies that demonstrate good governance practices. This includes addressing the following questions:

- Does management properly and sufficiently take into account environmental, social and economic conditions?
- Do the (employed) managers act responsibly and with a view to the future?

In addition, the guidelines on the exercise of voting rights define critical factors that can stand in the way of good governance and that must be taken into account in principle when attending general and shareholders' meetings.

What is the asset allocation planned for this financial product?

Asset allocation describes the share of investments in specific assets.

Depending on the market situation and appraisal by the fund management, the sub-fund generally has the possibility to invest in equities, bonds, money market instruments, certificates, derivatives, other structured products (e.g. reverse convertible bonds, warrant-linked bonds, convertible bonds), target funds, cash and fixed-term deposits. The certificates are for legally permitted underlying instruments, such as equities, bonds, investment fund units, financial indices and currencies. Details of the individual, product-specific limits can be found in the Investment Policy in Annex 6a.

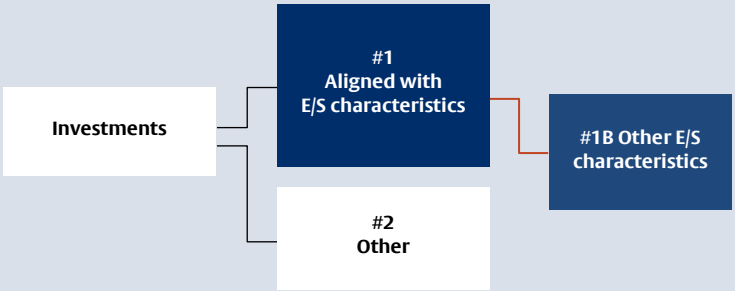
Asset allocation describes the share of

The planned asset allocation is as follows.

investments in specific assets.

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

#1 Aligned with E/S characteristics:
At least 51 per cent will be invested in transferable securities and money market instruments permitted under Article 41 (1a) of the Law of 17 December 2010 on Undertakings for Collective Investment and in accordance with the sub-fund's investment policy. These portfolio assets as well as derivatives for investment purposes and possible target fund investments are subject to ongoing screening with regard to the aforementioned exclusion criteria and PAI indicators.
#2 Other:
The remaining investment portion relates to liquid assets (esp. cash to service short-term payment obligations), derivatives (esp. forward exchange transactions for hedging purposes) and, for further diversification, indirect investments in precious metals, solely gold certificates. The options of investing indirectly in precious metals exclude physical deliveries.



#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2 Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category **#1 Aligned with E/S characteristics** covers:
- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

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

Derivatives are used to achieve the sub-fund's investment objectives, both for investment and hedging purposes. Where these are used for investment purposes, they take into account the environmental and social characteristics promoted by the sub-fund. This does not include derivatives on indices. Where these are used for hedging purposes, they are not used to achieve the environmental and social characteristics.

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

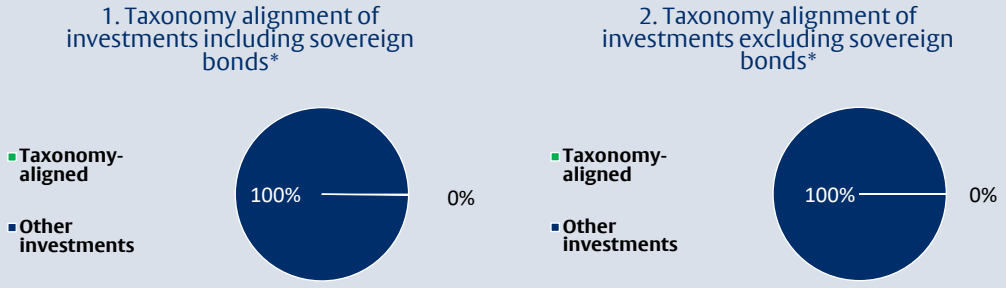
Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas

To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

The investments underlying Flossbach von Storch – Multi Asset – Balanced do not contribute to achieving an environmental objective pursuant to Article 9 of Regulation (EU) 2020/852 (EU Taxonomy). The minimum proportion of environmentally sustainable investments made in accordance with the EU Taxonomy is 0 per cent.
The main objective of the sub-fund is to contribute to the pursuit of the environmental and social characteristics. Therefore, this sub-fund does not currently commit to investing a minimum proportion of its total assets in environmentally sustainable economic activities as defined in Article 3 of the EU Taxonomy. This also concerns information on investments in economic activities classified as enabling or transitional activities under Article 16 or 10 (2) of the EU Taxonomy

emission levels corresponding to the best performance.

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



* For the purpose of these graphs, "sovereign bonds" consist of all sovereign exposures.

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

Not applicable. Flossbach von Storch – Multi Asset – Balanced promotes E/S characteristics but does not make sustainable investments.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

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

Not applicable. Flossbach von Storch – Multi Asset – Balanced promotes E/S characteristics but does not make sustainable investments.

What is the minimum share of socially sustainable investments?

Not applicable. Flossbach von Storch – Multi Asset – Balanced promotes E/S characteristics but does not make sustainable investments.

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

The following investments fall under "#2 Other":

Liquid assets are used primarily in the form of cash to service short-term payment obligations. No environmental or social minimum safeguards are defined here.

Derivatives used for hedging purposes and derivatives on indices used for investment purposes.

Indirect investments in precious metals, currently exclusively gold certificates, are used for further diversification. These are only sourced from partners who are committed to adhering to the London Bullion Market Association's (LBMA) Responsible Gold Guidance. This Guidance

aims to prevent gold from contributing to systematic or widespread human rights abuses, conflict financing, money laundering or terrorist financing.

Investments in target funds are used for further diversification. When selecting target funds, the environmental and social characteristics promoted by this sub-fund will be considered.

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

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

Not applicable. Flossbach von Storch – Multi Asset – Balanced promotes E/S characteristics but does not designate an index as a reference benchmark.

- How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?
  Not applicable.
- How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?
  Not applicable.
- How does the designated index differ from a relevant broad market index?
  Not applicable.
- Where can the methodology used for the calculation of the designated index be found?
  Not applicable.

Where can I find more product-specific information online?

More product-specific information can be found on the website:
www.fvsinvest.lu/esg

ANNEX 7a

Flossbach von Storch – Multi Asset – Growth

This sub-fund promotes environmental and social characteristics within the meaning of Article 8 of Regulation (EU) 2019/2088 (Disclosure Regulation).

Investment objectives

The objective of the investment policy of Flossbach von Storch – Multi Asset – Growth ("sub-fund") is to achieve reasonable growth in the sub-fund's currency while taking the investment risk into consideration. The investment strategy is defined based on fundamental analyses of the global financial markets. The sub-fund is actively managed. The fund manager chooses, regularly reviews and, if necessary, adjusts the composition of the portfolio in accordance with the criteria specified in the investment policy. No index is used for comparison purposes.

The performance of the sub-fund's unit classes is indicated in the relevant "Key Investor Information".

As a general rule, past results offer no guarantee of future performance. We cannot guarantee that the objectives of the investment policy will be achieved.

Investment policy

Subject to Article 4 of the management regulations, the following provisions shall apply to the sub-fund:

When making investment decisions for the sub-fund, the fund manager shall take into account the requirements of the sustainability policy of the Management Company and the criteria it contains, as specified in detail in the "Sustainability policy" section. Flossbach von Storch follows a holistic sustainability approach across the group: As a long-term investor, Flossbach von Storch attaches importance to companies dealing responsibly with their environmental and social footprint and actively counteracting negative impacts of their activities. To be able to recognise negative impacts at an early stage, the handling of investments with their ecological and social footprint is examined and evaluated. For this purpose, certain environmental and social characteristics are taken into account in the investment strategy and, where possible or necessary, positive development is worked towards. Specifically, this means: among other things, portfolio companies are checked for set climate targets and progress is monitored on the basis of certain sustainability indicators.

Furthermore, Flossbach von Storch applies group-wide exclusion criteria for social and environmental characteristics. These include the exclusion of investments in companies with certain business models. This includes, for example, controversial weapons.

A binding participation policy is also implemented to work towards positive development in the event of particularly severe negative impacts on certain sustainability factors in investments. This could be, but is not limited to, the topic area of greenhouse gas emissions and social issues/employment.

Depending on the market situation and appraisal by the fund management, the sub-fund generally has the possibility to invest in equities, bonds, money market instruments, certificates, other structured products (e.g. reverse convertible bonds, warrant-linked bonds, convertible bonds), target funds, derivatives, cash and fixed-term deposits. The certificates are for legally permitted underlying instruments, such as equities, bonds, investment fund units, financial indices and currencies. The equity quota is limited to a maximum of 75 per cent of net sub-fund assets.

In compliance with the "Additional investment restrictions" and in accordance with Art. 4 of the management regulations, more than 50 per cent of the sub-fund's net assets shall be continuously invested in equity participations.

The sub-fund may invest up to 20 per cent of its net assets indirectly in precious metals.

Such investments may be made via:

- Delta-1 certificates on precious metals (gold, silver, platinum)
- Listed closed-end funds on precious metals (gold, silver, platinum)

Delta-1 certificates are securities within the meaning of Article 2 of the Grand-Ducal Regulation of 08 February 2008.

In the interests of risk diversification, no more than 10 per cent of the sub-fund's net assets may be invested indirectly in one precious metal. The aforementioned options of investing indirectly in precious metals exclude physical deliveries.

In general, the investment in liquid assets is limited to 20 per cent of the sub-fund's net assets, but a breach of this requirement will be tolerated in the short term in the event of exceptionally unfavourable market conditions and if it is deemed appropriate while still safeguarding investor interests. In addition, the net assets of the sub-fund may, if deemed appropriate due to exceptionally unfavourable market conditions, deviate from the above-mentioned investment focus for a short period of time, provided that in this case, with the addition of liquid assets, the investment focus as a whole is complied with.

Units in UCITS or other UCI ("target funds") will be acquired only up to a maximum limit of 10 per cent of the sub-fund assets, making the sub-fund eligible as a target fund. With respect to the target funds that can be acquired for the sub-fund, there are no restrictions on the permissible types of target funds that can be acquired.

The use of derived financial instruments ("derivatives") is planned in order to achieve the aforementioned investment objectives, as well as for investment and hedging purposes. In addition to option rights, this includes, inter alia, swaps and futures contracts on securities, money market instruments, financial indices within the meaning of Article 9 (1) of Directive 2007/16/EC and Article XIII of ESMA Guidelines 2014/937, interest rates, exchange rates and currencies. Derivatives may be used only within the limits outlined in Article 4 of the management regulations. Further details on techniques and instruments can be found in the sales prospectus in the chapter titled "Investment policy" in the "Information on derivatives and other techniques and instruments" section.

For this sub-fund, the Management Company will not conclude total return swaps or other derivatives with the same characteristics.

Information about the environmental and social characteristics promoted by the sub-fund and their implementation in the investment policy is set out in Annex 7b of the sales prospectus.

Risk profile of the sub-fund

Risk profile – growth-oriented (further details can be found in the sales prospectus in the chapter titled "Risk warnings", in the "Risk profiles" section)

Risk profile of the typical investor

Long-term (further details can be found in the sales prospectus in the chapter titled "Risk warnings", in the "Risk profiles" section)

Further information

	Unit class I	**Unit class R**	**Unit class IT**	**Unit class RT**	**Unit class ET**	**Unit class HT**
ISIN	LU0323578228	LU0323578491	LU1245471138	LU1245471211	LU1245471567	LU1245471484
Securities ID no. (WKN)	A0M43X	A0M43Y	A14UL2	A14UL3	A14UL6	A14UL5

	Unit class I	Unit class R	Unit class IT	Unit class RT	Unit class ET	Unit class HT
Initial subscription period	The assets of another (Luxembourg) fund managed by the Management Company were transferred to this sub-fund with effect from 01 July 2015.		01 July 2015 – 10 July 2015	01 July 2015 – 10 July 2015	01 July 2015 – 10 July 2015	24 January 2018 – 05 February 2018
Initial unit value (The initial issue price corresponds to the initial unit value plus the subscription fee)			EUR 100	EUR 100	EUR 100	EUR 100
Payment of the initial issue price			14 July 2015	14 July 2015	14 July 2015	07 February 2018
Sub-fund currency	EUR					
Unit class currency	EUR					

Further information on the unit classes can be found in Annex 1 to this sales prospectus, “Unit classes”.

The sub-fund is established for an indefinite period of time.

Costs which can be reimbursed from the sub-fund assets

Detailed information on remuneration can be found in Annex 2 to the sales prospectus, “Statement of fees and costs”.

Pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Product name:
Flossbach von Storch – Multi Asset – Growth

Legal entity identifier:
5299008RGSTY2OI10T51

Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?

☐ Yes	☒ No
☐ It will make a minimum of **sustainable investments with an environmental objective:** __% ☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy ☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☐ It promotes **Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of **0 per cent** of sustainable investments ☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy ☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy ☐ with a social objective
☐ It will make a minimum of **sustainable investments with a social objective:** __%	☒ It promotes E/S characteristics, but **will not make any sustainable investments**.

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

Flossbach von Storch follows a holistic sustainability approach across the group: As a long-term investor, Flossbach von Storch attaches importance to portfolio companies managing their environmental and social footprint responsibly and actively counteracting negative impacts of their activities. To be able to recognise negative impacts at an early stage, the handling of investments with their ecological and social footprint is examined and evaluated. For this purpose, certain environmental and social characteristics are taken into account in the investment strategy and, where possible or necessary, positive development is worked towards. Specifically, this means: Portfolio

companies are, for example, reviewed for set climate targets and progress is monitored on the basis of certain sustainability indicators.
The following environmental and social characteristics are promoted as part of the investment strategy:

Flossbach von Storch – Multi Asset – Growth implements exclusion criteria with social and environmental characteristics. This means, for example, excluding investments in companies with certain business models. This includes, for example, controversial weapons.

In addition, a participation policy is implemented as part of the investment strategy in order to be able to work towards a positive development in the event of particularly severe negative impacts on certain sustainability factors in investments. This could be, but is not limited to, the topic area of greenhouse gas emissions and social issues/employment.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?

In order to achieve the environmental and social characteristics promoted by Flossbach von Storch – Multi Asset – Growth, the following sustainability indicators are considered.

The exclusions are applied based on turnover thresholds. Investments are excluded in companies that generate

- >0% of their turnover from controversial weapons,
- >10% of their turnover from producing and/or selling armaments,
- >5% of their turnover from producing tobacco products,
- >30% of their turnover from mining and/or selling coal.

Companies that commit serious violations of the principles of the UN Global Compact with no prospect of remedying them are also excluded. This means that, if there is no improvement in the circumstances leading to the serious violation, a disinvestment should generally take place. Furthermore, state issuers that are considered “not free” according to the Freedom House Index are excluded.

The exclusion list is continuously assessed and updated monthly based on internal and external ESG research data. Compliance with the exclusion criteria is monitored both before an investment is made and on an ongoing basis while the investment is held.

In order to measure potential severe negative environmental/social impacts of portfolio companies’ activities, Flossbach von Storch takes into account the so-called “principal adverse impacts” (PAIs) pursuant to Article 7 (1) (a) of Regulation (EU) 2019/2088 (Disclosure Regulation) as part of the investment process.

Flossbach von Storch – Multi Asset – Growth has a particular focus on the following PAI indicators: Greenhouse gas emissions (Scope 1 and 2), greenhouse gas emission intensity and carbon footprint based on Scope 1 and 2, as well as the consumption of non-renewable energies. In addition, attention is paid to violations of the principles of the UN Global Compact, violations of the OECD Guidelines for Multinational Enterprises and the processes in place to comply with the two guidelines. The indicators are prioritised according to relevance, severity of negative impacts, and data availability. The evaluation is not based on rigid bandwidths or thresholds that companies must meet or achieve; rather, the focus is on whether there is a positive development in how they are managing the indicators or if they are working towards this where possible and necessary. More detailed information is provided below in the section on taking principal adverse impacts into account.
Due to the insufficient quality and coverage of the data, so-called Scope 3 emissions and energy production of non-renewable energies are not taken into account within the framework of greenhouse gas emissions. The fund manager will continuously monitor data coverage and, if deemed feasible, include it in its investment and engagement process.

- What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?

  Not applicable. Flossbach von Storch – Multi Asset – Growth promotes E/S characteristics but does not make sustainable investments.

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

  Flossbach von Storch – Multi Asset – Growth promotes E/S characteristics but does not make sustainable investments.

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

    Not applicable.

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

    Not applicable.

The EU Taxonomy sets out a "do no significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

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

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

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

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

☒ Yes

Flossbach von Storch – Multi Asset – Growth considers the principal adverse impacts of the investment decision on sustainability factors (PAIs or PAI indicators) in accordance with Art. 7 (1) (a) Regulation (EU) 2019/2088 (Disclosure Regulation), as well as an additional climate-related indicator and two additional social indicators of the Disclosure Regulation in its in-house investment process.

As part of this process, best efforts will be made to determine and document the information on the evaluation and prioritisation of the principal adverse impacts on sustainability factors. The identification, prioritisation and evaluation of the principal adverse impacts is carried out as part of the in-house analysis process using specific ESG analyses, which are prepared individually for invested issuers/guarantors and are taken into account in the risk/reward profile of the company analyses. The PAI indicators are prioritised according to relevance, severity of negative impacts, and data availability. The evaluation is not based on rigid bandwidths or thresholds that companies must meet or achieve; rather, the focus is on

whether there is a positive development in how they are managing the PAI indicators.
The consideration of PAIs also serves to achieve the environmental and social characteristics promoted by Flossbach von Storch – Multi Asset – Growth:
As part of the participation policy, efforts are made to reduce particularly negative impacts for, among others, the indicators of greenhouse gas emissions Scope 1 & 2, as well as serious violations of the UN Global Compact Principles and OECD Guidelines for Multinational Enterprises. This means that, If one of the portfolio companies does not adequately manage the indicators identified as particularly negative, this is addressed with the company and an attempt is made to work towards a positive development over an appropriate period of time. If management does not take the necessary steps for improvement to a sufficient extent during this time, the fund management will use its voting rights in this regard, or reduce or sell the investment. In addition, exclusions such as producing and/or selling controversial weapons and mining and/or selling coal may contribute to a reduction or avoidance of individual adverse sustainability impacts.

Due to the insufficient quality and coverage of the data, so-called Scope 3 emissions and energy production of non-renewable energies are not taken into account within the framework of greenhouse gas emissions. The fund manager will continuously monitor data coverage and, if deemed feasible, include it in its investment and engagement process.

☐ No

What investment strategy does this financial product follow?

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

The general investment policy and investment strategy of Flossbach von Storch – Multi Asset – Growth is defined in Annex 7a and is based on the generally applicable sustainability approach of ESG integration, participation and voting of the Flossbach von Storch Group, as well as exclusion criteria and consideration of the principal adverse impacts of the investment decision on sustainability factors (as described above).

Flossbach von Storch integrates sustainability factors comprehensively into its multi-stage investment process. Sustainability factors include aspects related to environmental, social and employee matters, respect for human rights, and anti-corruption and anti-bribery matters, such as PAI indicators and other ESG controversies.

As part of a specific ESG analysis, sustainability factors are reviewed for their potential opportunities and risks, and an assessment is made to the best of our knowledge and belief as to whether or not a company stands out negatively in terms of its environmental and social activities and how it manages them. Each of the factors is considered from the perspective of a long-term investor to ensure that none of these aspects have a negative impact on the long-term success of an investment.

The findings of the ESG analysis are taken into account in the risk/reward profile of the company analyses. Only if there are no serious sustainability conflicts that jeopardise the future potential of a company or issuer is an investment idea entered in the focus list (for equities) or guarantor list (for bonds), thus becoming a potential investment. The fund managers can only invest in securities that are on the internal focus or guarantor list. This principle ensures that invested securities have passed the in-house analysis process and comply with the common understanding of quality.

In connection with active participation as a shareholder, Flossbach von Storch follows a fixed participation policy and guidelines for exercising voting rights. The developments of the portfolio investments are monitored and analysed in this context. If one of the portfolio companies does not adequately manage the sustainability factors identified as particularly negative, which can have a long-term impact on business development, this is addressed directly with the company and an attempt is made to work towards a positive development. Flossbach von Storch sees itself as a constructive sparring partner (where possible) or as a corrective partner (where necessary) that makes appropriate suggestions and supports management in the implementation. If management does not take the necessary steps to create a sufficiently sustainable business model, the fund management will use its voting rights in this regard, or reduce or sell the investment.

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

In the area of environmental and social characteristics, the sub-fund only makes investments in companies that comply with the following exclusion criteria:

- Controversial weapons (turnover tolerance ≤ 0%)
- Producing and/or selling armaments (turnover tolerance ≤ 10%)
- Producing tobacco products (turnover tolerance ≤ 5%)
- Mining and/or selling coal (turnover tolerance ≤ 30%)
- No serious violations of the UN Global Compact

In addition, sovereign issuers with an insufficient score according to the Freedom House Index classification (classification "not free") are excluded.

The sub-fund shall ensure responsible management of the following PAI indicators: Greenhouse gas emissions (Scope 1 and 2), greenhouse gas emission intensity and carbon footprint based on Scope 1 and 2, as well as the consumption of non-renewable energies. In addition, attention is paid to violations of the principles of the UN Global Compact, violations of the OECD Guidelines for Multinational Enterprises and the processes in place to comply with the two guidelines.

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

Not applicable. The sub-fund does not commit to reducing the investment portfolio by a certain minimum rate.

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

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

Flossbach von Storch pays particular attention to corporate governance in its analysis process, as this is responsible for the sustainable development of the company. This also requires responsible management of environmental and social factors that contribute to the long-term success of the company.

Within the framework of the multi-stage analysis process, an in-house review is carried out and an attempt is made to ensure, to the best of our knowledge and belief, that investments are made in companies that demonstrate good governance practices. This includes addressing the following questions:

- Does management properly and sufficiently take into account environmental, social and economic conditions?
- Do the (employed) managers act responsibly and with a view to the future?

In addition, the guidelines on the exercise of voting rights define critical factors that can stand in the way of good governance and that must be taken into account in principle when attending general and shareholders' meetings.

What is the asset allocation planned for this financial product?

Asset allocation describes the share of investments in specific assets.

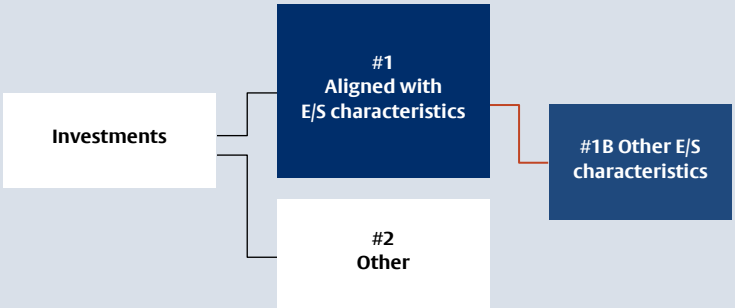
Taxonomy-aligned activities are

Depending on the market situation and appraisal by the fund management, the sub-fund generally has the possibility to invest in equities, bonds, money market instruments, certificates, derivatives, other structured products (e.g. reverse convertible bonds, warrant-linked bonds, convertible bonds), target funds, cash and fixed-term deposits. The certificates are for legally permitted underlying instruments, such as equities, bonds, investment fund units, financial indices and currencies. Details of the individual, product-specific limits can be found in the Investment Policy in Annex 7a.

The planned asset allocation is as follows.

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

#1 Aligned with E/S characteristics:
At least 51 per cent will be invested in transferable securities and money market instruments permitted under Article 41 (1a) of the Law of 17 December 2010 on Undertakings for Collective Investment and in accordance with the sub-fund's investment policy. These portfolio assets as well as derivatives for investment purposes and possible target fund investments are subject to ongoing screening with regard to the aforementioned exclusion criteria and PAI indicators.
#2 Other:
The remaining investment portion relates to liquid assets (esp. cash to service short-term payment obligations), derivatives (esp. forward exchange transactions for hedging purposes) and, for further diversification, indirect investments in precious metals, solely gold certificates. The options of investing indirectly in precious metals exclude physical deliveries.



#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2 Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category **#1 Aligned with E/S characteristics** covers:
- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

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

Derivatives are used to achieve the sub-fund's investment objectives, both for investment and hedging purposes. Where these are used for investment purposes, they take into account the environmental and social characteristics promoted by the sub-fund. This does not include derivatives on indices. Where these are used for hedging purposes, they are not used to achieve the environmental and social characteristics.

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

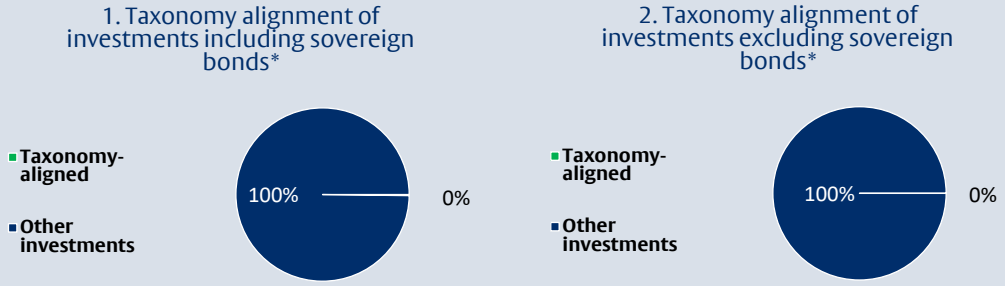
Transitional activities are activities for which low-carbon alternatives are not yet available and

To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

The investments underlying Flossbach von Storch – Multi Asset – Growth do not contribute to achieving an environmental objective pursuant to Article 9 of Regulation (EU) 2020/852 (EU Taxonomy). The minimum proportion of environmentally sustainable investments made in accordance with the EU Taxonomy is 0 per cent.
The main objective of the sub-fund is to contribute to the pursuit of the environmental and social characteristics. Therefore, this sub-fund does not currently commit to investing a minimum proportion of its total assets in environmentally sustainable economic activities as defined in Article 3 of the EU Taxonomy. This also concerns information on investments in economic activities classified as enabling or transitional activities under Article 16 or 10 (2) of the EU Taxonomy.

among others have greenhouse gas emission levels corresponding to the best performance.

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



* For the purpose of these graphs, "sovereign bonds" consist of all sovereign exposures.

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

Not applicable. Flossbach von Storch – Multi Asset – Growth promotes E/S characteristics but does not make sustainable investments.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

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

Not applicable. Flossbach von Storch – Multi Asset – Growth promotes E/S characteristics but does not make sustainable investments.

What is the minimum share of socially sustainable investments?

Not applicable. Flossbach von Storch – Multi Asset – Growth promotes E/S characteristics but does not make sustainable investments.

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

The following investments fall under "#2 Other":

Liquid assets are used primarily in the form of cash to service short-term payment obligations. No environmental or social minimum safeguards are defined here.

Derivatives used for hedging purposes and derivatives on indices used for investment purposes.

Indirect investments in precious metals, currently exclusively gold certificates, are used for further diversification. These are only sourced from partners who are committed to adhering to the London Bullion Market Association's (LBMA) Responsible Gold Guidance. This Guidance aims to prevent gold from contributing to systematic or widespread human rights abuses,

conflict financing, money laundering or terrorist financing.

Investments in target funds are used for further diversification. When selecting target funds, the environmental and social characteristics promoted by this sub-fund will be considered.

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

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

Not applicable. Flossbach von Storch – Multi Asset – Growth promotes E/S characteristics but does not designate an index as a reference benchmark.

- How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?
  Not applicable.
- How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?
  Not applicable.
- How does the designated index differ from a relevant broad market index?
  Not applicable.
- Where can the methodology used for the calculation of the designated index be found?
  Not applicable.

Where can I find more product-specific information online?

More product-specific information can be found on the website:
www.fvsinvest.lu/esg

ANNEX 8a

Flossbach von Storch – Foundation Defensive

This sub-fund promotes environmental and social characteristics within the meaning of Article 8 of Regulation (EU) 2019/2088 (Disclosure Regulation).

Investment objectives

The objective of the investment policy of Flossbach von Storch – Foundation Defensive (the "sub-fund") is to achieve reasonable growth in the sub-fund currency while taking into consideration the risk involved for the investors and sustainability principles. The investment strategy is defined based on fundamental analyses of the global financial markets. The criteria used to select investments are value, the risk-return ratio and sustainability. The sub-fund is actively managed. The fund manager chooses, regularly reviews and, if necessary, adjusts the composition of the portfolio in accordance with the criteria specified in the investment policy. No index is used for comparison purposes.

The performance of the sub-fund's unit class is indicated in the relevant "Key Investor Information".

As a general rule, past results offer no guarantee of future performance. We cannot guarantee that the objectives of the investment policy will be achieved.

Investment policy

Subject to Article 4 of the management regulations, the following provisions shall apply to the sub-fund:

When making investment decisions for the sub-fund, the fund manager shall take into account the requirements of the sustainability policy of the Management Company and the criteria it contains, as specified in detail in the "Sustainability policy" section. Flossbach von Storch follows a holistic sustainability approach across the group: As a long-term investor, Flossbach von Storch attaches importance to companies dealing responsibly with their environmental and social footprint and actively counteracting negative impacts of their activities. To be able to recognise negative impacts at an early stage, the handling of investments with their ecological and social footprint is examined and evaluated. For this purpose, certain environmental and social characteristics are taken into account in the investment strategy and, where possible or necessary, positive development is worked towards. Specifically, this means: among other things, portfolio companies are checked for set climate targets and progress is monitored on the basis of certain sustainability indicators.

Furthermore, Flossbach von Storch applies group-wide exclusion criteria for social and environmental characteristics. These include the exclusion of investments in companies with certain business models. This includes, for example, controversial weapons.

A binding participation policy is also implemented to work towards positive development in the event of particularly severe negative impacts on certain sustainability factors in investments. This could be, but is not limited to, the topic area of greenhouse gas emissions and social issues/employment.

Depending on the market situation and appraisal by the fund management, it generally has the option to invest worldwide in equities, money market instruments, certificates, bonds of all kinds, including zero coupon bonds and variable interest securities, and other structured products (e.g. reverse convertible bonds, warrant-linked bonds, convertible bonds), target funds, derivatives, cash and fixed-term deposits that are listed on a stock exchange or traded on another regulated market that is recognised, takes place regularly, and is open to the public, provided the above-mentioned requirements are satisfied. The certificates are for legally permitted underlying instruments, such as equities, bonds, investment fund units, financial indices and currencies. The equity quota is limited to a maximum of 35 per cent of net sub-fund assets.

The sub-fund may invest up to 20 per cent of its net assets indirectly in precious metals.

Such investments may be made via:

- Delta-1 certificates on precious metals (gold, silver, platinum)
- Listed closed-end funds on precious metals (gold, silver, platinum)

Delta-1 certificates are securities within the meaning of Article 2 of the Grand-Ducal Regulation of 08 February 2008.

In the interests of risk diversification, no more than 10 per cent of the sub-fund's net assets may be invested indirectly in one precious metal. The aforementioned options of investing indirectly in precious metals exclude physical deliveries.

In general, the investment in liquid assets is limited to 20 per cent of the sub-fund's net assets, but a breach of this requirement will be tolerated in the short term in the event of exceptionally unfavourable market conditions and if it is deemed appropriate while still safeguarding investor interests.

Units in UCITS or other UCI ("target funds") will be acquired only up to a maximum limit of 10 per cent of the sub-fund assets, making the sub-fund eligible as a target fund. The target funds that can be acquired for the sub-fund are limited to those that must also observe rules corresponding to those in the sustainability policy.

The use of derived financial instruments ("derivatives") is planned in order to achieve the aforementioned investment objectives, as well as for investment and hedging purposes. In addition to option rights, this includes, inter alia, swaps and futures contracts on securities, money market instruments, financial indices within the meaning of Article 9 (1) of Directive 2007/16/EC and Article XIII of ESMA Guidelines 2014/937, interest rates, exchange rates and currencies. Derivatives may be used only within the limits outlined in Article 4 of the management regulations. Further details on techniques and instruments can be found in the sales prospectus in the chapter titled "Information on derivatives and other techniques and instruments".

For this sub-fund, the Management Company will not conclude total return swaps or other derivatives with the same characteristics.

Information about the environmental and social characteristics promoted by the sub-fund and their implementation in the investment policy is set out in Annex 8b of the sales prospectus.

Risk profile of the sub-fund

Risk profile – conservative (further details can be found in the sales prospectus in the chapter titled "Risk warnings", in the "Risk profiles" section)

Risk profile of the typical investor

Medium-term (further details can be found in the sales prospectus in the chapter titled "Risk warnings", in the "Risk profiles" section)

Further information

	Unit class SI	Unit class SR	Unit class R	Unit class RT	Unit class I
ISIN	LU0323577766	LU1484808933	LU2243568388	LU2243568461	LU2243568628
Securities ID no. (WKN)	A0M43S	A2AQ5Y	A2QFWV	A2QFWW	A2QFWY
Initial subscription period	The assets of another (Luxembourg) fund managed by the Management Company were transferred to this sub-fund with effect from 30 December 2016.	02 January 2017 – 09 January 2017	10 November 2020 – 05 January 2021	10 November 2020 – 05 January 2021	10 November 2020 – 05 January 2021
Initial unit value (The initial issue price corresponds to the initial unit value plus the subscription fee)		EUR 100	EUR 100	EUR 100	EUR 100
Payment of the initial issue price		11 January 2017	07 January 2021	07 January 2021	07 January 2021
Sub-fund currency	EUR				
Unit class currency	EUR				

	Unit class IT	Unit class HT
ISIN	LU2243568891	LU2243569279
Securities ID no. (WKN)	A2QFWZ	A2QFW2
Initial subscription period	10 November 2020 – 05 January 2021	10 November 2020 – 05 January 2021
Initial unit value (The initial issue price corresponds to the initial unit value plus the subscription fee)	EUR 100	EUR 100
Payment of the initial issue price	07 January 2021	07 January 2021
Sub-fund currency	EUR	
Unit class currency	EUR	

Further information on the unit classes can be found in Annex 1 to this sales prospectus, “Unit classes”.

The sub-fund is established for an indefinite period of time.

Costs which can be reimbursed from the sub-fund assets

Detailed information on remuneration can be found in Annex 2 to the sales prospectus, “Statement of fees and costs”.

Pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Product name:
Flossbach von Storch – Foundation Defensive

Legal entity identifier:
529900N4KN34AR3BN383

Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?

☐ Yes	☒ No
☐ It will make a minimum of **sustainable investments with an environmental objective:** __% ☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy ☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☐ It promotes **Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of **0 per cent** of sustainable investments ☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy ☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy ☐ with a social objective
☐ It will make a minimum of **sustainable investments with a social objective:** __%	☒ It promotes E/S characteristics, but **will not make any sustainable investments**.

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

Flossbach von Storch follows a holistic sustainability approach across the group: As a long-term investor, Flossbach von Storch attaches importance to portfolio companies managing their environmental and social footprint responsibly and actively counteracting negative impacts of their activities. To be able to recognise negative impacts at an early stage, the management of investments with their ecological and social footprint is examined and evaluated. For this purpose, certain environmental and social characteristics are taken into account in the investment strategy and, where possible or necessary, positive development is worked towards. Specifically, this means: Portfolio companies are, for example, reviewed for set climate targets and progress is monitored on the basis of

certain sustainability indicators.
The following environmental and social characteristics are promoted as part of the investment strategy:

Flossbach von Storch – Foundation Defensive implements exclusion criteria with social and environmental characteristics. This means, for example, excluding investments in companies with certain business models. This includes, for example, controversial weapons.

In addition, a participation policy is implemented as part of the investment strategy in order to be able to work towards a positive development in the event of particularly severe negative impacts on certain sustainability factors in investments. This could be, but is not limited to, the topic area of greenhouse gas emissions and social issues/employment.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?

In order to achieve the environmental and social characteristics promoted by Flossbach von Storch – Foundation Defensive, the following sustainability indicators are considered.

The exclusions are applied based on turnover thresholds. Investments are excluded in companies that generate

- >0% of their turnover from controversial weapons,
- >10% of their turnover from producing and/or selling armaments,
- >5% of their turnover from producing tobacco products,
- >30% of their turnover mining and/or selling coal,
- >5% of their turnover from offering gambling services,
- >5% of their turnover from producing alcoholic beverages.

Companies that commit serious violations of the principles of the UN Global Compact with no prospect of remedying them are also excluded. This means that, if there is no improvement in the circumstances leading to the serious violation, a disinvestment should generally take place. Furthermore, state issuers that are considered "not free" according to the Freedom House Index are excluded.

The exclusion list is continuously assessed and updated monthly based on internal and external ESG research data. Compliance with the exclusion criteria is monitored both before an investment is made and on an ongoing basis while the investment is held.

In order to measure potential severe negative environmental/social impacts of portfolio companies' activities, Flossbach von Storch takes into account the so-called "principal adverse impacts" (PAIs) pursuant to Article 7 (1) (a) of Regulation (EU) 2019/2088 (Disclosure Regulation) as part of the investment process.

Flossbach von Storch – Foundation Defensive has a particular focus on the following PAI indicators: Greenhouse gas emissions (Scope 1 and 2), greenhouse gas emission intensity as well as carbon footprint based on Scope 1 and 2, as well as the consumption of non-renewable energies. In addition, attention is paid to violations of the principles of the UN Global Compact, violations of the OECD Guidelines for Multinational Enterprises and the processes in place to comply with the two guidelines. The indicators are prioritised according to relevance, severity of negative impacts, and data availability. The evaluation is not based on rigid bandwidths or thresholds that companies must meet or achieve; rather, the focus is on whether there is a positive development in how they are managing the indicators or if they are working towards this where possible and necessary. More detailed information is provided below in the section on taking principal adverse impacts into account.

Due to the insufficient quality and coverage of the data, so-called Scope 3 emissions and energy production of non-renewable energies are not taken into account within the framework of greenhouse gas emissions. The fund manager will continuously monitor data coverage and, if deemed feasible, include it in its investment and engagement process.

- What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?

  Not applicable. Flossbach von Storch – Foundation Defensive promotes E/S characteristics but does not make sustainable investments.

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

  Not applicable. Flossbach von Storch – Foundation Defensive promotes E/S characteristics but does not make sustainable investments.

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

    Not applicable.

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

    Not applicable.

The EU Taxonomy sets out a "do no significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

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

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

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

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

☒ Yes

Flossbach von Storch – Foundation Defensive considers the principal adverse impacts of the investment decision on sustainability factors (PAIs or PAI indicators) in accordance with Art. 7 (1) (a) Regulation (EU) 2019/2088 (Disclosure Regulation), as well as an additional climate-related indicator and two additional social indicators of the Disclosure Regulation in its in-house investment process.

As part of this process, best efforts will be made to determine and document the information on the evaluation and prioritisation of the principal adverse impacts on sustainability factors. The identification, prioritisation and evaluation of the principal adverse impacts is carried out as part of the in-house analysis process using specific ESG analyses, which are prepared individually for invested issuers/guarantors and are taken into account in the risk/reward profile of the company analyses. The PAI indicators are prioritised according to relevance, severity of negative impacts, and data availability. The evaluation is not based on rigid bandwidths or thresholds that companies must meet or achieve; rather, the focus is on whether there is a positive development in how they are managing the PAI indicators.

The consideration of PAIs also serves to achieve the environmental and social characteristics promoted by Flossbach von Storch – Foundation Defensive:
As part of the participation policy, efforts are made to reduce particularly negative impacts for, among others, the indicators of greenhouse gas emissions Scope 1 & 2, as well as serious violations of the UN Global Compact Principles and OECD Guidelines for Multinational Enterprises. This means that, If one of the portfolio companies does not adequately manage the indicators identified as particularly negative, this is addressed with the company and an attempt is made to work towards a positive development over an appropriate period of time. If management does not take the necessary steps for improvement to a sufficient extent during this time, the fund management will use its voting rights in this regard, or reduce or sell the investment. In addition, exclusions such as producing and/or selling controversial weapons and mining and/or selling coal may contribute to a reduction or avoidance of individual adverse sustainability impacts.

Due to the insufficient quality and coverage of the data, so-called Scope 3 emissions and energy production of non-renewable energies are not taken into account within the framework of greenhouse gas emissions. The fund manager will continuously monitor data coverage and, if deemed feasible, include it in its investment and engagement process.

☐ No

What investment strategy does this financial product follow?

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

The general investment policy and investment strategy of Flossbach von Storch – Foundation Defensive is defined in Annex 8a and is based on the generally applicable sustainability approach of ESG integration, participation and voting of the Flossbach von Storch Group, as well as exclusion criteria and consideration of the principal adverse impacts of the investment decision on sustainability factors (as described above).

Flossbach von Storch integrates sustainability factors comprehensively into its multi-stage investment process. Sustainability factors include aspects related to environmental, social and employee matters, respect for human rights, and anti-corruption and anti-bribery matters, such as PAI indicators and other ESG controversies.

As part of a specific ESG analysis, sustainability factors are reviewed for their potential opportunities and risks, and an assessment is made to the best of our knowledge and belief as to whether or not a company stands out negatively in terms of its environmental and social activities and how it manages them. Each of the factors is considered from the perspective of a long-term investor to ensure that none of these aspects have a negative impact on the long-term success of an investment.

The findings of the ESG analysis are taken into account in the risk/reward profile of the company analyses. Only if there are no serious sustainability conflicts that jeopardise the future potential of a company or issuer is an investment idea entered in the focus list (for equities) or guarantor list (for bonds), thus becoming a potential investment. The portfolio managers can only invest in securities that are on the internal focus or guarantor list. This principle ensures that invested securities have passed the in-house analysis process and comply with the common understanding of quality.

In connection with active participation as a shareholder, Flossbach von Storch follows a fixed participation policy and guidelines for exercising voting rights. The developments of the portfolio investments are monitored and analysed in this context. If one of the portfolio companies does not adequately manage the sustainability factors identified as particularly negative, which can have a long-term impact on business development, this is addressed directly with the company and an attempt is made to work towards a positive development. Flossbach von Storch sees itself as a constructive sparring partner (where possible) or as a corrective partner (where necessary) that makes appropriate suggestions and supports management in the implementation. If management does not take the necessary steps to create a sufficiently sustainable business model, the fund management will use its voting rights in this regard, or reduce or sell the investment.

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

In the area of environmental and social characteristics, the sub-fund only makes investments in companies that comply with the following exclusion criteria:

- Controversial weapons (turnover tolerance ≤ 0%)
- Producing and/or selling armaments (turnover tolerance ≤ 10%)
- Producing tobacco products (turnover tolerance ≤ 5%)
- Mining and/or selling coal (turnover tolerance ≤ 30%)
- Offering gambling services (turnover tolerance ≤ 5%)
- Producing alcoholic beverages (turnover tolerance ≤ 5%)
- No serious violations of the UN Global Compact

In addition, sovereign issuers with an insufficient score according to the Freedom House Index classification (classification "not free") are excluded.

The sub-fund shall ensure responsible management of the following PAI indicators: Greenhouse gas emissions (Scope 1 and 2), greenhouse gas emission intensity and carbon footprint based on Scope 1 and 2, as well as the consumption of non-renewable energies. In addition, attention is paid to violations of the principles of the UN Global Compact, violations of the OECD Guidelines for Multinational Enterprises and the processes in place to comply with the two guidelines.

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

Not applicable. The sub-fund does not commit to reducing the investment portfolio by a certain minimum rate.

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

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

Flossbach von Storch pays particular attention to corporate governance in its analysis process, as this is responsible for the sustainable development of the company. This also requires responsible management of environmental and social factors that contribute to the long-term success of the company.

Within the framework of the multi-stage analysis process, an in-house review is carried out and an attempt is made to ensure, to the best of our knowledge and belief, that investments are made in companies that demonstrate good governance practices. This includes addressing the following questions:

- Does management properly and sufficiently take into account environmental, social and economic conditions?
- Do the (employed) managers act responsibly and with a view to the future?

In addition, the guidelines on the exercise of voting rights define critical factors that can stand in the way of good governance and that must be taken into account in principle when attending general and shareholders' meetings.

What is the asset allocation planned for this financial product?

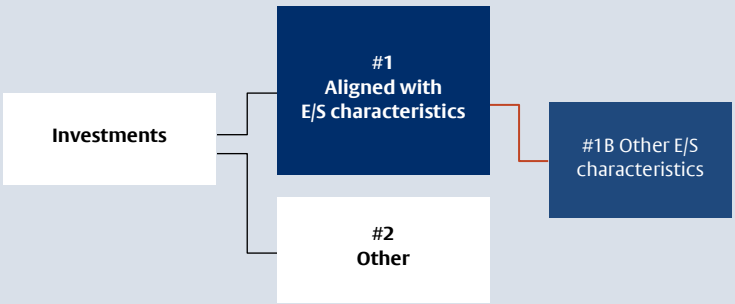
Asset allocation describes the share of investments in specific assets.

Depending on the market situation and appraisal by the fund management, the sub-fund generally has the possibility to invest in equities, bonds, money market instruments, certificates, derivatives, other structured products (e.g. reverse convertible bonds, warrant-linked bonds, convertible bonds), target funds, cash and fixed-term deposits. The certificates are for legally permitted underlying instruments, such as equities, bonds, investment fund units, financial indices and currencies. Details of the individual, product-specific limits can be found in the Investment Policy in Annex 8a.

The planned asset allocation is as follows.

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

#1 Aligned with E/S characteristics:
At least 51 per cent will be invested in transferable securities and money market instruments permitted under Article 41 (1a) of the Law of 17 December 2010 on Undertakings for Collective Investment and in accordance with the sub-fund's investment policy. These portfolio assets as well as derivatives for investment purposes and possible target fund investments are subject to ongoing screening with regard to the aforementioned exclusion criteria and PAI indicators.
#2 Other:
The remaining investment portion relates to liquid assets (esp. cash to service short-term payment obligations), derivatives (esp. forward exchange transactions for hedging purposes) and, for further diversification, indirect investments in precious metals, solely gold certificates. The options of investing indirectly in precious metals exclude physical deliveries.



#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2 Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category **#1 Aligned with E/S characteristics** covers:
- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

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

Derivatives are used to achieve the sub-fund's investment objectives, both for investment and hedging purposes. Where these are used for investment purposes, they take into account the environmental and social characteristics promoted by the sub-fund. This does not include derivatives on indices. Where these are used for hedging purposes, they are not used to achieve the environmental and social characteristics.

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

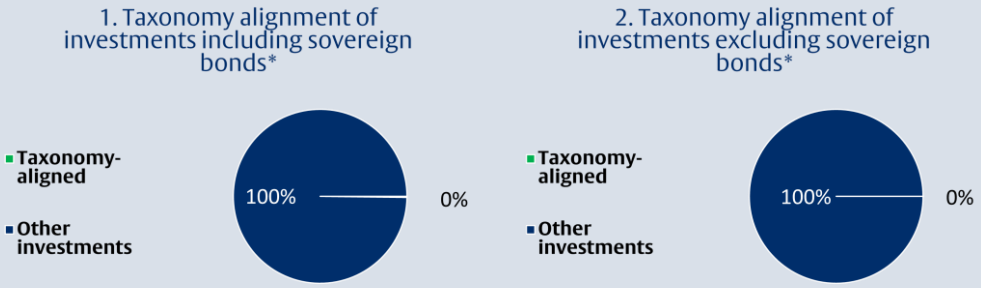
Transitional activities are activities for which low-carbon alternatives are not yet available and

To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

The investments underlying Flossbach von Storch – Foundation Defensive do not contribute to achieving an environmental objective pursuant to Article 9 of Regulation (EU) 2020/852 (EU Taxonomy). The minimum proportion of environmentally sustainable investments made in accordance with the EU Taxonomy is 0 per cent.
The main objective of the sub-fund is to contribute to the pursuit of the environmental and social characteristics. Therefore, this sub-fund does not currently commit to investing a minimum proportion of its total assets in environmentally sustainable economic activities as defined in Article 3 of the EU Taxonomy. This also concerns information on investments in economic activities classified as enabling or transitional activities under Article 16 or 10 (2) of the EU Taxonomy.

among others have greenhouse gas emission levels corresponding to the best performance.

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



* For the purpose of these graphs, "sovereign bonds" consist of all sovereign exposures.

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

Not applicable. Flossbach von Storch – Foundation Defensive promotes E/S characteristics but does not make sustainable investments.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

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

Not applicable. Flossbach von Storch – Foundation Defensive promotes E/S characteristics but does not make sustainable investments.

What is the minimum share of socially sustainable investments?

Not applicable. Flossbach von Storch – Foundation Defensive promotes E/S characteristics but does not make sustainable investments.

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

The following investments fall under "#2 Other":

Liquid assets are used primarily in the form of cash to service short-term payment obligations. No environmental or social minimum safeguards are defined here.

Derivatives used for hedging purposes and derivatives on indices used for investment purposes.

Indirect investments in precious metals, currently exclusively gold certificates, are used for further diversification. These are only sourced from partners who are committed to adhering to the London Bullion Market Association's (LBMA) Responsible Gold Guidance. This Guidance aims to prevent gold from contributing to systematic or widespread human rights abuses, conflict financing, money laundering or terrorist financing.

Investments in target funds are used for further diversification. When selecting target funds, the environmental and social characteristics promoted by this sub-fund will be considered.

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

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

Not applicable. Flossbach von Storch – Foundation Defensive promotes E/S characteristics but does not designate an index as a reference benchmark.

- How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?
  Not applicable.

- How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?
  Not applicable.

- How does the designated index differ from a relevant broad market index?
  Not applicable.

- Where can the methodology used for the calculation of the designated index be found?
  Not applicable.

Where can I find more product-specific information online?

More product-specific information can be found on the website:
https://www.fvsinvest.lu/esg-foundation/

ANNEX 9a

Flossbach von Storch – Foundation Growth

This sub-fund promotes environmental and social characteristics within the meaning of Article 8 of Regulation (EU) 2019/2088 (Disclosure Regulation).

Investment objectives

The objective of the investment policy of Flossbach von Storch – Foundation Growth ("sub-fund") is to achieve reasonable growth in the sub-fund currency while taking into consideration the risk involved for the investors and sustainability principles. The investment strategy is defined based on fundamental analyses of the global financial markets. The criteria used to select investments are value, the risk-return ratio and sustainability. The sub-fund is actively managed. The fund manager chooses, regularly reviews and, if necessary, adjusts the composition of the portfolio in accordance with the criteria specified in the investment policy. No index is used for comparison purposes.

The performance of the sub-fund's unit class is indicated in the relevant "Key Investor Information".

As a general rule, past results offer no guarantee of future performance. We cannot guarantee that the objectives of the investment policy will be achieved.

Investment policy

Subject to Article 4 of the management regulations, the following provisions shall apply to the sub-fund:

When making investment decisions for the sub-fund, the fund manager shall take into account the requirements of the sustainability policy of the Management Company and the criteria it contains, as specified in detail in the "Sustainability policy" section. Flossbach von Storch follows a holistic sustainability approach across the group: As a long-term investor, Flossbach von Storch attaches importance to companies dealing responsibly with their environmental and social footprint and actively counteracting negative impacts of their activities. To be able to recognise negative impacts at an early stage, the handling of investments with their ecological and social footprint is examined and evaluated. For this purpose, certain environmental and social characteristics are taken into account in the investment strategy and, where possible or necessary, positive development is worked towards. Specifically, this means: among other things, portfolio companies are checked for set climate targets and progress is monitored on the basis of certain sustainability indicators.

Furthermore, Flossbach von Storch applies group-wide exclusion criteria for social and environmental characteristics. These include the exclusion of investments in companies with certain business models. This includes, for example, controversial weapons.

A binding participation policy is also implemented to work towards positive development in the event of particularly severe negative impacts on certain sustainability factors in investments. This could be, but is not limited to, the topic area of greenhouse gas emissions and social issues/employment.

Depending on the market situation and appraisal by the fund management, it generally has the option to invest worldwide in equities, money market instruments, certificates, bonds of all kinds, including zero coupon bonds and variable interest securities, and other structured products (e.g. reverse convertible bonds, warrant-linked bonds, convertible bonds), target funds, derivatives, cash and fixed-term deposits that are listed on a stock exchange or traded on another regulated market that is recognised, takes place regularly, and is open to the public, provided the above-mentioned requirements are

satisfied. The certificates are for legally permitted underlying instruments, such as equities, bonds, investment fund units, financial indices and currencies. The equity quota is limited to a maximum of 75 per cent of net sub-fund assets.

In compliance with the "Additional investment restrictions" and in accordance with Art. 4 of the management regulations, more than 50 per cent of the sub-fund's net assets shall be continuously invested in equity participations.

The sub-fund may invest up to 20 per cent of its net assets indirectly in precious metals.

Such investments may be made via:

- Delta-1 certificates on precious metals (gold, silver, platinum)
- Listed closed-end funds on precious metals (gold, silver, platinum)

Delta-1 certificates are securities within the meaning of Article 2 of the Grand-Ducal Regulation of 08 February 2008.

In the interests of risk diversification, no more than 10 per cent of the sub-fund's net assets may be invested indirectly in one precious metal. The aforementioned options of investing indirectly in precious metals exclude physical deliveries.

In general, the investment in liquid assets is limited to 20 per cent of the sub-fund's net assets, but a breach of this requirement will be tolerated in the short term in the event of exceptionally unfavourable market conditions and if it is deemed appropriate while still safeguarding investor interests. In addition, the net assets of the sub-fund may, if deemed appropriate due to exceptionally unfavourable market conditions, deviate from the above-mentioned investment focus for a short period of time, provided that in this case, with the addition of liquid assets, the investment focus as a whole is complied with.

Units in UCITS or other UCI ("target funds") will be acquired only up to a maximum limit of 10 per cent of the sub-fund assets, making the sub-fund eligible as a target fund. The target funds that can be acquired for the sub-fund are limited to those that must also observe rules corresponding to those in the sustainability policy.

The use of derived financial instruments ("derivatives") is planned in order to achieve the aforementioned investment objectives, as well as for investment and hedging purposes. In addition to option rights, this includes, inter alia, swaps and futures contracts on securities, money market instruments, financial indices within the meaning of Article 9 (1) of Directive 2007/16/EC and Article XIII of ESMA Guidelines 2014/937, interest rates, exchange rates and currencies. Derivatives may be used only within the limits outlined in Article 4 of the management regulations. Further details on techniques and instruments can be found in the sales prospectus in the chapter titled "Information on derivatives and other techniques and instruments".

For this sub-fund, the Management Company will not conclude total return swaps or other derivatives with the same characteristics.

Information about the environmental and social characteristics promoted by the sub-fund and their implementation in the investment policy is set out in Annex 9b of the sales prospectus.

Risk profile of the sub-fund

Risk profile – growth-oriented (further details can be found in the sales prospectus in the chapter titled "Risk warnings", in the "Risk profiles" section)

Risk profile of the typical investor

Long-term (further details can be found in the sales prospectus in the chapter titled "Risk warnings", in the "Risk profiles" section)

Further information

	Unit class SI	**Unit class SR**	**Unit class R**	**Unit class RT**	**Unit class I**
ISIN	LU2243567224	LU2243567497	LU2243567570	LU2243567653	LU2243567810
Securities ID no. (WKN)	A2QFWT	A2QFWU	A2QFWK	A2QFWL	A2QFWN
Initial subscription period	10 November 2020 – 05 January 2021	10 November 2020 – 05 January 2021	10 November 2020 – 05 January 2021	10 November 2020 – 05 January 2021	10 November 2020 – 05 January 2021
Initial unit value (The initial issue price corresponds to the initial unit value plus the subscription fee)	EUR 100	EUR 100	EUR 100	EUR 100	EUR 100
Payment of the initial issue price	07 January 2021	07 January 2021	07 January 2021	07 January 2021	07 January 2021
Sub-fund currency	EUR				
Unit class currency	EUR				

	Unit class I	**Unit class IT**	**Unit class HT**
ISIN	LU2243567810	LU2243567901	LU2243568206
Securities ID no. (WKN)	A2QFWN	A2QFWP	A2QFWS
Initial subscription period	10 November 2020 – 05 January 2021	10 November 2020 – 05 January 2021	10 November 2020 – 05 January 2021
Initial unit value (The initial issue price corresponds to the initial unit value plus the subscription fee)	EUR 100	EUR 100	EUR 100
Payment of the initial issue price	07 January 2021	07 January 2021	07 January 2021
Sub-fund currency	EUR		
Unit class currency	EUR		

Further information on the unit classes can be found in Annex 1 to this sales prospectus, "Unit classes".

The sub-fund is established for an indefinite period of time.

Costs which can be reimbursed from the sub-fund assets

Detailed information on remuneration can be found in Annex 2 to the sales prospectus, "Statement of fees and costs".

Pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Product name:
Flossbach von Storch – Foundation Growth

Legal entity identifier:
529900EBWIPHJDYXF764

Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?

☐ Yes	☒ No
☐ It will make a minimum of **sustainable investments with an environmental objective:** __% ☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy ☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☐ It promotes **Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of **0 per cent** of sustainable investments ☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy ☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy ☐ with a social objective
☐ It will make a minimum of **sustainable investments with a social objective:** __%	☒ It promotes E/S characteristics, but **will not make any sustainable investments**.

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

Flossbach von Storch follows a holistic sustainability approach across the group: As a long-term investor, Flossbach von Storch attaches importance to portfolio companies managing their environmental and social footprint responsibly and actively counteracting negative impacts of their activities. To be able to recognise negative impacts at an early stage, the handling of investments with their ecological and social footprint is examined and evaluated. For this purpose, certain environmental and social characteristics are taken into account in the investment strategy and, where possible or necessary, positive development is worked towards. Specifically, this means: Portfolio companies are, for example, reviewed for set climate targets and progress is monitored on the basis of

certain sustainability indicators.
The following environmental and social characteristics are promoted as part of the investment strategy:

Flossbach von Storch – Foundation Growth implements exclusion criteria with social and environmental characteristics. This means, for example, excluding investments in companies with certain business models. This includes, for example, controversial weapons.

In addition, a participation policy is implemented as part of the investment strategy in order to be able to work towards a positive development in the event of particularly severe negative impacts on certain sustainability factors in investments. This could be, but is not limited to, the topic area of greenhouse gas emissions and social issues/employment.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?

In order to achieve the environmental and social characteristics promoted by Flossbach von Storch – Foundation Growth, the following sustainability indicators are considered.

The exclusions are applied based on turnover thresholds. Investments are excluded in companies that generate

- >0% of their turnover from controversial weapons,
- >10% of their turnover from producing and/or selling armaments,
- >5% of their turnover from producing tobacco products,
- >30% of their turnover from mining and/or selling coal
- >5% of their turnover from offering gambling services,
- >5% of their turnover from producing alcoholic beverages.

Companies that commit serious violations of the principles of the UN Global Compact with no prospect of remedying them are also excluded. This means that, if there is no improvement in the circumstances leading to the serious violation, a disinvestment should generally take place. Furthermore, state issuers that are considered “not free” according to the Freedom House Index are excluded.

The exclusion list is continuously assessed and updated monthly based on internal and external ESG research data. Compliance with the exclusion criteria is monitored both before an investment is made and on an ongoing basis while the investment is held.

In order to measure potential severe negative environmental/social impacts of portfolio companies’ activities, Flossbach von Storch takes into account the so-called “principal adverse impacts” (PAIs) pursuant to Article 7 (1) (a) of Regulation (EU) 2019/2088 (Disclosure Regulation) as part of the investment process.

Flossbach von Storch – Foundation Growth has a particular focus on the following PAI indicators: Greenhouse gas emissions (Scope 1 and 2), greenhouse gas emission intensity and carbon footprint based on Scope 1 and 2, as well as the consumption of non-renewable energies. In addition, attention is paid to violations of the principles of the UN Global Compact, violations of the OECD Guidelines for Multinational Enterprises and the processes in place to comply with the two guidelines. The indicators are prioritised according to relevance, severity of negative impacts, and data availability. The evaluation is not based on rigid bandwidths or thresholds that companies must meet or achieve; rather, the focus is on whether there is a positive development in how they are managing the indicators or if they are working towards this where possible and necessary. More detailed information is provided below in the section on taking principal adverse impacts into account.

Due to the insufficient quality and coverage of the data, so-called Scope 3 emissions and energy production of non-renewable energies are not taken into account within the framework of greenhouse gas emissions. The fund manager will continuously monitor data coverage and, if deemed feasible, include it in its investment and engagement process.

- What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?

  Not applicable. Flossbach von Storch – Foundation Growth promotes E/S characteristics but does not make sustainable investments.

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

  Not applicable. Flossbach von Storch – Foundation Growth promotes E/S characteristics but does not make sustainable investments.

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

    Not applicable

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

    Not applicable.

The EU Taxonomy sets out a "do no significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

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

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

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

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

☒ Yes

Flossbach von Storch – Foundation Growth considers the principal adverse impacts of the investment decision on sustainability factors (PAIs or PAI indicators) in accordance with Art. 7 (1) (a) Regulation (EU) 2019/2088 (Disclosure Regulation), as well as an additional climate-related indicator and two additional social indicators of the Disclosure Regulation in its in-house investment process.

As part of this process, best efforts will be made to determine and document the information on the evaluation and prioritisation of the principal adverse impacts on sustainability factors. The identification, prioritisation and evaluation of the principal adverse impacts is carried out as part of the in-house analysis process using specific ESG analyses, which are prepared individually for invested issuers/guarantors and are taken into account in the risk/reward profile of the company analyses. The PAI indicators are prioritised according to relevance, severity of negative impacts, and data availability. The evaluation is not based on rigid bandwidths or thresholds that companies must meet or achieve; rather, the focus is on

whether there is a positive development in how they are managing the PAI indicators.

The consideration of PAIs also serves to achieve the environmental and social characteristics promoted by Flossbach von Storch – Foundation Growth:
As part of the participation policy, efforts are made to reduce particularly negative impacts for, among others, the indicators of greenhouse gas emissions Scope 1 & 2, as well as serious violations of the UN Global Compact Principles and OECD Guidelines for Multinational Enterprises. This means that, If one of the portfolio companies does not adequately manage the indicators identified as particularly negative, this is addressed with the company and an attempt is made to work towards a positive development over an appropriate period of time. If management does not take the necessary steps for improvement to a sufficient extent during this time, the fund management will use its voting rights in this regard, or reduce or sell the investment. In addition, exclusions such as producing and/or selling controversial weapons and mining and/or selling coal may contribute to a reduction or avoidance of individual adverse sustainability impacts.

Due to the insufficient quality and coverage of the data, so-called Scope 3 emissions and energy production of non-renewable energies are not taken into account within the framework of greenhouse gas emissions. The fund manager will continuously monitor data coverage and, if deemed feasible, include it in its investment and engagement process.

☐ No

What investment strategy does this financial product follow?

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

The general investment policy and investment strategy of Flossbach von Storch – Foundation Growth is defined in Annex 9a and is based on the generally applicable sustainability approach of ESG integration, participation and voting of the Flossbach von Storch Group, as well as exclusion criteria and consideration of the principal adverse impacts of the investment decision on sustainability factors (as described above).

Flossbach von Storch integrates sustainability factors comprehensively into its multi-stage investment process. Sustainability factors include aspects related to environmental, social and employee matters, respect for human rights, and anti-corruption and anti-bribery matters, such as PAI indicators and other ESG controversies.

As part of a specific ESG analysis, sustainability factors are reviewed for their potential opportunities and risks, and an assessment is made to the best of our knowledge and belief as to whether or not a company stands out negatively in terms of its environmental and social activities and how it manages them. Each of the factors is considered from the perspective of a long-term investor to ensure that none of these aspects have a negative impact on the long-term success of an investment.

The findings of the ESG analysis are taken into account in the risk/reward profile of the company analyses. Only if there are no serious sustainability conflicts that jeopardise the future potential of a company or issuer is an investment idea entered in the focus list (for equities) or guarantor list (for bonds), thus becoming a potential investment. The fund managers can only invest in securities that are on the internal focus or guarantor list. This principle ensures that invested securities have passed the in-house analysis process and comply with the common understanding of quality.

In connection with active participation as a shareholder, Flossbach von Storch follows a fixed participation policy and guidelines for exercising voting rights. The developments of the portfolio investments are monitored and analysed in this context. If one of the portfolio companies does not adequately manage the sustainability factors identified as particularly negative, which can have a long-term impact on business development, this is addressed directly with the company and an attempt is made to work towards a positive development. Flossbach von Storch sees itself as a constructive sparring partner (where possible) or as a corrective partner (where necessary) that makes appropriate suggestions and supports management in the implementation. If management does not take the necessary steps to create a sufficiently sustainable business model, the fund management will use its voting rights in this regard, or reduce or sell the investment.

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

In the area of environmental and social characteristics, the sub-fund only makes investments in companies that comply with the following exclusion criteria:

- Controversial weapons (turnover tolerance ≤ 0%)
- Producing and/or selling armaments (turnover tolerance ≤ 10%)
- Producing tobacco products (turnover tolerance ≤ 5%)
- Mining and/or selling coal (turnover tolerance ≤ 30%)
- Offering gambling services (turnover tolerance ≤ 5%)
- Producing alcoholic beverages (turnover tolerance ≤ 5%)
- No serious violations of the UN Global Compact

In addition, sovereign issuers with an insufficient score according to the Freedom House Index classification (classification "not free") are excluded.

The sub-fund shall ensure responsible management of the following PAI indicators: Greenhouse gas emissions (Scope 1 and 2), greenhouse gas emission intensity and carbon footprint based on Scope 1 and 2, as well as the consumption of non-renewable energies. In addition, attention is paid to violations of the principles of the UN Global Compact, violations of the OECD Guidelines for Multinational Enterprises and the processes in place to comply with the two guidelines.

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

Not applicable. The sub-fund does not commit to reducing the investment portfolio by a certain minimum rate.

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

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

Flossbach von Storch pays particular attention to corporate governance in its analysis process, as this is responsible for the sustainable development of the company. This also requires responsible management of environmental and social factors that contribute to the long-term success of the company.

Within the framework of the multi-stage analysis process, an in-house review is carried out and an attempt is made to ensure, to the best of our knowledge and belief, that investments are made in companies that demonstrate good governance practices. This includes addressing the following questions:

- Does management properly and sufficiently take into account environmental, social and economic conditions?
- Do the (employed) managers act responsibly and with a view to the future?

In addition, the guidelines on the exercise of voting rights define critical factors that can stand in the way of good governance and that must be taken into account in principle when attending general and shareholders' meetings.

What is the asset allocation planned for this financial product?

Asset allocation describes the share of investments in specific assets.

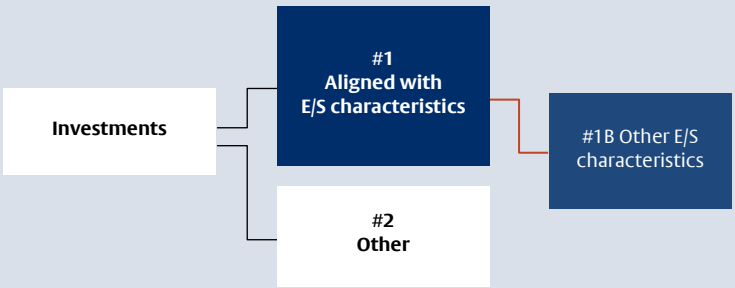
Depending on the market situation and appraisal by the fund management, the sub-fund generally has the possibility to invest in equities, bonds, money market instruments, certificates, derivatives, other structured products (e.g. reverse convertible bonds, warrant-linked bonds, convertible bonds), target funds, cash and fixed-term deposits. The certificates are for legally permitted underlying instruments, such as equities, bonds, investment fund units, financial indices and currencies. Details of the individual, product-specific limits can be found in the Investment Policy in Annex 9a.

Asset allocation describes the share of investments in specific assets.

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

The planned asset allocation is as follows.

#1 Aligned with E/S characteristics:
At least 51 per cent will be invested in transferable securities and money market instruments permitted under Article 41 (1a) of the Law of 17 December 2010 on Undertakings for Collective Investment and in accordance with the sub-fund's investment policy. These portfolio assets as well as derivatives for investment purposes and possible target fund investments are subject to ongoing screening with regard to the aforementioned exclusion criteria and PAI indicators.
#2 Other:
The remaining investment portion relates to liquid assets (esp. cash to service short-term payment obligations), derivatives (esp. forward exchange transactions for hedging purposes) and, for further diversification, indirect investments in precious metals, solely gold certificates. The options of investing indirectly in precious metals exclude physical deliveries.



#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2 Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category **#1 Aligned with E/S characteristics** covers:
- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

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

Derivatives are used to achieve the sub-fund's investment objectives, both for investment and hedging purposes. Where these are used for investment purposes, they take into account the environmental and social characteristics promoted by the sub-fund. This does not include derivatives on indices. Where these are used for hedging purposes, they are not used to achieve the environmental and social characteristics.

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

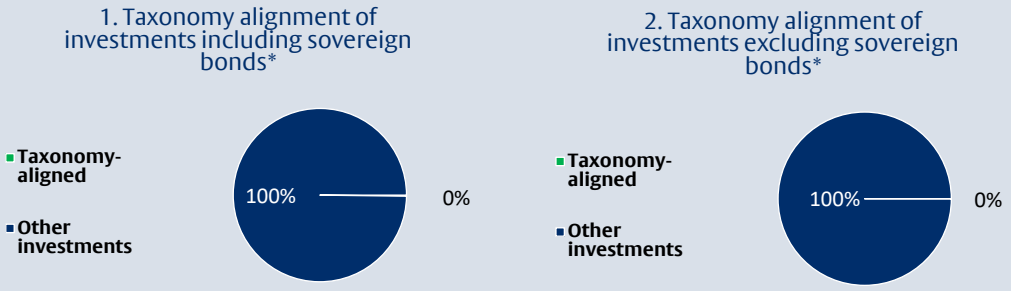
Transitional activities are activities for which low-carbon alternatives are not

To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

The investments underlying Flossbach von Storch – Foundation Growth do not contribute to achieving an environmental objective pursuant to Article 9 of Regulation (EU) 2020/852 (EU Taxonomy). The minimum proportion of environmentally sustainable investments made in accordance with the EU Taxonomy is 0 per cent.
The main objective of the sub-fund is to contribute to the pursuit of the environmental and social characteristics. Therefore, this sub-fund does not currently commit to investing a minimum proportion of its total assets in environmentally sustainable economic activities as defined in Article 3 of the EU Taxonomy. This also concerns information on investments in economic activities classified as enabling or transitional activities under Article 16 or 10 (2) of the EU Taxonomy.

yet available and among others have greenhouse gas emission levels corresponding to the best performance.

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



* For the purpose of these graphs, "sovereign bonds" consist of all sovereign exposures.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

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

Not applicable. Flossbach von Storch – Foundation Growth promotes E/S characteristics but does not make sustainable investments.

What is the minimum share of socially sustainable investments?

Not applicable. Flossbach von Storch – Foundation Growth promotes E/S characteristics but does not make sustainable investments.

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

The following investments fall under "#2 Other":

Liquid assets are used primarily in the form of cash to service short-term payment obligations. No environmental or social minimum safeguards are defined here.

Derivatives used for hedging purposes and derivatives on indices used for investment purposes.

Indirect investments in precious metals, currently exclusively gold certificates, are used for further diversification. These are only sourced from partners who are committed to adhering to the London Bullion Market Association's (LBMA) Responsible Gold Guidance. This Guidance aims to prevent gold from contributing to systematic or widespread human rights abuses, conflict financing, money laundering or terrorist financing.

Investments in target funds are used for further diversification. When selecting target funds,

the environmental and social characteristics promoted by this sub-fund will be considered.

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

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

Not applicable. Flossbach von Storch – Foundation Growth promotes E/S characteristics but does not designate an index as a reference benchmark.

- How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?
  Not applicable.
- How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?
  Not applicable.
- How does the designated index differ from a relevant broad market index?
  Not applicable.
- Where can the methodology used for the calculation of the designated index be found?
  Not applicable.

Where can I find more product-specific information online?

More product-specific information can be found on the website:
https://www.fvsinvest.lu/esg-foundation/

ANNEX 10a

Flossbach von Storch – Global Quality

This sub-fund promotes environmental and social characteristics within the meaning of Article 8 of Regulation (EU) 2019/2088 (Disclosure Regulation).

Investment objectives

The objective of the investment policy of Flossbach von Storch – Global Quality ("sub-fund") is to achieve reasonable growth while taking into consideration the risk involved for the investors.
The investment focus is on equities issued by companies that achieve reliable above-average growth, are highly profitable and stable and are led by entrepreneurial management teams.

Equities in companies may also be considered if they are expected to have extraordinary price potential based on specific criteria or situations. Such special situations may occur due to the performance of the market as a whole, an industry or an individual company. This also includes promising new issues. The sub-fund is actively managed. The fund manager chooses, regularly reviews and, if necessary, adjusts the composition of the portfolio exclusively in accordance with the criteria specified in the investment policy. The MSCI World Net Total Return Index is used as a reference for comparing the performance of the sub-fund. The fund manager is not bound to the index at any time when making investment decisions. The performance of the sub-fund can therefore deviate significantly from the benchmark.

The performance of the sub-fund's unit classes is indicated in the relevant "Key Investor Information".

As a general rule, past results offer no guarantee of future performance. We cannot guarantee that the objectives of the investment policy will be achieved.

Investment policy

Subject to Article 4 of the management regulations, the following provisions shall apply to the sub-fund:

When making investment decisions for the sub-fund, the fund manager shall take into account the requirements of the sustainability policy of the Management Company and the criteria it contains, as specified in detail in the "Sustainability policy" section. Flossbach von Storch follows a holistic sustainability approach across the group: As a long-term investor, Flossbach von Storch attaches importance to companies dealing responsibly with their environmental and social footprint and actively counteracting negative impacts of their activities. To be able to recognise negative impacts at an early stage, the handling of investments with their ecological and social footprint is examined and evaluated. For this purpose, certain environmental and social characteristics are taken into account in the investment strategy and, where possible or necessary, positive development is worked towards. Specifically, this means: among other things, portfolio companies are checked for set climate targets and progress is monitored on the basis of certain sustainability indicators.

Furthermore, Flossbach von Storch applies group-wide exclusion criteria for social and environmental characteristics. These include the exclusion of investments in companies with certain business models. This includes, for example, controversial weapons.

A binding participation policy is also implemented to work towards positive development in the event of particularly severe negative impacts on certain sustainability factors in investments. This could be, but is not limited to, the topic area of greenhouse gas emissions and social issues/employment.

The investment policy of Flossbach von Storch – Global Quality is aimed at achieving long-term above-average growth by investing in selected national and international equities. The sub-fund assets are invested in accordance with legally permissible limits and in accordance with the general investment principles and investment restrictions laid down in the enclosed management regulations as follows:

At least 51 per cent of the sub-fund assets are invested directly in equities and equity funds. In addition, the sub-fund may also invest in bonds, money market instruments, warrant-linked bonds, convertible bonds, target funds, derivatives and bank deposits. The sub-fund is an equity fund in accordance with Article 4 of the management regulations, "Additional investment restrictions".

There are no plans for a regional focus or limit. Securities can be purchased from all OECD countries. Investments in emerging countries are also permitted.

In general, the investment in liquid assets is limited to 20 per cent of the sub-fund's net assets, but a breach of this requirement will be tolerated in the short term in the event of exceptionally unfavourable market conditions and if it is deemed appropriate while still safeguarding investor interests. In addition, the net assets of the sub-fund may, if deemed appropriate due to exceptionally unfavourable market conditions, deviate from the above-mentioned investment focus for a short period of time, provided that in this case, with the addition of liquid assets, the investment focus as a whole is complied with.

Units in UCITS or other UCI ("target funds") will be acquired only up to a maximum limit of 10 per cent of the sub-fund assets, making the sub-fund eligible as a target fund. With respect to the target funds that can be acquired for the sub-fund, there are no restrictions on the permissible types of target funds that can be acquired.

The use of derived financial instruments ("derivatives") is planned in order to achieve the aforementioned investment objectives, as well as for investment and hedging purposes. Derivatives do not contribute towards the investment focus. In addition to option rights, this includes, inter alia, swaps and futures contracts on securities, money market instruments, financial indices within the meaning of Article 9 (1) of Directive 2007/16/EC and Article XIII of ESMA Guidelines 2014/937, interest rates, exchange rates, currencies and investment funds pursuant to Article 41 (1) (e) of the Law of 17 December 2010. Derivatives may be used only within the limits outlined in Article 4 of the management regulations. Further details on techniques and instruments can be found in the sales prospectus in the chapter titled "Investment policy" in the "Information on derivatives and other techniques and instruments" section.

For this sub-fund, the Management Company will not conclude total return swaps or other derivatives with the same characteristics.

Information about the environmental and social characteristics promoted by the sub-fund and their implementation in the investment policy is set out in Annex 10b of the sales prospectus.

Risk profile of the sub-fund

Growth-oriented (further details can be found in the sales prospectus in the chapter titled "Risk warnings", in the "Risk profiles" section)

Risk profile of the typical investor

Long-term (further details can be found in the sales prospectus in the chapter titled "Risk warnings", in the "Risk profiles" section)

Further information

	Unit class H	Unit class I	Unit class R	Unit class MT	Unit class IT	Unit class ET
ISIN	LU0097333701	LU0320532970	LU0366178969	LU1618024175	LU2423020796	LU2423020879
Securities ID no. (WKN)	989975	A0M1D3	A0Q2PT	A2DR5Z	A3C9HA	A3C9HB
Initial subscription period	-	-	-	-	18 January 2022	18 January 2022
Initial unit value (The initial issue price corresponds to the initial unit value plus the subscription fee)	EUR 100	EUR 140.28	EUR 100	EUR 100	EUR 100	EUR 100
Payment of the initial issue price	19 May 1999	12 October 2007	05 August 2008	20 June 2018	20 January 2022	20 January 2022
Sub-fund currency	EUR					
Unit class currency	EUR					

	Unit class VI	Unit class MT2	Unit class CHFI
ISIN	LU2528596328	LU2571806897	LU2571806624
Securities ID no. (WKN)	A3DTR1	A3D4BR	A3D4BX
Initial subscription period	01 December 2022 – 05 December 2022	13 February 2023	13 February 2023
Initial unit value (The initial issue price corresponds to the initial unit value plus the subscription fee)	EUR 100	EUR 100.-	CHF 100.-
Payment of the initial issue price	07 December 2022	15. Februar 2023	15. Februar 2023
Sub-fund currency	EUR		
Unit class currency	EUR		CHF

Further information on the unit classes can be found in Annex 1 to this sales prospectus, “Unit classes”.

The sub-fund is established for an indefinite period of time.

Costs which can be reimbursed from the sub-fund assets

Detailed information on remuneration can be found in Annex 2 to the sales prospectus, “Statement of fees and costs”.

Pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Product name:
Flossbach von Storch – Global Quality

Legal entity identifier:
529900AYL0OGX8UQNQ49

Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?

☐ Yes	☒ No
☐ It will make a minimum of **sustainable investments with an environmental objective:** __% ☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy ☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☐ It promotes **Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of **0 per cent** of sustainable investments ☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy ☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy ☐ with a social objective
☐ It will make a minimum of **sustainable investments with a social objective:** __%	☒ It promotes E/S characteristics, but **will not make any sustainable investments**.

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

Flossbach von Storch follows a holistic sustainability approach across the group: As a long-term investor, Flossbach von Storch attaches importance to portfolio companies managing their environmental and social footprint responsibly and actively counteracting negative impacts of their activities. To be able to recognise negative impacts at an early stage, the handling of investments with their ecological and social footprint is examined and evaluated. For this purpose, certain environmental and social characteristics are taken into account in the investment strategy and, where possible or necessary, positive development is worked towards. Specifically, this means: Portfolio companies are, for example, reviewed for set climate targets and progress is monitored on the basis of

certain sustainability indicators.
The following environmental and social characteristics are promoted as part of the investment strategy:

Flossbach von Storch – Global Quality implements exclusion criteria with social and environmental characteristics. This means, for example, excluding investments in companies with certain business models. This includes, for example, controversial weapons.

In addition, a participation policy is implemented as part of the investment strategy in order to be able to work towards a positive development in the event of particularly severe negative impacts on certain sustainability factors in investments. This could be, but is not limited to, the topic area of greenhouse gas emissions and social issues/employment.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?

In order to achieve the environmental and social characteristics promoted by Flossbach von Storch – Global Quality, the following sustainability indicators are considered.

The exclusions are applied based on turnover thresholds. Investments are excluded in companies that generate

- >0% of their turnover from controversial weapons,
- >10% of their turnover from producing and/or selling armaments,
- >5% of their turnover from producing tobacco products,
- >30% of their turnover from mining and/or selling coal.

Companies that commit serious violations of the principles of the UN Global Compact with no prospect of remedying them are also excluded. This means that, if there is no improvement in the circumstances leading to the serious violation, a disinvestment should generally take place. Furthermore, state issuers that are considered “not free” according to the Freedom House Index are excluded.

The exclusion list is continuously assessed and updated monthly based on internal and external ESG research data. Compliance with the exclusion criteria is monitored both before an investment is made and on an ongoing basis while the investment is held.

In order to measure potential severe negative environmental/social impacts of portfolio companies’ activities, Flossbach von Storch takes into account the so-called “principal adverse impacts” (PAIs) pursuant to Article 7 (1) (a) of Regulation (EU) 2019/2088 (Disclosure Regulation) as part of the investment process.

Flossbach von Storch – Global Quality has a particular focus on the following PAI indicators: Greenhouse gas emissions (Scope 1 and 2), greenhouse gas emission intensity and carbon footprint based on Scope 1 and 2, as well as the consumption of non-renewable energies. In addition, attention is paid to violations of the principles of the UN Global Compact, violations of the OECD Guidelines for Multinational Enterprises and the processes in place to comply with the two guidelines. The indicators are prioritised according to relevance, severity of negative impacts, and data availability. The evaluation is not based on rigid bandwidths or thresholds that companies must meet or achieve; rather, the focus is on whether there is a positive development in how they are managing the indicators or if they are working towards this where possible and necessary. More detailed information is provided below in the section on taking principal adverse impacts into account.
Due to the insufficient quality and coverage of the data, so-called Scope 3 emissions and energy production of non-renewable energies are not taken into account within the framework of greenhouse gas emissions. The fund manager will continuously monitor data coverage and, if deemed feasible, include it in its investment and engagement process.

- What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?

  Not applicable. Flossbach von Storch – Global Quality promotes E/S characteristics but does not make sustainable investments.

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

  Not applicable. Flossbach von Storch – Global Quality promotes E/S characteristics but does not make sustainable investments.

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

    Not applicable.

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

    Not applicable.

The EU Taxonomy sets out a "do no significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

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

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

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

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

☒ Yes

Flossbach von Storch – Global Quality considers the principal adverse impacts of the investment decision on sustainability factors (PAIs or PAI indicators) in accordance with Art. 7 (1) (a) Regulation (EU) 2019/2088 (Disclosure Regulation), as well as an additional climate-related indicator and two additional social indicators of the Disclosure Regulation in its in-house investment process.

As part of this process, best efforts will be made to determine and document the information on the evaluation and prioritisation of the principal adverse impacts on sustainability factors. The identification, prioritisation and evaluation of the principal adverse impacts is carried out as part of the in-house analysis process using specific ESG analyses, which are prepared individually for invested issuers/guarantors and are taken into account in the risk/reward profile of the company analyses. The PAI indicators are prioritised according to relevance, severity of negative impacts, and data availability. The evaluation is not based on rigid bandwidths or thresholds that companies must meet or achieve; rather, the focus is on whether there is a positive development in how they are managing the PAI indicators.
The consideration of PAIs also serves to achieve the environmental and social characteristics

promoted by Flossbach von Storch – Global Quality:
As part of the participation policy, efforts are made to reduce particularly negative impacts for, among others, the indicators of greenhouse gas emissions Scope 1 & 2, as well as serious violations of the UN Global Compact Principles and OECD Guidelines for Multinational Enterprises. This means that, If one of the portfolio companies does not adequately manage the indicators identified as particularly negative, this is addressed with the company and an attempt is made to work towards a positive development over an appropriate period of time. If management does not take the necessary steps for improvement to a sufficient extent during this time, the fund management will use its voting rights in this regard, or reduce or sell the investment. In addition, exclusions such as producing and/or selling controversial weapons and mining and/or selling coal may contribute to a reduction or avoidance of individual adverse sustainability impacts.
Due to the insufficient quality and coverage of the data, so-called Scope 3 emissions and energy production of non-renewable energies are not taken into account within the framework of greenhouse gas emissions. The fund manager will continuously monitor data coverage and, if deemed feasible, include it in its investment and engagement process.

☐ No

What investment strategy does this financial product follow?

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

The general investment policy and investment strategy of Flossbach von Storch – Global Quality is defined in Annex 10a and is based on the generally applicable sustainability approach of ESG integration, participation and voting of the Flossbach von Storch Group, as well as exclusion criteria and consideration of the principal adverse impacts of the investment decision on sustainability factors (as described above).

Flossbach von Storch integrates sustainability factors comprehensively into its multi-stage investment process. Sustainability factors include aspects related to environmental, social and employee matters, respect for human rights, and anti-corruption and anti-bribery matters, such as PAI indicators and other ESG controversies.

As part of a specific ESG analysis, sustainability factors are reviewed for their potential opportunities and risks, and an assessment is made to the best of our knowledge and belief as to whether or not a company stands out negatively in terms of its environmental and social activities and how it manages them. Each of the factors is considered from the perspective of a long-term investor to ensure that none of these aspects have a negative impact on the long-term success of an investment.

The findings of the ESG analysis are taken into account in the risk/reward profile of the company analyses. Only if there are no serious sustainability conflicts that jeopardise the future potential of a company or issuer is an investment idea entered in the focus list (for equities) or guarantor list (for bonds), thus becoming a potential investment. The fund managers can only invest in securities that are on the internal focus or guarantor list. This principle ensures that invested securities have passed the in-house analysis process and comply with the common understanding of quality.

In connection with active participation as a shareholder, Flossbach von Storch follows a fixed participation policy and guidelines for exercising voting rights. The developments of the portfolio investments are monitored and analysed in this context. If one of the portfolio companies does not adequately manage the sustainability factors identified as particularly negative, which can have a long-term impact on business development, this is addressed directly with the company and an attempt is made to work towards a positive development. Flossbach von Storch sees itself as a constructive sparring partner (where possible) or as a corrective partner (where necessary) that makes appropriate suggestions and supports management in the implementation. If management does not take the necessary steps to create a sufficiently sustainable business model, the fund management will use its voting rights in this regard, or reduce or sell the investment.

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

In the area of environmental and social characteristics, the sub-fund only makes investments in companies that comply with the following exclusion criteria:

- Controversial weapons (turnover tolerance ≤ 0%)
- Producing and/or selling armaments (turnover tolerance ≤ 10%)
- Producing tobacco products (turnover tolerance ≤ 5%)
- Mining and/or selling coal (turnover tolerance ≤ 30%)
- No serious violations of the UN Global Compact

In addition, sovereign issuers with an insufficient score according to the Freedom House Index classification (classification "not free") are excluded.

The sub-fund shall ensure responsible management of the following PAI indicators: Greenhouse gas emissions (Scope 1 and 2), greenhouse gas emission intensity and carbon footprint based on Scope 1 and 2, as well as the consumption of non-renewable energies. In addition, attention is paid to violations of the principles of the UN Global Compact, violations of the OECD Guidelines for Multinational Enterprises and the processes in place to comply with the two guidelines.

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

Not applicable. The sub-fund does not commit to reducing the investment portfolio by a certain minimum rate.

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

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

Flossbach von Storch pays particular attention to corporate governance in its analysis process, as this is responsible for the sustainable development of the company. This also requires responsible management of environmental and social factors that contribute to the long-term success of the company.

Within the framework of the multi-stage analysis process, an in-house review is carried out and an attempt is made to ensure, to the best of our knowledge and belief, that investments are made in companies that demonstrate good governance practices. This includes addressing the following questions:

- Does management properly and sufficiently take into account environmental, social and economic conditions?
- Do the (employed) managers act responsibly and with a view to the future?

In addition, the guidelines on the exercise of voting rights define critical factors that can stand in the way of good governance and that must be taken into account in principle when attending general and shareholders' meetings.

What is the asset allocation planned for this financial product?

Asset allocation describes the share of investments in specific assets.

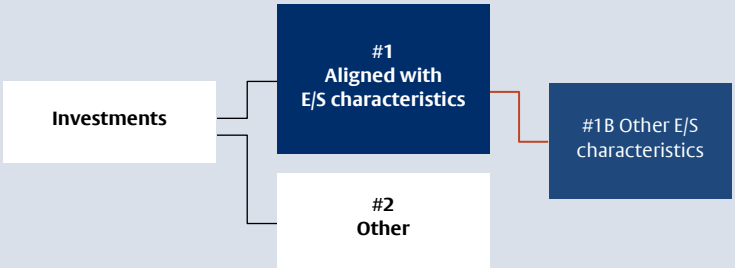
Taxonomy-aligned activities are

Depending on the market situation and appraisal by the fund management, the sub-fund generally has the possibility to invest in equities, bonds, money market instruments, warrant-linked bonds, convertible bonds, target funds, derivatives and bank deposits, whereby equities form the investment focus. Details of the individual, product-specific limits can be found in the Investment Policy in Annex 10a.

The planned asset allocation is as follows.

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

#1 Aligned with E/S characteristics:
At least 51 per cent will be invested in transferable securities and money market instruments permitted under Article 41 (1a) of the Law of 17 December 2010 on Undertakings for Collective Investment and in accordance with the sub-fund's investment policy. These portfolio assets as well as derivatives for investment purposes and possible target fund investments are subject to ongoing screening with regard to the aforementioned exclusion criteria and PAI indicators.
#2 Other:
The remaining investment portion relates to liquid assets (esp. cash to service short-term payment obligations) and derivatives (esp. forward exchange transactions for hedging purposes).



#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2 Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category **#1 Aligned with E/S characteristics** covers:
- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

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

Derivatives are used to achieve the sub-fund's investment objectives, both for investment and hedging purposes. Where these are used for investment purposes, they take into account the environmental and social characteristics promoted by the sub-fund. This does not include derivatives on indices. Where these are used for hedging purposes, they are not used to achieve the environmental and social characteristics.

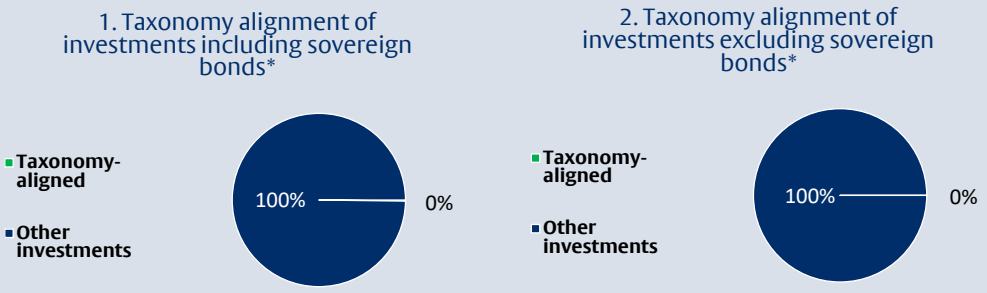
Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.
Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

The investments underlying Flossbach von Storch – Global Quality do not contribute to achieving an environmental objective pursuant to Article 9 of Regulation (EU) 2020/852 (EU Taxonomy). The minimum proportion of environmentally sustainable investments made in accordance with the EU Taxonomy is 0 per cent.

The main objective of the sub-fund is to contribute to the pursuit of the environmental and social characteristics. Therefore, this sub-fund does not currently commit to investing a minimum proportion of its total assets in environmentally sustainable economic activities as defined in Article 3 of the EU Taxonomy. This also concerns information on investments in economic activities classified as enabling or transitional activities under Article 16 or 10 (2) of the EU Taxonomy.

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



* For the purpose of these graphs, "sovereign bonds" consist of all sovereign exposures.

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

Not applicable. Flossbach von Storch – Global Quality promotes E/S characteristics but does not make sustainable investments.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

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

Not applicable. Flossbach von Storch – Global Quality promotes E/S characteristics but does not make sustainable investments.

What is the minimum share of socially sustainable investments?

Not applicable. Flossbach von Storch – Global Quality promotes E/S characteristics but does not make sustainable investments.

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

The following investments fall under "#2 Other":

Liquid assets are used primarily in the form of cash to service short-term payment obligations. No environmental or social minimum safeguards are defined here.
Derivatives used for hedging purposes and derivatives on indices used for investment purposes.

Investments in target funds are used for further diversification. When selecting target funds, the environmental and social characteristics promoted by this sub-fund will be considered.

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

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

Not applicable. Flossbach von Storch – Global Quality promotes E/S characteristics but does not designate an index as a reference benchmark.

- How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?
  Not applicable.

- How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?
  Not applicable.

- How does the designated index differ from a relevant broad market index?
  Not applicable.

- Where can the methodology used for the calculation of the designated index be found?
  Not applicable.

Where can I find more product-specific information online?

More product-specific information can be found on the website:
www.fvsinvest.lu/esg

ANNEX 11a

Flossbach von Storch – Dividend

This sub-fund promotes environmental and social characteristics within the meaning of Article 8 of Regulation (EU) 2019/2088 (Disclosure Regulation).

Investment objectives

The objective of the investment policy of Flossbach von Storch – Dividend ("sub-fund") is to pay a reasonable annual dividend and to achieve reasonable asset growth in line with the risk levels, taking into consideration the risk involved for the investors.

The investment focus is on equities issued by companies that are characterised not only by a strong barrier of entry (e.g. a strong brand, patents/licences, cost advantages, technological leadership) and an above-average ability to withstand crises, but that also have an attractive dividend profile in the form of reliable, high dividends with potential for future growth. This requires above-average profit growth with a moderate distribution rate and a sound financing structure.

Equities in companies are also considered if they are expected to have extraordinary price potential based on specific criteria or situations. Such special situations may occur due to the performance of the market as a whole, an industry or an individual company. The sub-fund is actively managed. The fund manager chooses, regularly reviews and, if necessary, adjusts the composition of the portfolio in accordance with the criteria specified in the investment policy. No index is used for comparison purposes.

The performance of the sub-fund's unit classes is indicated in the relevant "Key Investor Information".

As a general rule, past results offer no guarantee of future performance. We cannot guarantee that the objectives of the investment policy will be achieved.

Investment policy

Subject to Article 4 of the management regulations, the following provisions shall apply to the sub-fund:

When making investment decisions for the sub-fund, the fund manager shall take into account the requirements of the sustainability policy of the Management Company and the criteria it contains, as specified in detail in the "Sustainability policy" section. Flossbach von Storch follows a holistic sustainability approach across the group: As a long-term investor, Flossbach von Storch attaches importance to companies dealing responsibly with their environmental and social footprint and actively counteracting negative impacts of their activities. To be able to recognise negative impacts at an early stage, the handling of investments with their ecological and social footprint is examined and evaluated. For this purpose, certain environmental and social characteristics are taken into account in the investment strategy and, where possible or necessary, positive development is worked towards. Specifically, this means: among other things, portfolio companies are checked for set climate targets and progress is monitored on the basis of certain sustainability indicators.

Furthermore, Flossbach von Storch applies group-wide exclusion criteria for social and environmental characteristics. These include the exclusion of investments in companies with certain business models. This includes, for example, controversial weapons.

A binding participation policy is also implemented to work towards positive development in the event of particularly severe negative impacts on certain sustainability factors in investments. This could be, but is not limited to, the topic area of greenhouse gas emissions and social issues/employment.

The investment policy of Flossbach von Storch – Dividend is aimed at generating long-term above-average distributions and growth by investing in selected national and international equities. The sub-fund assets are invested in accordance with legally permissible limits and in accordance with the general investment principles and investment restrictions laid down in the enclosed management regulations as follows:

At least 75 per cent of the sub-fund's assets are invested directly in equities. The fund may additionally invest in equity certificates, equity index certificates, bonds, fixed-term deposits and target funds. The sub-fund is an equity fund in accordance with Article 4 of the management regulations, "Additional investment restrictions".

There are no plans for a regional focus or limit. Securities can be purchased from all OECD countries. Investments in emerging countries are also permitted.

In general, the investment in liquid assets is limited to 20 per cent of the sub-fund's net assets, but a breach of this requirement will be tolerated in the short term in the event of exceptionally unfavourable market conditions and if it is deemed appropriate while still safeguarding investor interests.In addition, the net assets of the sub-fund may, if deemed appropriate due to exceptionally unfavourable market conditions, deviate from the above-mentioned investment focus for a short period of time, provided that in this case, with the addition of liquid assets, the investment focus as a whole is complied with.

Units in UCITS or other UCI ("target funds") will be acquired only up to a maximum limit of 10 per cent of the sub-fund assets, making the sub-fund eligible as a target fund. With respect to the target funds that can be acquired for the sub-fund, there are no restrictions on the permissible types of target funds that can be acquired.

The use of derived financial instruments ("derivatives") is planned in order to achieve the aforementioned investment objectives, as well as for investment and hedging purposes. Derivatives do not contribute towards the investment focus. In addition to option rights, this includes, inter alia, swaps and futures contracts on securities, money market instruments, financial indices within the meaning of Article 9 (1) of Directive 2007/16/EC and Article XIII of ESMA Guidelines 2014/937, interest rates, exchange rates, currencies and investment funds pursuant to Article 41 (1) (e) of the Law of 17 December 2010. Derivatives may be used only within the limits outlined in Article 4 of the management regulations. Further details on techniques and instruments can be found in the sales prospectus in the chapter titled "Investment policy" in the "Information on derivatives and other techniques and instruments" section.

For this sub-fund, the Management Company will not conclude total return swaps or other derivatives with the same characteristics.

Information about the environmental and social characteristics promoted by the sub-fund and their implementation in the investment policy is set out in Annex 11b of the sales prospectus.

Risk profile of the sub-fund

Risk profile – growth-oriented (further details can be found in the sales prospectus in the chapter titled "Risk warnings", in the "Risk profiles" section)

Risk profile of the typical investor

Long-term (further details can be found in the sales prospectus in the chapter titled "Risk warnings", in the "Risk profiles" section)

Further information

	Unit class I	Unit class R	Unit class IT	Unit class ET	Unit class RT
ISIN	LU0831568646	LU0831568729	LU2312730000	LU2423020952	LU2473801830
Securities ID no. (WKN)	A1J4RG	A1J4RH	A2QQ1B	A3C9HC	A3DK5C
Initial subscription period	01 October 2012	01 October 2012	15 March 2021	18 January 2022	16 May 2022
Initial unit value (The initial issue price corresponds to the initial unit value plus the subscription fee)	EUR 100	EUR 100	EUR 100	EUR 100	EUR 100
Payment of the initial issue price	03 October 2012	03 October 2012	17 March 2021	20 January 2022	18 May 2022
Sub-fund currency	EUR				
Unit class currency	EUR				

	Unit class HT
ISIN	LU2528596161
Securities ID no. (WKN)	A3DTR0
Initial subscription period	20 September 2022
Initial unit value (The initial issue price corresponds to the initial unit value plus the subscription fee)	EUR 100
Payment of the initial issue price	22 September 2022
Sub-fund currency	EUR
Unit class currency	EUR

Further information on the unit classes can be found in Annex 1 to this sales prospectus, “Unit classes”.

The sub-fund is established for an indefinite period of time.

Costs which can be reimbursed from the sub-fund assets

Detailed information on remuneration can be found in Annex 2 to the sales prospectus, “Statement of fees and costs”.

Pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Product name:
Flossbach von Storch – Dividend

Legal entity identifier:
5299002K4EX1L20Z5698

Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?

☐ Yes	☒ No
☐ It will make a minimum of **sustainable investments with an environmental objective:** __%	☐ It promotes **Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of **0 per cent** of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☐ with a social objective
☐ It will make a minimum of **sustainable investments with a social objective:** __%	☒ It promotes E/S characteristics, but **will not make any sustainable investments**.

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

Flossbach von Storch follows a holistic sustainability approach across the group: As a long-term investor, Flossbach von Storch attaches importance to portfolio companies managing their environmental and social footprint responsibly and actively counteracting negative impacts of their activities. To be able to recognise negative impacts at an early stage, the handling of investments with their ecological and social footprint is examined and evaluated. For this purpose, certain environmental and social characteristics are taken into account in the investment strategy and, where possible or necessary, positive development is worked towards. Specifically, this means: Portfolio companies are, for example, reviewed for set climate targets and progress is monitored on the basis of

certain sustainability indicators.
The following environmental and social characteristics are promoted as part of the investment strategy:

Flossbach von Storch – Dividend implements exclusion criteria with social and environmental characteristics. This means, for example, excluding investments in companies with certain business models. This includes, for example, controversial weapons.

In addition, a participation policy is implemented as part of the investment strategy in order to be able to work towards a positive development in the event of particularly severe negative impacts on certain sustainability factors in investments. This could be, but is not limited to, the topic area of greenhouse gas emissions and social issues/employment.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?

In order to achieve the environmental and social characteristics promoted by Flossbach von Storch – Dividend, the following sustainability indicators are considered.

The exclusions are applied based on turnover thresholds. Investments are excluded in companies that generate

- >0% of their turnover from controversial weapons,
- >10% of their turnover from producing and/or selling armaments,
- >5% of their turnover from producing tobacco products,
- >30% of their turnover from mining and/or selling coal.

Companies that commit serious violations of the principles of the UN Global Compact with no prospect of remedying them are also excluded. This means that, if there is no improvement in the circumstances leading to the serious violation, a disinvestment should generally take place. Furthermore, state issuers that are considered “not free” according to the Freedom House Index are excluded.

The exclusion list is continuously assessed and updated monthly based on internal and external ESG research data. Compliance with the exclusion criteria is monitored both before an investment is made and on an ongoing basis while the investment is held.

In order to measure potential severe negative environmental/social impacts of portfolio companies’ activities, Flossbach von Storch takes into account the so-called “principal adverse impacts” (PAIs) pursuant to Article 7 (1) (a) of Regulation (EU) 2019/2088 (Disclosure Regulation) as part of the investment process.

Flossbach von Storch – Dividend has a particular focus on the following PAI indicators: Greenhouse gas emissions (Scope 1 and 2), greenhouse gas emission intensity and carbon footprint based on Scope 1 and 2, as well as the consumption of non-renewable energies. In addition, attention is paid to violations of the principles of the UN Global Compact, violations of the OECD Guidelines for Multinational Enterprises and the processes in place to comply with the two guidelines. The indicators are prioritised according to relevance, severity of negative impacts, and data availability. The evaluation is not based on rigid bandwidths or thresholds that companies must meet or achieve; rather, the focus is on whether there is a positive development in how they are managing the indicators or if they are working towards this where possible and necessary. More detailed information is provided below in the section on taking principal adverse impacts into account.
Due to the insufficient quality and coverage of the data, so-called Scope 3 emissions and energy production of non-renewable energies are not taken into account within the framework of greenhouse gas emissions. The fund manager will continuously monitor data coverage and, if deemed feasible, include it in its investment and engagement process.

- What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?

  Not applicable. Flossbach von Storch – Dividend promotes E/S characteristics but does not make sustainable investments.

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

  Not applicable. Flossbach von Storch – Dividend promotes E/S characteristics but does not make sustainable investments.

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

    Not applicable.

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

    Not applicable.

The EU Taxonomy sets out a "do no significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

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

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

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

☒ Yes

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

Flossbach von Storch – Dividend considers the principal adverse impacts of the investment decision on sustainability factors (PAIs or PAI indicators) in accordance with Art. 7 (1) (a) Regulation (EU) 2019/2088 (Disclosure Regulation), as well as an additional climate-related indicator and two additional social indicators of the Disclosure Regulation in the in-house investment process.

As part of this process, best efforts will be made to determine and document the information on the evaluation and prioritisation of the principal adverse impacts on sustainability factors. The identification, prioritisation and evaluation of the principal adverse impacts is carried out as part of the in-house analysis process using specific ESG analyses, which are prepared individually for invested issuers/guarantors and are taken into account in the risk/reward profile of the company analyses. The PAI indicators are prioritised according to relevance, severity of negative impacts, and data availability. The evaluation is not based on rigid bandwidths or thresholds that companies must meet or achieve; rather, the focus is on whether there is a positive development in how they are managing the PAI indicators.
The consideration of PAIs also serves to achieve the environmental and social characteristics

promoted by Flossbach von Storch – Dividend:
As part of the participation policy, efforts are made to reduce particularly negative impacts for, among others, the indicators of greenhouse gas emissions Scope 1 & 2, as well as serious violations of the UN Global Compact Principles and OECD Guidelines for Multinational Enterprises. This means that, If one of the portfolio companies does not adequately manage the indicators identified as particularly negative, this is addressed with the company and an attempt is made to work towards a positive development over an appropriate period of time. If management does not take the necessary steps for improvement to a sufficient extent during this time, the fund management will use its voting rights in this regard, or reduce or sell the investment. In addition, exclusions such as producing and/or selling controversial weapons and mining and/or selling coal may contribute to a reduction or avoidance of individual adverse sustainability impacts.

Due to the insufficient quality and coverage of the data, so-called Scope 3 emissions and energy production of non-renewable energies are not taken into account within the framework of greenhouse gas emissions. The fund manager will continuously monitor data coverage and, if deemed feasible, include it in its investment and engagement process.

☐ No

What investment strategy does this financial product follow?

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

The general investment policy and investment strategy of Flossbach von Storch – Dividend is defined in Annex 11a and is based on the generally applicable sustainability approach of ESG integration, participation and voting of the Flossbach von Storch Group, as well as exclusion criteria and consideration of the principal adverse impacts of the investment decision on sustainability factors (as described above).

Flossbach von Storch integrates sustainability factors comprehensively into its multi-stage investment process. Sustainability factors include aspects related to environmental, social and employee matters, respect for human rights, and anti-corruption and anti-bribery matters, such as PAI indicators and other ESG controversies.

As part of a specific ESG analysis, sustainability factors are reviewed for their potential opportunities and risks, and an assessment is made to the best of our knowledge and belief as to whether or not a company stands out negatively in terms of its environmental and social activities and how it manages them. Each of the factors is considered from the perspective of a long-term investor to ensure that none of these aspects have a negative impact on the long-term success of an investment.

The findings of the ESG analysis are taken into account in the risk/reward profile of the company analyses. Only if there are no serious sustainability conflicts that jeopardise the future potential of a company or issuer is an investment idea entered in the focus list (for equities) or guarantor list (for bonds), thus becoming a potential investment. The fund managers can only invest in securities that are on the internal focus or guarantor list. This principle ensures that invested securities have passed the in-house analysis process and comply with the common understanding of quality.

In connection with active participation as a shareholder, Flossbach von Storch follows a fixed participation policy and guidelines for exercising voting rights. The developments of the portfolio investments are monitored and analysed in this context. If one of the portfolio companies does not adequately manage the sustainability factors identified as particularly negative, which can have a long-term impact on business development, this is addressed directly with the company and an attempt is made to work towards a positive development. Flossbach von Storch sees itself as a constructive sparring partner (where possible) or as a corrective partner (where necessary) that makes appropriate suggestions and supports management in the implementation. If management does not take the necessary steps to create a sufficiently sustainable business model, the fund management will use its voting rights in this regard, or reduce or sell the investment.

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

In the area of environmental and social characteristics, the sub-fund only makes investments in companies that comply with the following exclusion criteria:

- Controversial weapons (turnover tolerance ≤ 0%)
- Producing and/or selling armaments (turnover tolerance ≤ 10%)
- Producing tobacco products (turnover tolerance ≤ 5%)
- Mining and/or selling coal (turnover tolerance ≤ 30%)
- No serious violations of the UN Global Compact

In addition, sovereign issuers with an insufficient score according to the Freedom House Index classification (classification "not free") are excluded.

The sub-fund shall ensure responsible management of the following PAI indicators: Greenhouse gas emissions (Scope 1 and 2), greenhouse gas emission intensity and carbon footprint based on Scope 1 and 2, as well as the consumption of non-renewable energies. In addition, attention is paid to violations of the principles of the UN Global Compact, violations of the OECD Guidelines for Multinational Enterprises and the processes in place to comply with the two guidelines.

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

Not applicable. The sub-fund does not commit to reducing the investment portfolio by a certain minimum rate.

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

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

Flossbach von Storch pays particular attention to corporate governance in its analysis process, as this is responsible for the sustainable development of the company. This also requires responsible management of environmental and social factors that contribute to the long-term success of the company.

Within the framework of the multi-stage analysis process, an in-house review is carried out and an attempt is made to ensure, to the best of our knowledge and belief, that investments are made in companies that demonstrate good governance practices. This includes addressing the following questions:

- Does management properly and sufficiently take into account environmental, social and economic conditions?
- Do the (employed) managers act responsibly and with a view to the future?

In addition, the guidelines on the exercise of voting rights define critical factors that can stand in the way of good governance and that must be taken into account in principle when attending general and shareholders' meetings.

What is the asset allocation planned for this financial product?

Asset allocation describes the share of investments in specific assets.

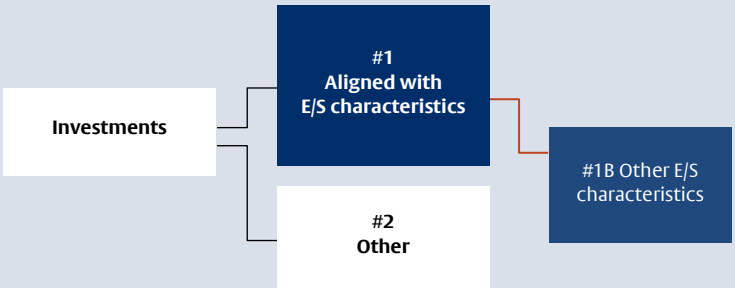
Taxonomy-aligned activities are

The investment focus is on equities. An investment may involve a mixture of bonds, money market instruments, share certificates and equity index certificates, target funds, derivatives, cash and fixed-term deposits. Details of the individual, product-specific limits can be found in the Investment Policy in Annex 11a.

The planned asset allocation is as follows.

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

#1 Aligned with E/S characteristics:
At least 51 per cent will be invested in transferable securities and money market instruments permitted under Article 41 (1a) of the Law of 17 December 2010 on Undertakings for Collective Investment and in accordance with the sub-fund's investment policy. These portfolio assets as well as derivatives for investment purposes and possible target fund investments are subject to ongoing screening with regard to the aforementioned exclusion criteria and PAI indicators.
#2 Other:
The remaining investment portion relates to liquid assets (esp. cash to service short-term payment obligations) and derivatives (esp. forward exchange transactions for hedging purposes).



#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2 Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category **#1 Aligned with E/S characteristics** covers:
- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

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

Derivatives are used to achieve the sub-fund's investment objectives, both for investment and hedging purposes. Where these are used for investment purposes, they take into account the environmental and social characteristics promoted by the sub-fund. This does not include derivatives on indices. Where these are used for hedging purposes, they are not used to achieve the environmental and social characteristics.

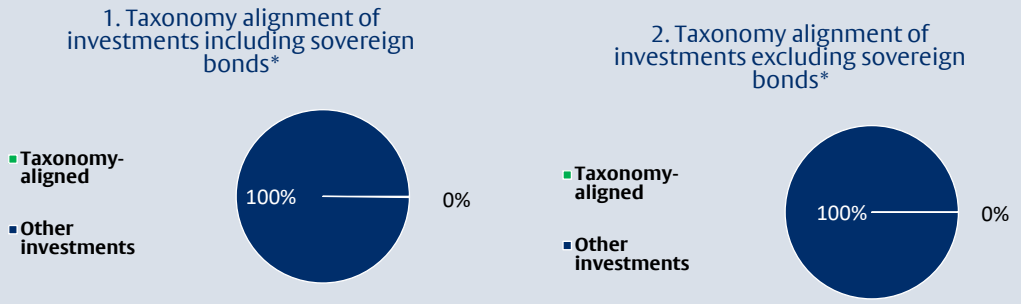
Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.
Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

The investments underlying Flossbach von Storch – Dividend do not contribute to achieving an environmental objective pursuant to Article 9 of Regulation (EU) 2020/852 (EU Taxonomy). The minimum proportion of environmentally sustainable investments made in accordance with the EU Taxonomy is 0 per cent.

The main objective of the sub-fund is to contribute to the pursuit of the environmental and social characteristics. Therefore, this sub-fund does not currently commit to investing a minimum proportion of its total assets in environmentally sustainable economic activities as defined in Article 3 of the EU Taxonomy. This also concerns information on investments in economic activities classified as enabling or transitional activities under Article 16 or 10 (2) of the EU Taxonomy.

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



* For the purpose of these graphs, "sovereign bonds" consist of all sovereign exposures.

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

Not applicable. Flossbach von Storch – Dividend promotes E/S characteristics but does not make sustainable investments.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

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

Not applicable. Flossbach von Storch – Dividend promotes E/S characteristics but does not make sustainable investments.

What is the minimum share of socially sustainable investments?

Not applicable. Flossbach von Storch – Dividend promotes E/S characteristics but does not make sustainable investments.

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

The following investments fall under "#2 Other":

Liquid assets are used primarily in the form of cash to service short-term payment obligations. No environmental or social minimum safeguards are defined here.
Derivatives used for hedging purposes and derivatives on indices used for investment purposes.

Investments in target funds are used for further diversification. When selecting target funds, the environmental and social characteristics promoted by this sub-fund will be considered.

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

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

Not applicable. Flossbach von Storch – Dividend promotes E/S characteristics but does not designate an index as a reference benchmark.

- How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?
  Not applicable.
- How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?
  Not applicable.
- How does the designated index differ from a relevant broad market index?
  Not applicable.
- Where can the methodology used for the calculation of the designated index be found?
  Not applicable.

Where can I find more product-specific information online?

More product-specific information can be found on the website:
www.fvsinvest.lu/esg

ANNEX 12a

Flossbach von Storch – Global Emerging Markets Equities

This sub-fund promotes environmental and social characteristics within the meaning of Article 8 of Regulation (EU) 2019/2088 (Disclosure Regulation).

Investment objectives

The objective of the investment policy of Flossbach von Storch – Global Emerging Markets Equities ("sub-fund") is to achieve long-term above-average growth in the sub-fund currency whilst taking investment risk into consideration.

The focus of these investments is on equities in companies outside of Western Europe, Japan and North America that achieve above-average growth, have qualified management, hold a dominant market position and demonstrate a solid financial structure.

Equities in companies are also considered if more than 50 per cent of their revenue is dependent on global developing countries and if they are expected to have extraordinary price potential based on specific criteria or situations. Such situations may occur due to the performance of the market as a whole, of an industry or of an individual company. This includes promising new issues. The level of risk in these markets is generally high, which is to be reduced by balanced diversification. The sub-fund is actively managed. The fund manager chooses, regularly reviews and, if necessary, adjusts the composition of the portfolio exclusively in accordance with the criteria specified in the investment policy. The MSCI Emerging Markets Daily Net Total Return Index is used as a reference for comparing the performance of the sub-fund. The fund manager is not bound to the index at any time when making investment decisions. The performance of the sub-fund can therefore deviate significantly from the benchmark.

The performance of the sub-fund's unit classes is indicated in the relevant "Key Investor Information".

As a general rule, past results offer no guarantee of future performance. We cannot guarantee that the objectives of the investment policy will be achieved.

Investment policy

Subject to Article 4 of the management regulations, the following provisions shall apply to the sub-fund:

When making investment decisions for the sub-fund, the fund manager shall take into account the requirements of the sustainability policy of the Management Company and the criteria it contains, as specified in detail in the "Sustainability policy" section. Flossbach von Storch follows a holistic sustainability approach across the group: As a long-term investor, Flossbach von Storch attaches importance to companies dealing responsibly with their environmental and social footprint and actively counteracting negative impacts of their activities. To be able to recognise negative impacts at an early stage, the handling of investments with their ecological and social footprint is examined and evaluated. For this purpose, certain environmental and social characteristics are taken into account in the investment strategy and, where possible or necessary, positive development is worked towards. Specifically, this means: among other things, portfolio companies are checked for set climate targets and progress is monitored on the basis of certain sustainability indicators.

Furthermore, Flossbach von Storch applies group-wide exclusion criteria for social and environmental characteristics. These include the exclusion of investments in companies with certain business models. This includes, for example, controversial weapons.

A binding participation policy is also implemented to work towards positive development in the event of particularly severe negative impacts on certain sustainability factors in investments. This could be, but is not limited to, the topic area of greenhouse gas emissions and social issues/employment.

The sub-fund directly invests predominantly in equities from issuers which have their registered office outside Western Europe, Japan or North America, or carry out most of their commercial activities outside of said regions, as well as in equity funds and equity certificates, provided their investment focus is also outside Western Europe, Japan or North America. When buying shares, the sub-fund has the option to use the Shanghai and Shenzhen Hong Kong Stock Connect ("SHSC") programme to purchase permitted Chinese A shares. Use of the SHSC programme provides an additional investment opportunity for the sub-fund. The sub-fund is an equity fund in accordance with Article 4 of the management regulations, "Additional investment restrictions".

In addition, the sub-fund may invest in other assets pursuant to Article 4 of the management regulations.

In general, the investment in liquid assets is limited to 20 per cent of the sub-fund's net assets, but a breach of this requirement will be tolerated in the short term in the event of exceptionally unfavourable market conditions and if it is deemed appropriate while still safeguarding investor interests. In addition, the net assets of the sub-fund may, if deemed appropriate due to exceptionally unfavourable market conditions, deviate from the above-mentioned investment focus for a short period of time, provided that in this case, with the addition of liquid assets, the investment focus as a whole is complied with.

Units in UCITS or other UCI ("target funds") may be acquired up to a maximum limit of 10 per cent, making the sub-fund eligible as a target fund. With respect to the target funds that can be acquired for the sub-fund, there are no restrictions on the permissible types of target funds that can be acquired.

The use of derived financial instruments ("derivatives") is planned in order to achieve the aforementioned investment objectives, as well as for investment and hedging purposes. Derivatives do not contribute towards the investment focus. In addition to option rights, this includes, inter alia, swaps and futures contracts on securities, money market instruments, financial indices within the meaning of Article 9 (1) of Directive 2007/16/EC and Article XIII of ESMA Guidelines 2014/937, interest rates, exchange rates, currencies and investment funds pursuant to Article 41 (1) (e) of the Law of 17 December 2010. Derivatives may be used only within the limits outlined in Article 4 of the management regulations. Further details on techniques and instruments can be found in the sales prospectus in the chapter titled "Investment policy" in the "Information on derivatives and other techniques and instruments" section.

For this sub-fund, the Management Company will not conclude total return swaps or other derivatives with the same characteristics.

Information about the environmental and social characteristics promoted by the sub-fund and their implementation in the investment policy is set out in Annex 12b of the sales prospectus.

Risk profile of the sub-fund

Risk profile – Speculative (further details can be found in the sales prospectus in the chapter titled "Risk warnings", in the "Risk profiles" section)

Risk profile of the typical investor

Long-term (further details can be found in the sales prospectus in the chapter titled "Risk warnings", in the "Risk profiles" section)

Further information

	Unit class I	Unit class R	Unit class IT	Unit class ET
ISIN	LU1012014905	LU1012015118	LU2312729846	LU2312729929
Securities ID no. (WKN)	A1XBPE	A1XBPF	A2QQ09	A2QQ1A
Initial subscription period	14 March 2014 – 28 March 2014	14 March 2014 – 28 March 2014	15 March 2021	15 March 2021
Initial unit value (The initial issue price corresponds to the initial unit value plus the subscription fee)	EUR 100	EUR 100	EUR 100	EUR 100
Payment of the initial issue price	01 April 2014	01 April 2014	17 March 2021	17 March 2021
Sub-fund currency	EUR			
Unit class currency	EUR			
Valuation	The market value of securities, money market instruments, derivative financial instruments (derivatives) and other assets which are denominated in a currency other than that of the relevant sub-fund shall be converted into the currency of the sub-fund at the exchange rate determined at 10:00 CET/CEST on the valuation day.			

Further information on the unit classes can be found in Annex 1 to this sales prospectus, “Unit classes”.

The sub-fund is established for an indefinite period of time.

Costs which can be reimbursed from the sub-fund assets

Detailed information on remuneration can be found in Annex 2 to the sales prospectus, “Statement of fees and costs”.

Pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Product name:
Flossbach von Storch – Global Emerging Markets Equities

Legal entity identifier:
52990030Y55O8JG3M264

Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?

☐ **Yes** ☒ **No**

☐ It will make a minimum of **sustainable investments with an environmental objective:** __%

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

☐ It will make a minimum of **sustainable investments with a social objective:** __%

☐ It promotes **Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of **0 per cent** of sustainable investments

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

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

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

Flossbach von Storch follows a holistic sustainability approach across the group: As a long-term investor, Flossbach von Storch attaches importance to portfolio companies managing their environmental and social footprint responsibly and actively counteracting negative impacts of their activities. To be able to recognise negative impacts at an early stage, the handling of investments with their ecological and social footprint is examined and evaluated. For this purpose, certain environmental and social characteristics are taken into account in the investment strategy and, where possible or necessary, positive development is worked towards. Specifically, this means: Portfolio companies are, for example, reviewed for set climate targets and progress is monitored on the basis of certain sustainability indicators.

The following environmental and social characteristics are promoted as part of the investment strategy:

Flossbach von Storch – Global Emerging Markets Equities implements exclusion criteria with social and environmental characteristics. This means, for example, excluding investments in companies with certain business models. This includes, for example, controversial weapons.

In addition, a participation policy is implemented as part of the investment strategy in order to be able to work towards a positive development in the event of particularly severe negative impacts on certain sustainability factors in investments. This could be, but is not limited to, the topic area of greenhouse gas emissions and social issues/employment.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?

In order to achieve the environmental and social characteristics promoted by Flossbach von Storch – Global Emerging Markets Equities, the following sustainability indicators are considered.

The exclusions are applied based on turnover thresholds. Investments are excluded in companies that generate

- >0% of their turnover from controversial weapons,
- >10% of their turnover from producing and/or selling armaments,
- >5% of their turnover from producing tobacco products,
- >30% of their turnover from mining and/or selling coal.

Companies that commit serious violations of the principles of the UN Global Compact with no prospect of remedying them are also excluded. This means that, if there is no improvement in the circumstances leading to the serious violation, a disinvestment should generally take place. Furthermore, state issuers that are considered "not free" according to the Freedom House Index are excluded.

The exclusion list is continuously assessed and updated monthly based on internal and external ESG research data. Compliance with the exclusion criteria is monitored both before an investment is made and on an ongoing basis while the investment is held.

In order to measure potential severe negative environmental/social impacts of portfolio companies' activities, Flossbach von Storch takes into account the so-called "principal adverse impacts" (PAIs) pursuant to Article 7 (1) (a) of Regulation (EU) 2019/2088 (Disclosure Regulation) as part of the investment process.

Flossbach von Storch – Global Emerging Markets Equities has a particular focus on the following PAI indicators: Greenhouse gas emissions (Scope 1 and 2), greenhouse gas emission intensity and carbon footprint based on Scope 1 and 2, as well as the consumption of non-renewable energies. In addition, attention is paid to violations of the principles of the UN Global Compact, violations of the OECD Guidelines for Multinational Enterprises and the processes in place to comply with the two guidelines. The indicators are prioritised according to relevance, severity of negative impacts, and data availability. The evaluation is not based on rigid bandwidths or thresholds that companies must meet or achieve; rather, the focus is on whether there is a positive development in how they are managing the indicators or if they are working towards this where possible and necessary. More detailed information is provided below in the section on taking principal adverse impacts into account.
Due to the insufficient quality and coverage of the data, so-called Scope 3 emissions and energy production of non-renewable energies are not taken into account within the framework of greenhouse gas emissions. The fund manager will continuously monitor data coverage and, if deemed feasible, include it in its investment and engagement process.

What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?

Not applicable. Flossbach von Storch – Global Emerging Markets Equities promotes E/S characteristics but does not make sustainable investments.

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

Not applicable. Flossbach von Storch – Global Emerging Markets Equities promotes E/S characteristics but does not make sustainable investments.

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

Not applicable.

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

Not applicable.

The EU Taxonomy sets out a "do no significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

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

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

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

☒ Yes

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

Flossbach von Storch – Global Emerging Markets Equities considers the principal adverse impacts of the investment decision on sustainability factors (PAIs or PAI indicators) in accordance with Art. 7 (1) (a) Regulation (EU) 2019/2088 (Disclosure Regulation), as well as an additional climate-related indicator and two additional social indicators of the Disclosure Regulation in its in-house investment process.

As part of this process, best efforts will be made to determine and document the information on the evaluation and prioritisation of the principal adverse impacts on sustainability factors. The identification, prioritisation and evaluation of the principal adverse impacts is carried out as part of the in-house analysis process using specific ESG analyses, which are prepared individually for invested issuers/guarantors and are taken into account in the risk/reward profile of the company analyses. The PAI indicators are prioritised according to relevance, severity of negative impacts, and data availability. The evaluation is not based on rigid bandwidths or thresholds that companies must meet or achieve; rather, the focus is on whether there is a positive development in how they are managing the PAI indicators.
The consideration of PAIs also serves to achieve the environmental and social characteristics promoted by Flossbach von Storch – Global Emerging Markets Equities:

As part of the participation policy, efforts are made to reduce particularly negative impacts for, among others, the indicators of greenhouse gas emissions Scope 1 & 2, as well as serious violations of the UN Global Compact Principles and OECD Guidelines for Multinational Enterprises. This means that, If one of the portfolio companies does not adequately manage the indicators identified as particularly negative, this is addressed with the company and an attempt is made to work towards a positive development over an appropriate period of time. If management does not take the necessary steps for improvement to a sufficient extent during this time, the fund management will use its voting rights in this regard, or reduce or sell the investment. In addition, exclusions such as producing and/or selling controversial weapons and mining and/or selling coal may contribute to a reduction or avoidance of individual adverse sustainability impacts.

Due to the insufficient quality and coverage of the data, so-called Scope 3 emissions and energy production of non-renewable energies are not taken into account within the framework of greenhouse gas emissions. The fund manager will continuously monitor data coverage and, if deemed feasible, include it in its investment and engagement process.

☐ No

What investment strategy does this financial product follow?

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

The general investment policy and investment strategy of Flossbach von Storch – Global Emerging Markets Equities is defined in Annex 12a and is based on the generally applicable sustainability approach of ESG integration, participation and voting of the Flossbach von Storch Group, as well as exclusion criteria and consideration of the principal adverse impacts of the investment decision on sustainability factors (as described above).

Flossbach von Storch integrates sustainability factors comprehensively into its multi-stage investment process. Sustainability factors include aspects related to environmental, social and employee matters, respect for human rights, and anti-corruption and anti-bribery matters, such as PAI indicators and other ESG controversies.

As part of a specific ESG analysis, sustainability factors are reviewed for their potential opportunities and risks, and an assessment is made to the best of our knowledge and belief as to whether or not a company stands out negatively in terms of its environmental and social activities and how it manages them. Each of the factors is considered from the perspective of a long-term investor to ensure that none of these aspects have a negative impact on the long-term success of an investment.

The findings of the ESG analysis are taken into account in the risk/reward profile of the company analyses. Only if there are no serious sustainability conflicts that jeopardise the future potential of a company or issuer is an investment idea entered in the focus list (for equities) or guarantor list (for bonds), thus becoming a potential investment. The fund managers can only invest in securities that are on the internal focus or guarantor list. This principle ensures that invested securities have passed the in-house analysis process and comply with the common understanding of quality.

In connection with active participation as a shareholder, Flossbach von Storch follows a fixed participation policy and guidelines for exercising voting rights. The developments of the portfolio investments are monitored and analysed in this context. If one of the portfolio companies does not adequately manage the sustainability factors identified as particularly negative, which can have a long-term impact on business development, this is addressed directly with the company and an attempt is made to work towards a positive development. Flossbach von Storch sees itself as a constructive sparring partner (where possible) or as a corrective partner (where necessary) that makes appropriate suggestions and supports management in the implementation. If management does not take the necessary steps to create a sufficiently sustainable business model, the fund management will use its voting rights in this regard, or reduce or sell the investment.

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

In the area of environmental and social characteristics, the sub-fund only makes investments in companies that comply with the following exclusion criteria:

- Controversial weapons (turnover tolerance ≤ 0%)
- Producing and/or selling armaments (turnover tolerance ≤ 10%)
- Producing tobacco products (turnover tolerance ≤ 5%)
- Mining and/or selling coal (turnover tolerance ≤ 30%)
- No serious violations of the UN Global Compact

In addition, sovereign issuers with an insufficient score according to the Freedom House Index classification (classification "not free") are excluded.

The sub-fund shall ensure responsible management of the following PAI indicators: Greenhouse gas emissions (Scope 1 and 2), greenhouse gas emission intensity and carbon footprint based on Scope 1 and 2, as well as the consumption of non-renewable energies. In addition, attention is paid to violations of the principles of the UN Global Compact, violations of the OECD Guidelines for Multinational Enterprises and the processes in place to comply with the two guidelines.

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

Not applicable. The sub-fund does not commit to reducing the investment portfolio by a certain minimum rate.

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

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

Flossbach von Storch pays particular attention to corporate governance in its analysis process, as this is responsible for the sustainable development of the company. This also requires responsible management of environmental and social factors that contribute to the long-term success of the company.

Within the framework of the multi-stage analysis process, an in-house review is carried out and an attempt is made to ensure, to the best of our knowledge and belief, that investments are made in companies that demonstrate good governance practices. This includes addressing the following questions:

- Does management properly and sufficiently take into account environmental, social and economic conditions?
- Do the (employed) managers act responsibly and with a view to the future?

In addition, the guidelines on the exercise of voting rights define critical factors that can stand in the way of good governance and that must be taken into account in principle when attending general and shareholders' meetings.

What is the asset allocation planned for this financial product?

Asset allocation describes the share of investments in specific assets.

Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflecting the share of revenue

Depending on the market situation and appraisal by the fund management, the sub-fund generally has the possibility to invest in equities, bonds, money market instruments, share certificates, target funds, derivatives and cash, Details of the individual, product-specific limits can be found in the Investment Policy in Annex 12a.

The planned asset allocation is as follows.

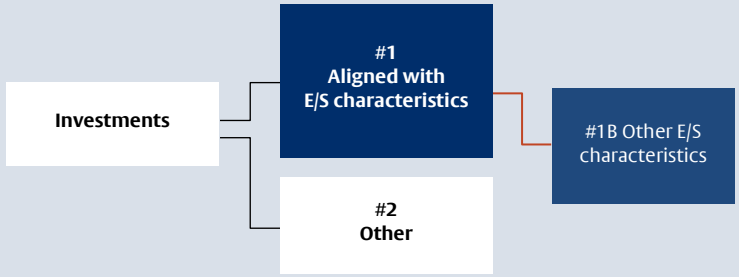
#1 Aligned with E/S characteristics:
At least 51 per cent will be invested in transferable securities and money market instruments permitted under Article 41 (1a) of the Law of 17 December 2010 on Undertakings for Collective Investment and in accordance with the sub-fund's investment policy. These portfolio assets as well as derivatives for investment purposes and possible target fund investments are subject to ongoing

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

screening with regard to the aforementioned exclusion criteria and PAI indicators.

#2 Other:

The remaining investment portion relates to liquid assets (esp. cash to service short-term payment obligations) and derivatives (esp. forward exchange transactions for hedging purposes).



#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2 Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category **#1 Aligned with E/S characteristics** covers:

- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

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

Derivatives are used to achieve the sub-fund's investment objectives, both for investment and hedging purposes. Where these are used for investment purposes, they take into account the environmental and social characteristics promoted by the sub-fund. This does not include derivatives on indices. Where these are used for hedging purposes, they are not used to achieve the environmental and social characteristics.

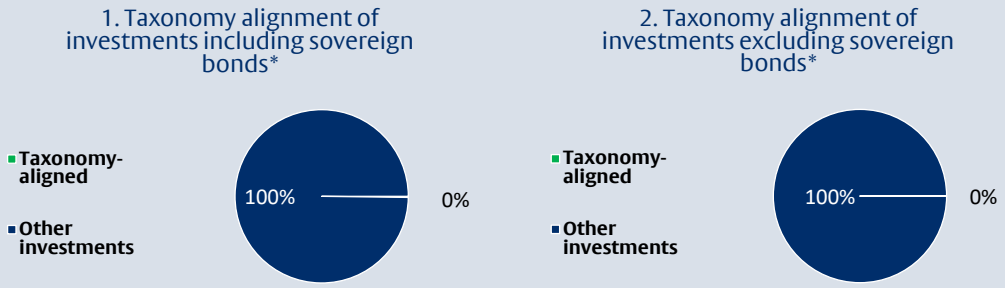
Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.
Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

The investments underlying Flossbach von Storch – Global Emerging Markets Equities do not contribute to achieving an environmental objective pursuant to Article 9 of Regulation (EU) 2020/852 (EU Taxonomy). The minimum proportion of environmentally sustainable investments made in accordance with the EU Taxonomy is 0 per cent.

The main objective of the sub-fund is to contribute to the pursuit of the environmental and social characteristics. Therefore, this sub-fund does not currently commit to investing a minimum proportion of its total assets in environmentally sustainable economic activities as defined in Article 3 of the EU Taxonomy. This also concerns information on investments in economic activities classified as enabling or transitional activities under Article 16 or 10 (2) of the EU Taxonomy.

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



* For the purpose of these graphs, "sovereign bonds" consist of all sovereign exposures.

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

Not applicable. Flossbach von Storch – Global Emerging Markets Equities promotes E/S characteristics but does not make sustainable investments.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

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

Not applicable. Flossbach von Storch – Global Emerging Markets Equities promotes E/S characteristics but does not make sustainable investments.

What is the minimum share of socially sustainable investments?

Not applicable. Flossbach von Storch – Global Emerging Markets Equities promotes E/S characteristics but does not make sustainable investments.

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

The following investments fall under "#2 Other":

Liquid assets are used primarily in the form of cash to service short-term payment obligations. No environmental or social minimum safeguards are defined here.

Derivatives used for hedging purposes and derivatives on indices used for investment purposes.

Investments in target funds are used for further diversification. When selecting target funds, the environmental and social characteristics promoted by this sub-fund will be considered.

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

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

Not applicable. Flossbach von Storch – Global Emerging Markets Equities promotes E/S characteristics but does not designate an index as a reference benchmark.

- How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?
  Not applicable.
- How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?
  Not applicable.
- How does the designated index differ from a relevant broad market index?
  Not applicable.
- Where can the methodology used for the calculation of the designated index be found?
  Not applicable.

Where can I find more product-specific information online?

More product-specific information can be found on the website:
www.fvsinvest.lu/esg

ANNEX 13a

Flossbach von Storch – Global Convertible Bond

This sub-fund promotes environmental and social characteristics within the meaning of Article 8 of Regulation (EU) 2019/2088 (Disclosure Regulation).

Investment objectives

The objective of the investment policy of Flossbach von Storch – Global Convertible Bond ("sub-fund") is to achieve reasonable growth while taking into consideration the risk involved for the investors. The sub-fund is actively managed. The fund manager chooses, regularly reviews and, if necessary, adjusts the composition of the portfolio exclusively in accordance with the criteria specified in the investment policy. The Refinitiv Global Focus Hedged CB (EUR) Index is used as a reference for comparing the performance of the sub-fund. For unit class currencies other than the euro, the index in the same currency is used. The fund manager is not bound to the index at any time when making investment decisions. The performance of the sub-fund can therefore deviate significantly from the benchmark.

The performance of the sub-fund's unit classes is indicated in the relevant "Key Investor Information".

As a general rule, past results offer no guarantee of future performance. We cannot guarantee that the objectives of the investment policy will be achieved.

Investment policy

Subject to Article 4 of the management regulations, the following provisions shall apply to the sub-fund:

When making investment decisions for the sub-fund, the fund manager shall take into account the requirements of the sustainability policy of the Management Company and the criteria it contains, as specified in detail in the "Sustainability policy" section. Flossbach von Storch follows a holistic sustainability approach across the group: As a long-term investor, Flossbach von Storch attaches importance to companies dealing responsibly with their environmental and social footprint and actively counteracting negative impacts of their activities. To be able to recognise negative impacts at an early stage, the handling of investments with their ecological and social footprint is examined and evaluated. For this purpose, certain environmental and social characteristics are taken into account in the investment strategy and, where possible or necessary, positive development is worked towards. Specifically, this means: among other things, portfolio companies are checked for set climate targets and progress is monitored on the basis of certain sustainability indicators.

Furthermore, Flossbach von Storch applies group-wide exclusion criteria for social and environmental characteristics. These include the exclusion of investments in companies with certain business models. This includes, for example, controversial weapons.

A binding participation policy is also implemented to work towards positive development in the event of particularly severe negative impacts on certain sustainability factors in investments. This could be, but is not limited to, the topic area of greenhouse gas emissions and social issues/employment.

The investment policy of Flossbach von Storch – Global Convertible Bond is aimed at achieving an attractive investment result in the long term by investing predominantly in international convertible bonds and similar securities that offer a reduced risk compared to direct equity investments. In addition to interest income from bonds, the result should also be primarily determined by the profit potential from the option to convert bonds into equities. The sub-fund assets are therefore invested in accordance with legally permissible limits and in accordance with the investment principles and investment restrictions laid down in the management regulations as follows:

The investment focus is on convertible bonds and other structured products from companies that exhibit good income and price potential and solid financing. Convertible bonds are generally characterised by a fixed interest rate, a fixed term and a fixed repayment amount. This provides higher price stability compared to equities. In addition, the option to convert bonds into equities also offers the possibility to profit from their price potential.

An investment may involve a mixture of equities, bonds and certificates (with the exception of hedge fund certificates and hedge fund indices), target funds and fixed-term deposits.

Securities may be acquired worldwide, including from all OECD countries, with investments in emerging countries restricted to 49 per cent of the sub-fund's net assets. The fund may also use techniques and instruments based on securities within the limits prescribed by law and the management regulations. However, this should only be used to a limited extent and on a temporary basis and should not be the focus of the investment policy.

If convertible bonds are denominated in foreign currencies, exchange rate hedging may also be useful for exploiting the stock's potential without entering into any currency risk.

In general, the investment in liquid assets is limited to 20 per cent of the sub-fund's net assets, but a breach of this requirement will be tolerated in the short term in the event of exceptionally unfavourable market conditions and if it is deemed appropriate while still safeguarding investor interests. In addition, the net assets of the sub-fund may, if deemed appropriate due to exceptionally unfavourable market conditions, deviate from the above-mentioned investment focus for a short period of time, provided that in this case, with the addition of liquid assets, the investment focus as a whole is complied with.

Units in UCITS or other UCI ("target funds") will be acquired only up to a maximum limit of 10 per cent of the sub-fund assets, making the sub-fund eligible as a target fund. With respect to the target funds that can be acquired for the sub-fund, there are no restrictions on the permissible types of target funds that can be acquired.

The use of derived financial instruments ("derivatives") is planned in order to achieve the aforementioned investment objectives, as well as for investment and hedging purposes. In addition to option rights, this includes, inter alia, swaps and futures contracts on securities, money market instruments, financial indices within the meaning of Article 9 (1) of Directive 2007/16/EC and Article XIII of ESMA Guidelines 2014/937, interest rates, exchange rates, currencies and investment funds pursuant to Article 41 (1) (e) of the Law of 17 December 2010. Derivatives may be used only within the limits outlined in Article 4 of the management regulations. Further details on techniques and instruments can be found in the sales prospectus in the chapter titled "Investment policy" in the "Information on derivatives and other techniques and instruments" section.

For this sub-fund, the Management Company will not conclude total return swaps or other derivatives with the same characteristics.

Information about the environmental and social characteristics promoted by the sub-fund and their implementation in the investment policy is set out in Annex 13b of the sales prospectus.

Risk profile of the sub-fund

Risk profile – conservative, from 16 March 2023 Growth-oriented (further details can be found in the sales prospectus in the chapter titled "Risk warnings", in the "Risk profiles" section)

Risk profile of the typical investor

Medium-term, from 16 March 2023 Long-term (further details can be found in the sales prospectus in the chapter titled "Risk warnings", in the "Risk profiles" section)

Further information

	Unit class H	Unit class I	Unit class R	Unit class CHF-IT	Unit class IT
ISIN	LU0097335235	LU0320533861	LU0366179009	LU0952573565	LU1481584875
Securities ID no. (WKN)	989977	A0M1D4	A0Q2PU	A1W17Z	A2AQM9
Initial subscription period				16 September 2013 – 30 September 2013	13 October 2016 – 17 October 2016
Initial unit value (The initial issue price corresponds to the initial unit value plus the subscription fee)	EUR 100	EUR 128.26	EUR 100	CHF 100	EUR 100
Payment of the initial issue price	19 May 1999	12 October 2007	05 August 2008	02 October 2013	19 October 2016
Sub-fund currency	EUR				
Unit class currency	EUR			CHF	EUR

Further information on the unit classes can be found in Annex 1 to this sales prospectus, “Unit classes”.

The sub-fund is established for an indefinite period of time.

Costs which can be reimbursed from the sub-fund assets

Detailed information on remuneration can be found in Annex 2 to the sales prospectus, “Statement of fees and costs”.

Pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Product name:
Flossbach von Storch – Global Convertible Bond

Legal entity identifier:
529900BFUOQUNI5IMT82

Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?

☐ **Yes**	☒ **No**
☐ It will make a minimum of **sustainable investments with an environmental objective:** __% ☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy ☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☐ It promotes **Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of **0 per cent** of sustainable investments ☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy ☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy ☐ with a social objective
☐ It will make a minimum of **sustainable investments with a social objective:** __%	☒ It promotes E/S characteristics, but **will not make any sustainable investments**.

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

Flossbach von Storch follows a holistic sustainability approach across the group: As a long-term investor, Flossbach von Storch attaches importance to portfolio companies managing their environmental and social footprint responsibly and actively counteracting negative impacts of their activities. To be able to recognise negative impacts at an early stage, the handling of investments with their ecological and social footprint is examined and evaluated. For this purpose, certain environmental and social characteristics are taken into account in the investment strategy and, where possible or necessary, positive development is worked towards. Specifically, this means: Portfolio companies are, for example, reviewed for set climate targets and progress is monitored on the basis of

certain sustainability indicators.
The following environmental and social characteristics are promoted as part of the investment strategy:

Flossbach von Storch – Global Convertible Bond implements exclusion criteria with social and environmental characteristics. This means, for example, excluding investments in companies with certain business models. This includes, for example, controversial weapons.

In addition, a participation policy is implemented as part of the investment strategy in order to be able to work towards a positive development in the event of particularly severe negative impacts on certain sustainability factors in investments. This could be, but is not limited to, the topic area of greenhouse gas emissions and social issues/employment.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?

In order to achieve the environmental and social characteristics promoted by Flossbach von Storch – Global Convertible Bond, the following sustainability indicators are considered.

The exclusions are applied based on turnover thresholds. Investments are excluded in companies that generate

- >0% of their turnover from controversial weapons,
- >10% of their turnover from producing and/or selling armaments,
- >5% of their turnover from producing tobacco products,
- >30% of their turnover from mining and/or selling coal

Companies that commit serious violations of the principles of the UN Global Compact with no prospect of remedying them are also excluded. This means that, if there is no improvement in the circumstances leading to the serious violation, a disinvestment should generally take place. Furthermore, state issuers that are considered “not free” according to the Freedom House Index are excluded.

The exclusion list is continuously assessed and updated monthly based on internal and external ESG research data. Compliance with the exclusion criteria is monitored both before an investment is made and on an ongoing basis while the investment is held.

In order to measure potential severe negative environmental/social impacts of portfolio companies’ activities, Flossbach von Storch takes into account the so-called “principal adverse impacts” (PAIs) pursuant to Article 7 (1) (a) of Regulation (EU) 2019/2088 (Disclosure Regulation) as part of the investment process.

Flossbach von Storch – Global Convertible Bond has a particular focus on the following PAI indicators: Greenhouse gas emissions (Scope 1 and 2), greenhouse gas emission intensity and carbon footprint based on Scope 1 and 2, as well as the consumption of non-renewable energies. In addition, attention is paid to violations of the principles of the UN Global Compact, violations of the OECD Guidelines for Multinational Enterprises and the processes in place to comply with the two guidelines. The indicators are prioritised according to relevance, severity of negative impacts, and data availability. The evaluation is not based on rigid bandwidths or thresholds that companies must meet or achieve; rather, the focus is on whether there is a positive development in how they are managing the indicators or if they are working towards this where possible and necessary. More detailed information is provided below in the section on taking principal adverse impacts into account.
Due to the insufficient quality and coverage of the data, so-called Scope 3 emissions and energy production of non-renewable energies are not taken into account within the framework of greenhouse gas emissions. The fund manager will continuously monitor data coverage and, if deemed feasible, include it in its investment and engagement process.

- What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?

  Not applicable. Flossbach von Storch – Global Convertible Bond promotes E/S characteristics but does not make sustainable investments.

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

  Not applicable. Flossbach von Storch – Global Convertible Bond promotes E/S characteristics but does not make sustainable investments.

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

    Not applicable.

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

    Not applicable.

The EU Taxonomy sets out a "do no significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

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

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

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

☒ Yes

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

Flossbach von Storch – Global Convertible Bond considers the principal adverse impacts of the investment decision on sustainability factors (PAIs or PAI indicators) in accordance with Art. 7 (1) (a) Regulation (EU) 2019/2088 (Disclosure Regulation), as well as an additional climate-related indicator and two additional social indicators of the Disclosure Regulation in its in-house investment process.

As part of this process, best efforts will be made to determine and document the information on the evaluation and prioritisation of the principal adverse impacts on sustainability factors. The identification, prioritisation and evaluation of the principal adverse impacts is carried out as part of the in-house analysis process using specific ESG analyses, which are prepared individually for invested issuers/guarantors and are taken into account in the risk/reward profile of the company analyses. The PAI indicators are prioritised according to relevance, severity of negative impacts, and data availability. The evaluation is not based on rigid bandwidths or thresholds that companies must meet or achieve; rather, the focus is on whether there is a positive development in how they are managing the PAI indicators.
The consideration of PAIs also serves to achieve the environmental and social characteristics

promoted by Flossbach von Storch – Global Convertible Bond:
As part of the participation policy, efforts are made to reduce particularly negative impacts for, among others, the indicators of greenhouse gas emissions Scope 1 & 2, as well as serious violations of the UN Global Compact Principles and OECD Guidelines for Multinational Enterprises. This means that, If one of the portfolio companies does not adequately manage the indicators identified as particularly negative, this is addressed with the company and an attempt is made to work towards a positive development over an appropriate period of time. If management does not take the necessary steps for improvement to a sufficient extent during this time, the fund management will use its voting rights in this regard, or reduce or sell the investment. In addition, exclusions such as producing and/or selling controversial weapons and mining and/or selling coal may contribute to a reduction or avoidance of individual adverse sustainability impacts.

Due to the insufficient quality and coverage of the data, so-called Scope 3 emissions and energy production of non-renewable energies are not taken into account within the framework of greenhouse gas emissions. The fund manager will continuously monitor data coverage and, if deemed feasible, include it in its investment and engagement process.

☐ No

What investment strategy does this financial product follow?

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

The general investment policy and investment strategy of Flossbach von Storch – Global Convertible Bond is defined in Annex 13a and is based on the generally applicable sustainability approach of ESG integration, participation and voting of the Flossbach von Storch Group, as well as exclusion criteria and consideration of the principal adverse impacts of the investment decision on sustainability factors (as described above).

Flossbach von Storch integrates sustainability factors comprehensively into its multi-stage investment process. Sustainability factors include aspects related to environmental, social and employee matters, respect for human rights, and anti-corruption and anti-bribery matters, such as PAI indicators and other ESG controversies.

As part of a specific ESG analysis, sustainability factors are reviewed for their potential opportunities and risks, and an assessment is made to the best of our knowledge and belief as to whether or not a company stands out negatively in terms of its environmental and social activities and how it manages them. Each of the factors is considered from the perspective of a long-term investor to ensure that none of these aspects have a negative impact on the long-term success of an investment.

The findings of the ESG analysis are taken into account in the risk/reward profile of the company analyses. Only if there are no serious sustainability conflicts that jeopardise the future potential of a company or issuer is an investment idea entered in the focus list (for equities) or guarantor list (for bonds), thus becoming a potential investment. The fund managers can only invest in securities that are on the internal focus or guarantor list. This principle ensures that invested securities have passed the in-house analysis process and comply with the common understanding of quality.

In connection with active participation as a shareholder, Flossbach von Storch follows a fixed participation policy and guidelines for exercising voting rights. The developments of the portfolio investments are monitored and analysed in this context. If one of the portfolio companies does not adequately manage the sustainability factors identified as particularly negative, which can have a long-term impact on business development, this is addressed directly with the company and an attempt is made to work towards a positive development. Flossbach von Storch sees itself as a constructive sparring partner (where possible) or as a corrective partner (where necessary) that makes appropriate suggestions and supports management in the implementation. If management does not take the necessary steps to create a sufficiently sustainable business model, the fund management will use its voting rights in this regard, or reduce or sell the investment.

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

In the area of environmental and social characteristics, the sub-fund only makes investments in companies that comply with the following exclusion criteria:

- Controversial weapons (turnover tolerance ≤ 0%)
- Producing and/or selling armaments (turnover tolerance ≤ 10%)
- Producing tobacco products (turnover tolerance ≤ 5%)
- Mining and/or selling coal (turnover tolerance ≤ 30%)
- No serious violations of the UN Global Compact

In addition, sovereign issuers with an insufficient score according to the Freedom House Index classification (classification "not free") are excluded.

The sub-fund shall ensure responsible management of the following PAI indicators: Greenhouse gas emissions (Scope 1 and 2), greenhouse gas emission intensity and carbon footprint based on Scope 1 and 2, as well as the consumption of non-renewable energies. In addition, attention is paid to violations of the principles of the UN Global Compact, violations of the OECD Guidelines for Multinational Enterprises and the processes in place to comply with the two guidelines.

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

Not applicable. The sub-fund does not commit to reducing the investment portfolio by a certain minimum rate.

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

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

Flossbach von Storch pays particular attention to corporate governance in its analysis process, as this is responsible for the sustainable development of the company. This also requires responsible management of environmental and social factors that contribute to the long-term success of the company.

Within the framework of the multi-stage analysis process, an in-house review is carried out and an attempt is made to ensure, to the best of our knowledge and belief, that investments are made in companies that demonstrate good governance practices. This includes addressing the following questions:

- Does management properly and sufficiently take into account environmental, social and economic conditions?
- Do the (employed) managers act responsibly and with a view to the future?

In addition, the guidelines on the exercise of voting rights define critical factors that can stand in the way of good governance and that must be taken into account in principle when attending general and shareholders' meetings.

What is the asset allocation planned for this financial product?

Asset allocation describes the share of investments in specific assets.

The investment focus is on convertible bonds and other structured products. An investment may involve a mixture of equities, bonds and certificates, derivatives, cash and fixed-term deposits. Details of the individual, product-specific limits can be found in the Investment Policy in Annex 13a.

The planned asset allocation is as follows.

Taxonomy-aligned activities are

#1 Aligned with E/S characteristics:

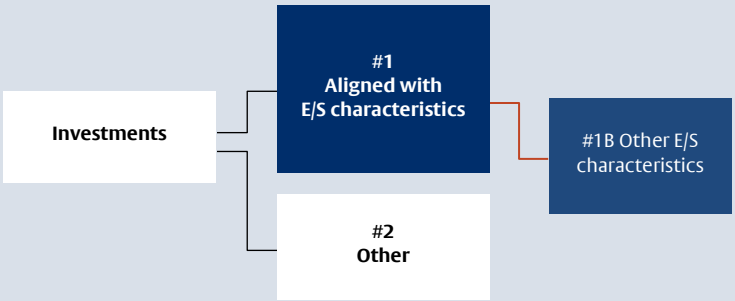
At least 51 per cent will be invested in transferable securities and money market instruments permitted under Article 41 (1a) of the Law of 17 December 2010 on Undertakings for Collective

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

Investment and in accordance with the sub-fund's investment policy. These portfolio assets as well as derivatives for investment purposes and possible target fund investments are subject to ongoing screening with regard to the aforementioned exclusion criteria and PAI indicators.

#2 Other:

The remaining investment portion relates to liquid assets (esp. cash to service short-term payment obligations) and derivatives (esp. forward exchange transactions for hedging purposes).



#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2 Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category **#1 Aligned with E/S characteristics** covers:

- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

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

Derivatives are used to achieve the sub-fund's investment objectives, both for investment and hedging purposes. Where these are used for investment purposes, they take into account the environmental and social characteristics promoted by the sub-fund. This does not include derivatives on indices. Where these are used for hedging purposes, they are not used to achieve the environmental and social characteristics.

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

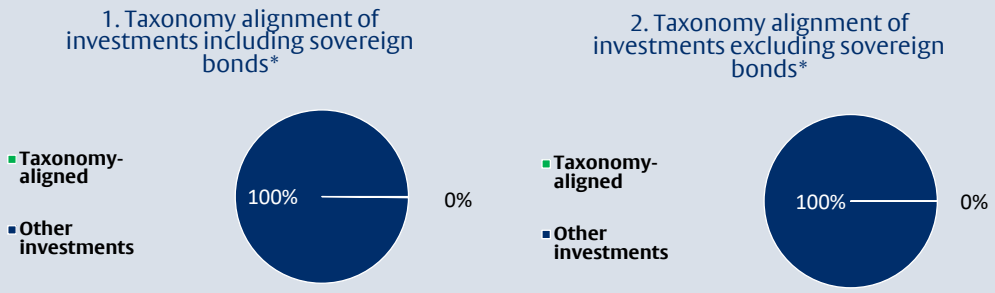
Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

The investments underlying Flossbach von Storch – Global Convertible Bond do not contribute to achieving an environmental objective pursuant to Article 9 of Regulation (EU) 2020/852 (EU Taxonomy). The minimum proportion of environmentally sustainable investments made in accordance with the EU Taxonomy is 0 per cent.

The main objective of the sub-fund is to contribute to the pursuit of the environmental and social characteristics. Therefore, this sub-fund does not currently commit to investing a minimum proportion of its total assets in environmentally sustainable economic activities as defined in Article 3 of the EU Taxonomy. This also concerns information on investments in economic activities classified as enabling or transitional activities under Article 16 or 10 (2) of the EU Taxonomy.

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



* For the purpose of these graphs, "sovereign bonds" consist of all sovereign exposures.

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

Not applicable. Flossbach von Storch – Global Convertible Bond promotes E/S characteristics but does not make sustainable investments.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

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

Not applicable. Flossbach von Storch – Global Convertible Bond promotes E/S characteristics but does not make sustainable investments.

What is the minimum share of socially sustainable investments?

Not applicable. Flossbach von Storch – Global Convertible Bond promotes E/S characteristics but does not make sustainable investments.

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

The following investments fall under "#2 Other":

Liquid assets are used primarily in the form of cash to service short-term payment obligations. No environmental or social minimum safeguards are defined here.

Derivatives used for hedging purposes and derivatives on indices used for investment purposes.

Investments in target funds are used for further diversification. When selecting target funds, the environmental and social characteristics promoted by this sub-fund will be considered.

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

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

Not applicable. Flossbach von Storch – Global Convertible Bond promotes E/S characteristics but does not designate an index as a reference benchmark.

- How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?
  Not applicable.
- How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?
  Not applicable.
- How does the designated index differ from a relevant broad market index?
  Not applicable.
- Where can the methodology used for the calculation of the designated index be found?
  Not applicable.

Where can I find more product-specific information online?

More product-specific information can be found on the website:
www.fvsinvest.lu/esg

ANNEX 14a

Flossbach von Storch – Bond Opportunities

This sub-fund promotes environmental and social characteristics within the meaning of Article 8 of Regulation (EU) 2019/2088 (Disclosure Regulation).

Investment objectives

The objective of the investment policy of Flossbach von Storch – Bond Opportunities ("sub-fund") is to achieve reasonable growth while taking into consideration the risk involved for the investors. In accordance with the principle of risk diversification, the sub-fund's assets are mainly invested internationally in fixed-interest securities and money market instruments. The sub-fund is actively managed. The fund manager chooses, regularly reviews and, if necessary, adjusts the composition of the portfolio exclusively in accordance with the criteria specified in the investment policy. No index is used for comparison purposes.

The performance of the sub-fund's unit classes is indicated in the relevant "Key Investor Information".

As a general rule, past results offer no guarantee of future performance. We cannot guarantee that the objectives of the investment policy will be achieved.

Investment policy

Subject to Article 4 of the management regulations, the following provisions shall apply to the sub-fund:

When making investment decisions for the sub-fund, the fund manager shall take into account the requirements of the sustainability policy of the Management Company and the criteria it contains, as specified in detail in the "Sustainability policy" section. Flossbach von Storch follows a holistic sustainability approach across the group: As a long-term investor, Flossbach von Storch attaches importance to companies dealing responsibly with their environmental and social footprint and actively counteracting negative impacts of their activities. To be able to recognise negative impacts at an early stage, the handling of investments with their ecological and social footprint is examined and evaluated. For this purpose, certain environmental and social characteristics are taken into account in the investment strategy and, where possible or necessary, positive development is worked towards. Specifically, this means: among other things, portfolio companies are checked for set climate targets and progress is monitored on the basis of certain sustainability indicators.

Furthermore, Flossbach von Storch applies group-wide exclusion criteria for social and environmental characteristics. These include the exclusion of investments in companies with certain business models. This includes, for example, controversial weapons.

A binding participation policy is also implemented to work towards positive development in the event of particularly severe negative impacts on certain sustainability factors in investments. This could be, but is not limited to, the topic area of greenhouse gas emissions and social issues/employment.

To achieve the investment objectives, the sub-fund assets are invested in accordance with the principle of risk diversification in fixed-interest securities (including corporate bonds), money market instruments, bonds of all types, including zero coupon bonds, inflation-linked bonds, variable interest securities, units in investment funds ("target funds"), fixed-term deposits, derivatives, certificates and other structured products (e.g. reverse convertible bonds, warrant-linked bonds, participation certificates with warrants, convertible bonds, convertible participation certificates) and in cash.

The target funds include diversified funds (mixed funds), bond, convertible bond, participation-certificate and money market funds. However, no equity funds are acquired. As a rule, the target funds do not deviate significantly from the investment policy and restrictions of the sub-fund.

The certificates include bond, fund, currency and index certificates which are classed as securities in accordance with the provisions of Article 41 (1) of the Law of 17 December 2010.

The sub-fund can acquire assets in foreign currencies and can therefore have a foreign currency exposure. The foreign currency exposure is limited to a maximum of 15 per cent of net sub-fund assets.

In general, the investment in liquid assets is limited to 20 per cent of the sub-fund's net assets, but a breach of this requirement will be tolerated in the short term in the event of exceptionally unfavourable market conditions and if it is deemed appropriate while still safeguarding investor interests.

Units in UCITS or other UCI ("target funds") will be acquired only up to a maximum limit of 10 per cent of the sub-fund assets, making the sub-fund eligible as a target fund.

The use of derived financial instruments ("derivatives") is planned in order to achieve the aforementioned investment objectives, as well as for investment and hedging purposes. In addition to option rights, this includes, inter alia, swaps and futures contracts on securities, money market instruments, financial indices within the meaning of Article 9 (1) of Directive 2007/16/EC and Article XIII of ESMA Guidelines 2014/937, interest rates, exchange rates, currencies and investment funds pursuant to Article 41 (1) (e) of the Law of 17 December 2010. Derivatives may be used only within the limits outlined in Article 4 of the management regulations. Further details on techniques and instruments can be found in the sales prospectus in the chapter titled "Investment policy" in the "Information on derivatives and other techniques and instruments" section.

For this sub-fund, the Management Company will not conclude total return swaps or other derivatives with the same characteristics.

Information about the environmental and social characteristics promoted by the sub-fund and their implementation in the investment policy is set out in Annex 14b of the sales prospectus.

Risk profile of the sub-fund

Risk profile – conservative (further details can be found in the sales prospectus in the chapter titled "Risk warnings", in the "Risk profiles" section)

Risk profile of the typical investor

Medium-term (further details can be found in the sales prospectus in the chapter titled "Risk warnings", in the "Risk profiles" section)

Further information

	Unit class I	Unit class R	Unit class CHF-IT	Unit class IT	Unit class RT
ISIN	LU0399027886	LU0399027613	LU1245471724	LU1481584016	LU1481583711
Securities ID no. (WKN)	A0RCKM	A0RCKL	A14UL7	A2AQKH	A2AQKG
Initial subscription period			15 July 2015	13 October 2016 – 17 October 2016	13 October 2016 – 17 October 2016
Initial unit value (The initial issue price corresponds to the initial unit value plus the subscription fee)	EUR 100	EUR 100	CHF 100	EUR 100	EUR 100
Payment of the initial issue price	03 June 2009	03 June 2009	17 July 2015	19 October 2016	19 October 2016
Sub-fund currency	EUR				
Unit class currency	EUR		CHF	EUR	

	Unit class H	Unit class HT	Unit class GBP-IT	Unit class USD-IT	Unit class USD-RT
ISIN	LU1748855753	LU1748855837	LU2035371660	LU2035372049	LU2206381894
Securities ID no. (WKN)	A2JA9E	A2JA9F	A2PPDQ	A2PPDR	A2P8KN
Initial subscription period	24 January 2018 – 05 February 2018	24 January 2018 – 05 February 2018	19 August 2019 – 01 October 2019	19 August 2019 – 21 August 2019	22 July 2020
Initial unit value (The initial issue price corresponds to the initial unit value plus the subscription fee)	EUR 100	EUR 100	GBP 100	USD 100	USD 100
Payment of the initial issue price	07 February 2018	07 February 2018	03 October 2019	23 August 2019	24 July 2020
Sub-fund currency	EUR				
Unit class currency	EUR		GBP	USD	USD

	Unit class CHF-RT	Unit class X	Unit class XT	Unit class CHF-H	Unit class Q
ISIN	LU2206381621	LU2212481985	LU2212482017	LU2312730182	LU2312730265
Securities ID no. (WKN)	A2P8JS	A2QA0X	A2QAFH	A2QQ1C	A2QQ1D
Initial subscription period	22 July 2020	28 August 2020 – 31 August 2020	28 August 2020 – 31 August 2020	15 March 2021	15 March 2021
Initial unit value (The initial issue price corresponds to the initial unit value plus the subscription fee)	CHF 100	EUR 100	EUR 100	CHF 100	EUR 100
Payment of the initial issue price	24 July 2020	02 September 2020	02 September 2020	17 March 2021	17 March 2021
Sub-fund currency	EUR				
Unit class currency	CHF	EUR	EUR	CHF	EUR

	Unit class QT
ISIN	LU2369862177
Securities ID no. (WKN)	A3CV8E
Initial subscription period	01 October 2021
Initial unit value (The initial issue price corresponds to the initial unit value plus the subscription fee)	EUR 100
Payment of the initial issue price	05 October 2021
Sub-fund currency	EUR
Unit class currency	EUR

Further information on the unit classes can be found in Annex 1 to this sales prospectus, “Unit classes”.

The sub-fund is established for an indefinite period of time.

Costs which can be reimbursed from the sub-fund assets

Detailed information on remuneration can be found in Annex 2 to the sales prospectus, “Statement of fees and costs”.

Pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Product name:
Flossbach von Storch – Bond Opportunities

Legal entity identifier:
529900STNWWRK4MM7H18

Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?

☐ Yes	☒ No
☐ It will make a minimum of **sustainable investments with an environmental objective:** __% ☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy ☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☐ It promotes **Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of **0 per cent** of sustainable investments ☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy ☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy ☐ with a social objective
☐ It will make a minimum of **sustainable investments with a social objective:** __%	☒ It promotes E/S characteristics, but **will not make any sustainable investments**.

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

Flossbach von Storch follows a holistic sustainability approach across the group: As a long-term investor, Flossbach von Storch attaches importance to portfolio companies managing their environmental and social footprint responsibly and actively counteracting negative impacts of their activities. To be able to recognise negative impacts at an early stage, the handling of investments with their ecological and social footprint is examined and evaluated. For this purpose, certain environmental and social characteristics are taken into account in the investment strategy and, where possible or necessary, positive development is worked towards. Specifically, this means: Portfolio companies are, for example, reviewed for set climate targets and progress is monitored on the basis of

certain sustainability indicators.
The following environmental and social characteristics are promoted as part of the investment strategy:

Flossbach von Storch – Bond Opportunities implements exclusion criteria with social and environmental characteristics. This means, for example, excluding investments in companies with certain business models. This includes, for example, controversial weapons.

In addition, a participation policy is implemented as part of the investment strategy in order to be able to work towards a positive development in the event of particularly severe negative impacts on certain sustainability factors in investments. This could be, but is not limited to, the topic area of greenhouse gas emissions and social issues/employment.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?

In order to achieve the environmental and social characteristics promoted by Flossbach von Storch – Bond Opportunities, the following sustainability indicators are considered.

The exclusions are applied based on turnover thresholds. Investments are excluded in companies that generate

- >0% of their turnover from controversial weapons,
- >10% of their turnover from producing and/or selling armaments,
- >5% of their turnover from producing tobacco products,
- >30% of their turnover from mining and/or selling coal.

Companies that commit serious violations of the principles of the UN Global Compact with no prospect of remedying them are also excluded. This means that, if there is no improvement in the circumstances leading to the serious violation, a disinvestment should generally take place. Furthermore, state issuers that are considered “not free” according to the Freedom House Index are excluded.

The exclusion list is continuously assessed and updated monthly based on internal and external ESG research data. Compliance with the exclusion criteria is monitored both before an investment is made and on an ongoing basis while the investment is held.

In order to measure potential severe negative environmental/social impacts of portfolio companies’ activities, Flossbach von Storch takes into account the so-called “principal adverse impacts” (PAIs) pursuant to Article 7 (1) (a) of Regulation (EU) 2019/2088 (Disclosure Regulation) as part of the investment process.

Flossbach von Storch – Bond Opportunities has a particular focus on the following PAI indicators: Greenhouse gas emissions (Scope 1 and 2), greenhouse gas emission intensity and carbon footprint based on Scope 1 and 2, as well as the consumption of non-renewable energies. In addition, attention is paid to violations of the principles of the UN Global Compact, violations of the OECD Guidelines for Multinational Enterprises and the processes in place to comply with the two guidelines. The indicators are prioritised according to relevance, severity of negative impacts, and data availability. The evaluation is not based on rigid bandwidths or thresholds that companies must meet or achieve; rather, the focus is on whether there is a positive development in how they are managing the indicators or if they are working towards this where possible and necessary. More detailed information is provided below in the section on taking principal adverse impacts into account.
Due to the insufficient quality and coverage of the data, so-called Scope 3 emissions and energy production of non-renewable energies are not taken into account within the framework of greenhouse gas emissions. The fund manager will continuously monitor data coverage and, if deemed feasible, include it in its investment and engagement process.

- What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?

  Not applicable. Flossbach von Storch – Bond Opportunities promotes E/S characteristics but does not make sustainable investments.

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

  Not applicable. Flossbach von Storch – Bond Opportunities promotes E/S characteristics but does not make sustainable investments.

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

    Not applicable.

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

    Not applicable.

The EU Taxonomy sets out a "do no significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

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

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

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

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

☒ Yes

Flossbach von Storch – Bond Opportunities considers the principal adverse impacts of the investment decision on sustainability factors (PAIs or PAI indicators) in accordance with Art. 7 (1) (a) Regulation (EU) 2019/2088 (Disclosure Regulation), as well as an additional climate-related indicator and two additional social indicators of the Disclosure Regulation in its in-house investment process.

As part of this process, best efforts will be made to determine and document the information on the evaluation and prioritisation of the principal adverse impacts on sustainability factors. The identification, prioritisation and evaluation of the principal adverse impacts is carried out as part of the in-house analysis process using specific ESG analyses, which are prepared individually for invested issuers/guarantors and are taken into account in the risk/reward profile of the company analyses. The PAI indicators are prioritised according to relevance, severity of negative impacts, and data availability. The evaluation is not based on rigid bandwidths or thresholds that companies must meet or achieve; rather, the focus is on whether there is a positive development in how they are managing the PAI indicators.

The consideration of PAIs also serves to achieve the environmental and social characteristics promoted by Flossbach von Storch – Bond Opportunities:
As part of the participation policy, efforts are made to reduce particularly negative impacts for, among others, the indicators of greenhouse gas emissions Scope 1 & 2, as well as serious violations of the UN Global Compact Principles and OECD Guidelines for Multinational Enterprises. This means that, If one of the portfolio companies does not adequately manage the indicators identified as particularly negative, this is addressed with the company and an attempt is made to work towards a positive development over an appropriate period of time. If management does not take the necessary steps for improvement to a sufficient extent during this time, the fund management will use its voting rights in this regard, or reduce or sell the investment. In addition, exclusions such as producing and/or selling controversial weapons and mining and/or selling coal may contribute to a reduction or avoidance of individual adverse sustainability impacts.

Due to the insufficient quality and coverage of the data, so-called Scope 3 emissions and energy production of non-renewable energies are not taken into account within the framework of greenhouse gas emissions. The fund manager will continuously monitor data coverage and, if deemed feasible, include it in its investment and engagement process.

☐ No

What investment strategy does this financial product follow?

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

The general investment policy and investment strategy of Flossbach von Storch – Bond Opportunities is defined in Annex 14a and is based on the generally applicable sustainability approach of ESG integration, participation and voting of the Flossbach von Storch Group, as well as exclusion criteria and consideration of the principal adverse impacts of the investment decision on sustainability factors (as described above).

Flossbach von Storch integrates sustainability factors comprehensively into its multi-stage investment process. Sustainability factors include aspects related to environmental, social and employee matters, respect for human rights, and anti-corruption and anti-bribery matters, such as PAI indicators and other ESG controversies.

As part of a specific ESG analysis, sustainability factors are reviewed for their potential opportunities and risks, and an assessment is made to the best of our knowledge and belief as to whether or not a company stands out negatively in terms of its environmental and social activities and how it manages them. Each of the factors is considered from the perspective of a long-term investor to ensure that none of these aspects have a negative impact on the long-term success of an investment.

The findings of the ESG analysis are taken into account in the risk/reward profile of the company analyses. Only if there are no serious sustainability conflicts that jeopardise the future potential of a company or issuer is an investment idea entered in the focus list (for equities) or guarantor list (for bonds), thus becoming a potential investment. The portfolio managers can only invest in securities that are on the internal focus or guarantor list. This principle ensures that invested securities have passed the in-house analysis process and comply with the common understanding of quality.

In connection with active participation as a shareholder, Flossbach von Storch follows a fixed participation policy and guidelines for exercising voting rights. The developments of the portfolio investments are monitored and analysed in this context. If one of the portfolio companies does not adequately manage the sustainability factors identified as particularly negative, which can have a long-term impact on business development, this is addressed directly with the company and an attempt is made to work towards a positive development. Flossbach von Storch sees itself as a constructive sparring partner (where possible) or as a corrective partner (where necessary) that makes appropriate suggestions and supports management in the implementation. If management does not take the necessary steps to create a sufficiently sustainable business model, the fund management will use its voting rights in this regard, or reduce or sell the investment.

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

In the area of environmental and social characteristics, the sub-fund only makes investments in companies that comply with the following exclusion criteria:

- Controversial weapons (turnover tolerance ≤ 0%)
- Producing and/or selling armaments (turnover tolerance ≤ 10%)
- Producing tobacco products (turnover tolerance ≤ 5%)
- Mining and/or selling coal (turnover tolerance ≤ 30%)
- No serious violations of the UN Global Compact

In addition, sovereign issuers with an insufficient score according to the Freedom House Index classification (classification "not free") are excluded.

The sub-fund shall ensure responsible management of the following PAI indicators: Greenhouse gas emissions (Scope 1 and 2), greenhouse gas emission intensity and carbon footprint based on Scope 1 and 2, as well as the consumption of non-renewable energies. In addition, attention is paid to violations of the principles of the UN Global Compact, violations of the OECD Guidelines for Multinational Enterprises and the processes in place to comply with the two guidelines.

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

Not applicable. The sub-fund does not commit to reducing the investment portfolio by a certain minimum rate.

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

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

Flossbach von Storch pays particular attention to corporate governance in its analysis process, as this is responsible for the sustainable development of the company. This also requires responsible management of environmental and social factors that contribute to the long-term success of the company.

Within the framework of the multi-stage analysis process, an in-house review is carried out and an attempt is made to ensure, to the best of our knowledge and belief, that investments are made in companies that demonstrate good governance practices. This includes addressing the following questions:

- Does management properly and sufficiently take into account environmental, social and economic conditions?
- Do the (employed) managers act responsibly and with a view to the future?

In addition, the guidelines on the exercise of voting rights define critical factors that can stand in the way of good governance and that must be taken into account in principle when attending general and shareholders' meetings.

What is the asset allocation planned for this financial product?

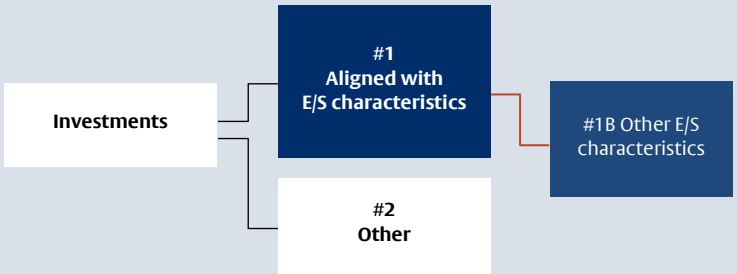
Asset allocation describes the share of investments in specific assets.

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

Depending on the market situation and appraisal by the fund management, the sub-fund generally has the possibility to invest in bonds, money market instruments, certificates, other structured products (e.g. reverse convertible bonds, warrant-linked bonds, convertible bonds, convertible participation certificates), target funds, derivatives, cash and fixed-term deposits. The certificates include bond, fund, currency and index certificates. Details of the individual, product-specific limits can be found in the Investment Policy in Annex 14a.

The planned asset allocation is as follows.

#1 Aligned with E/S characteristics:
At least 51 per cent will be invested in transferable securities and money market instruments permitted under Article 41 (1a) of the Law of 17 December 2010 on Undertakings for Collective Investment and in accordance with the sub-fund's investment policy. These portfolio assets as well as derivatives for investment purposes and possible target fund investments are subject to ongoing screening with regard to the aforementioned exclusion criteria and PAI indicators.
#2 Other:
The remaining investment portion relates to liquid assets (esp. cash to service short-term payment obligations) and derivatives (esp. forward exchange transactions for hedging purposes).



#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2 Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category **#1 Aligned with E/S characteristics** covers:
- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

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

Derivatives are used to achieve the sub-fund's investment objectives, both for investment and hedging purposes. Where these are used for investment purposes, they take into account the environmental and social characteristics promoted by the sub-fund. This does not include derivatives on indices. Where these are used for hedging purposes, they are not used to achieve the environmental and social characteristics.

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

To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

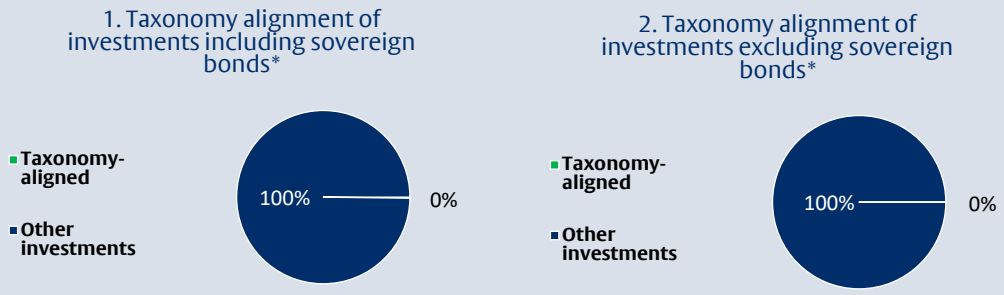
The investments underlying Flossbach von Storch – Bond Opportunities do not contribute to achieving an environmental objective pursuant to Article 9 of Regulation (EU) 2020/852 (EU Taxonomy). The minimum proportion of environmentally sustainable investments made in

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

accordance with the EU Taxonomy is 0 per cent.

The main objective of the sub-fund is to contribute to the pursuit of the environmental and social characteristics. Therefore, this sub-fund does not currently commit to investing a minimum proportion of its total assets in environmentally sustainable economic activities as defined in Article 3 of the EU Taxonomy. This also concerns information on investments in economic activities classified as enabling or transitional activities under Article 16 or 10 (2) of the EU Taxonomy.

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



* For the purpose of these graphs, "sovereign bonds" consist of all sovereign exposures.

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

Not applicable. Flossbach von Storch – Bond Opportunities promotes E/S characteristics but does not make sustainable investments.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

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

Not applicable. Flossbach von Storch – Bond Opportunities promotes E/S characteristics but does not make sustainable investments.

What is the minimum share of socially sustainable investments?

Not applicable. Flossbach von Storch – Bond Opportunities promotes E/S characteristics but does not make sustainable investments.

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

The following investments fall under "#2 Other":

Liquid assets are used primarily in the form of cash to service short-term payment obligations. No environmental or social minimum safeguards are defined here.

Derivatives used for hedging purposes and derivatives on indices used for investment purposes.

Investments in target funds are used for further diversification. When selecting target funds, the environmental and social characteristics promoted by this sub-fund will be considered.

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

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

Not applicable. Flossbach von Storch – Bond Opportunities promotes E/S characteristics but does not designate an index as a reference benchmark.

- How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?
  Not applicable.
- How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?
  Not applicable.
- How does the designated index differ from a relevant broad market index?
  Not applicable.
- Where can the methodology used for the calculation of the designated index be found?
  Not applicable.

Where can I find more product-specific information online?

More product-specific information can be found on the website:
www.fvsinvest.lu/esg

ANNEX 15a

Flossbach von Storch – Currency Diversification Bond

This sub-fund promotes environmental and social characteristics within the meaning of Article 8 of Regulation (EU) 2019/2088 (Disclosure Regulation).

Investment objectives

The objective of the investment policy of Flossbach von Storch – Currency Diversification Bond ("sub-fund") is to achieve reasonable performance while taking into consideration the risk involved for the investors.

In accordance with the principle of risk diversification, the sub-fund's assets are mainly invested internationally in fixed-interest securities and money market instruments that are predominantly denominated in currencies other than the euro. The sub-fund is actively managed. The fund manager chooses, regularly reviews and, if necessary, adjusts the composition of the portfolio in accordance with the criteria specified in the investment policy. No index is used for comparison purposes.

The performance of the sub-fund's unit classes is indicated in the relevant "Key Investor Information".

As a general rule, past results offer no guarantee of future performance. We cannot guarantee that the objectives of the investment policy will be achieved.

Investment policy

Subject to Article 4 of the management regulations, the following provisions shall apply to the sub-fund:

When making investment decisions for the sub-fund, the fund manager shall take into account the requirements of the sustainability policy of the Management Company and the criteria it contains, as specified in detail in the "Sustainability policy" section. Flossbach von Storch follows a holistic sustainability approach across the group: As a long-term investor, Flossbach von Storch attaches importance to companies dealing responsibly with their environmental and social footprint and actively counteracting negative impacts of their activities. To be able to recognise negative impacts at an early stage, the handling of investments with their ecological and social footprint is examined and evaluated. For this purpose, certain environmental and social characteristics are taken into account in the investment strategy and, where possible or necessary, positive development is worked towards. Specifically, this means: among other things, portfolio companies are checked for set climate targets and progress is monitored on the basis of certain sustainability indicators.

Furthermore, Flossbach von Storch applies group-wide exclusion criteria for social and environmental characteristics. These include the exclusion of investments in companies with certain business models. This includes, for example, controversial weapons.

A binding participation policy is also implemented to work towards positive development in the event of particularly severe negative impacts on certain sustainability factors in investments. This could be, but is not limited to, the topic area of greenhouse gas emissions and social issues/employment.

To achieve the investment objectives, the sub-fund assets are invested in accordance with the principle of risk diversification in fixed-interest securities (including corporate bonds), money market instruments, bonds of all types, including zero coupon bonds, inflation-linked bonds, variable interest securities, units in investment funds ("target funds"), fixed-term deposits, derivatives, certificates and other structured products (e.g. reverse convertible bonds,

warrant-linked bonds, participation certificates with warrants, convertible bonds, convertible participation certificates) and in cash.
Investments in fixed-interest securities and money market instruments are mostly denominated in currencies other than the euro.
The target funds include diversified funds (mixed funds), bond, convertible bond, participation-certificate and money market funds. However, no equity funds are acquired. As a rule, the target funds do not deviate significantly from the investment policy and restrictions of the sub-fund.

The certificates include bond, fund, currency and index certificates which are classed as securities in accordance with the provisions of Article 41 (1) of the Law of 17 December 2010.

In general, the investment in liquid assets is limited to 20 per cent of the sub-fund's net assets, but a breach of this requirement will be tolerated in the short term in the event of exceptionally unfavourable market conditions and if it is deemed appropriate while still safeguarding investor interests.

Units in UCITS or other UCI ("target funds") will be acquired only up to a maximum limit of 10 per cent of the sub-fund assets, making the sub-fund eligible as a target fund.

The use of derived financial instruments ("derivatives") is planned in order to achieve the aforementioned investment objectives, as well as for investment and hedging purposes. In addition to option rights, this includes, inter alia, swaps and futures contracts on securities, money market instruments, financial indices within the meaning of Article 9 (1) of Directive 2007/16/EC and Article XIII of ESMA Guidelines 2014/937, interest rates, exchange rates, currencies and investment funds pursuant to Article 41 (1) (e) of the Law of 17 December 2010. Derivatives may be used only within the limits outlined in Article 4 of the management regulations. Further details on techniques and instruments can be found in the sales prospectus in the chapter titled "Investment policy" in the "Information on derivatives and other techniques and instruments" section.

For this sub-fund, the Management Company will not conclude total return swaps or other derivatives with the same characteristics.

Information about the environmental and social characteristics promoted by the sub-fund and their implementation in the investment policy is set out in Annex 15b of the sales prospectus.

Risk profile of the sub-fund

Risk profile – growth-oriented (further details can be found in the sales prospectus in the chapter titled "Risk warnings", in the "Risk profiles" section)

Risk profile of the typical investor

Medium-term (further details can be found in the sales prospectus in the chapter titled "Risk warnings", in the "Risk profiles" section)

Further information

	Unit class I	Unit class R
ISIN	LU0525999891	LU0526000731
Securities ID no. (WKN)	A1C10V	A1C10W
Initial unit value (The initial issue price corresponds to the initial unit value plus the subscription fee)	EUR 100	EUR 100
Payment of the initial issue price	09 August 2010	09 August 2010
Sub-fund currency	EUR	
Unit class currency	EUR	

Further information on the unit classes can be found in Annex 1 to this sales prospectus, “Unit classes”.

The sub-fund is established for an indefinite period of time.

Costs which can be reimbursed from the sub-fund assets

Detailed information on remuneration can be found in Annex 2 to the sales prospectus, “Statement of fees and costs”.

Pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

Product name:
Flossbach von Storch – Currency Diversification Bond

Legal entity identifier:
529900CRWOZ5U0BEER72

Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?

☐ **Yes** ☒ **No**

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

☐ It will make a minimum of **sustainable investments with an environmental objective:** __%

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

☐ It will make a minimum of **sustainable investments with a social objective:** __%

☐ It promotes **Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of **0 per cent** of sustainable investments

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

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

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

Flossbach von Storch follows a holistic sustainability approach across the group: As a long-term investor, Flossbach von Storch attaches importance to portfolio companies managing their environmental and social footprint responsibly and actively counteracting negative impacts of their activities. To be able to recognise negative impacts at an early stage, the handling of investments with their ecological and social footprint is examined and evaluated. For this purpose, certain environmental and social characteristics are taken into account in the investment strategy and, where possible or necessary, positive development is worked towards. Specifically, this means: Portfolio companies are, for example, reviewed for set climate targets and progress is monitored on the basis of certain sustainability indicators.

The following environmental and social characteristics are promoted as part of the investment strategy:

Flossbach von Storch – Currency Diversification Bond implements exclusion criteria with social and environmental characteristics. This means, for example, excluding investments in companies with certain business models. This includes, for example, controversial weapons.

In addition, a participation policy is implemented as part of the investment strategy in order to be able to work towards a positive development in the event of particularly severe negative impacts on certain sustainability factors in investments. This could be, but is not limited to, the topic area of greenhouse gas emissions and social issues/employment.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?

In order to achieve the environmental and social characteristics promoted by Flossbach von Storch – Currency Diversification Bond, the following sustainability indicators are considered.

The exclusions are applied based on turnover thresholds. Investments are excluded in companies that generate

- >0% of their turnover from controversial weapons,
- >10% of their turnover from producing and/or selling armaments,
- >5% of their turnover from producing tobacco products,
- >30% of their turnover from mining and/or selling coal.

Companies that commit serious violations of the principles of the UN Global Compact with no prospect of remedying them are also excluded. This means that, if there is no improvement in the circumstances leading to the serious violation, a disinvestment should generally take place. Furthermore, state issuers that are considered “not free” according to the Freedom House Index are excluded.

The exclusion list is continuously assessed and updated monthly based on internal and external ESG research data. Compliance with the exclusion criteria is monitored both before an investment is made and on an ongoing basis while the investment is held.

In order to measure potential severe negative environmental/social impacts of portfolio companies’ activities, Flossbach von Storch takes into account the so-called “principal adverse impacts” (PAIs) pursuant to Article 7 (1) (a) of Regulation (EU) 2019/2088 (Disclosure Regulation) as part of the investment process.

Flossbach von Storch – Currency Diversification Bond has a particular focus on the following PAI indicators: Greenhouse gas emissions (Scope 1 and 2), greenhouse gas emission intensity and carbon footprint based on Scope 1 and 2, as well as the consumption of non-renewable energies. In addition, attention is paid to violations of the principles of the UN Global Compact, violations of the OECD Guidelines for Multinational Enterprises and the processes in place to comply with the two guidelines. The indicators are prioritised according to relevance, severity of negative impacts, and data availability. The evaluation is not based on rigid bandwidths or thresholds that companies must meet or achieve; rather, the focus is on whether there is a positive development in how they are managing the indicators or if they are working towards this where possible and necessary. More detailed information is provided below in the section on taking principal adverse impacts into account.
Due to the insufficient quality and coverage of the data, so-called Scope 3 emissions and energy production of non-renewable energies are not taken into account within the framework of greenhouse gas emissions. The fund manager will continuously monitor data coverage and, if deemed feasible, include it in its investment and engagement process.

- What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?

  Not applicable. Flossbach von Storch – Currency Diversification Bond promotes E/S characteristics but does not make sustainable investments.

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

  Not applicable. Flossbach von Storch – Currency Diversification Bond promotes E/S characteristics but does not make sustainable investments.

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

    Not applicable.

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

    Not applicable.

The EU Taxonomy sets out a "do no significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

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

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

^

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

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

☒ Yes

Flossbach von Storch – Currency Diversification Bond considers the principal adverse impacts of the investment decision on sustainability factors (PAIs or PAI indicators) in accordance with Art. 7 (1) (a) Regulation (EU) 2019/2088 (Disclosure Regulation), as well as an additional climate-related indicator and two additional social indicators of the Disclosure Regulation in its in-house investment process.

As part of this process, best efforts will be made to determine and document the information on the evaluation and prioritisation of the principal adverse impacts on sustainability factors. The identification, prioritisation and evaluation of the principal adverse impacts is carried out as part of the in-house analysis process using specific ESG analyses, which are prepared individually for invested issuers/guarantors and are taken into account in the risk/reward profile of the company analyses. The PAI indicators are prioritised according to relevance, severity of negative impacts, and data availability. The evaluation is not based on rigid bandwidths or thresholds that companies must meet or achieve; rather, the focus is on

whether there is a positive development in how they are managing the PAI indicators.

The consideration of PAIs also serves to achieve the environmental and social characteristics promoted by Flossbach von Storch – Currency Diversification Bond:

As part of the participation policy, efforts are made to reduce particularly negative impacts for, among others, the indicators of greenhouse gas emissions Scope 1 & 2, as well as serious violations of the UN Global Compact Principles and OECD Guidelines for Multinational Enterprises. This means that, If one of the portfolio companies does not adequately manage the indicators identified as particularly negative, this is addressed with the company and an attempt is made to work towards a positive development over an appropriate period of time. If management does not take the necessary steps for improvement to a sufficient extent during this time, the fund management will use its voting rights in this regard, or reduce or sell the investment. In addition, exclusions such as producing and/or selling controversial weapons and mining and/or selling coal may contribute to a reduction or avoidance of individual adverse sustainability impacts.

Due to the insufficient quality and coverage of the data, so-called Scope 3 emissions and energy production of non-renewable energies are not taken into account within the framework of greenhouse gas emissions. The fund manager will continuously monitor data coverage and, if deemed feasible, include it in its investment and engagement process.

☐ No

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

What investment strategy does this financial product follow?

The general investment policy and investment strategy of Flossbach von Storch – Currency Diversification Bond is defined in Annex 15a and is based on the generally applicable sustainability approach of ESG integration, participation and voting of the Flossbach von Storch Group, as well as exclusion criteria and consideration of the principal adverse impacts of the investment decision on sustainability factors (as described above).

Flossbach von Storch integrates sustainability factors comprehensively into its multi-stage investment process. Sustainability factors include aspects related to environmental, social and employee matters, respect for human rights, and anti-corruption and anti-bribery matters, such as PAI indicators and other ESG controversies.

As part of a specific ESG analysis, sustainability factors are reviewed for their potential opportunities and risks, and an assessment is made to the best of our knowledge and belief as to whether or not a company stands out negatively in terms of its environmental and social activities and how it manages them. Each of the factors is considered from the perspective of a long-term investor to ensure that none of these aspects have a negative impact on the long-term success of an investment.

The findings of the ESG analysis are taken into account in the risk/reward profile of the company analyses. Only if there are no serious sustainability conflicts that jeopardise the future potential of a company or issuer is an investment idea entered in the focus list (for equities) or guarantor list (for bonds), thus becoming a potential investment. The fund managers can only invest in securities that are on the internal focus or guarantor list. This principle ensures that invested securities have passed the in-house analysis process and comply with the common understanding of quality.

In connection with active participation as a shareholder, Flossbach von Storch follows a fixed participation policy and guidelines for exercising voting rights. The developments of the portfolio investments are monitored and analysed in this context. If one of the portfolio companies does not adequately manage the sustainability factors identified as particularly negative, which can have a long-term impact on business development, this is addressed directly with the company and an attempt is made to work towards a positive development. Flossbach von Storch sees itself as a constructive sparring partner (where possible) or as a corrective partner (where necessary) that makes appropriate suggestions and supports management in the implementation. If management does not take the necessary steps to create a sufficiently sustainable business model, the fund management will use its voting rights in this regard, or reduce or sell the investment.

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

In the area of environmental and social characteristics, the sub-fund only makes investments in companies that comply with the following exclusion criteria:

- Controversial weapons (turnover tolerance ≤ 0%)
- Producing and/or selling armaments (turnover tolerance ≤ 10%)
- Producing tobacco products (turnover tolerance ≤ 5%)
- Mining and/or selling coal (turnover tolerance ≤ 30%)
- No serious violations of the UN Global Compact

In addition, sovereign issuers with an insufficient score according to the Freedom House Index classification (classification "not free") are excluded.

The sub-fund shall ensure responsible management of the following PAI indicators: Greenhouse gas emissions (Scope 1 and 2), greenhouse gas emission intensity and carbon footprint based on Scope 1 and 2, as well as the consumption of non-renewable energies. In addition, attention is paid to violations of the principles of the UN Global Compact, violations of the OECD Guidelines for Multinational Enterprises and the processes in place to comply with the two guidelines.

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

Not applicable. The sub-fund does not commit to reducing the investment portfolio by a certain minimum rate.

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

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

Flossbach von Storch pays particular attention to corporate governance in its analysis process, as this is responsible for the sustainable development of the company. This also requires responsible management of environmental and social factors that contribute to the long-term success of the company.

Within the framework of the multi-stage analysis process, an in-house review is carried out and an attempt is made to ensure, to the best of our knowledge and belief, that investments are made in companies that demonstrate good governance practices. This includes addressing the following questions:

- Does management properly and sufficiently take into account environmental, social and economic conditions?
- Do the (employed) managers act responsibly and with a view to the future?

In addition, the guidelines on the exercise of voting rights define critical factors that can stand in the way of good governance and that must be taken into account in principle when attending general and shareholders' meetings.

What is the asset allocation planned for this financial product?

Asset allocation describes the share of investments in specific assets.

Taxonomy-aligned activities are expressed as a share of:

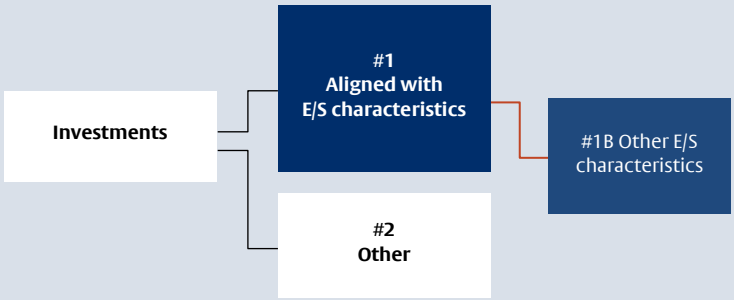
Depending on the market situation and appraisal by the fund management, the sub-fund generally has the possibility to invest in bonds, money market instruments, certificates, other structured products (e.g. reverse convertible bonds, warrant-linked bonds, convertible bonds, convertible participation certificates), target funds, derivatives, cash and fixed-term deposits. The certificates are for legally permitted underlying instruments, such as equities, bonds, investment fund units, financial indices and currencies. Details of the individual, product-specific limits can be found in the Investment Policy in Annex 15a.

The planned asset allocation is as follows.

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

#1 Aligned with E/S characteristics:
At least 51 per cent will be invested in transferable securities and money market instruments permitted under Article 41 (1a) of the Law of 17 December 2010 on Undertakings for Collective Investment and in accordance with the sub-fund's investment policy. These portfolio assets as well as derivatives for investment purposes and possible target fund investments are subject to ongoing screening with regard to the aforementioned exclusion criteria and PAI indicators.

#2 Other:
The remaining investment portion relates to liquid assets (esp. cash to service short-term payment obligations) and derivatives (esp. forward exchange transactions for hedging purposes).



#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2 Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category **#1 Aligned with E/S characteristics** covers:

- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

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

Derivatives are used to achieve the sub-fund's investment objectives, both for investment and hedging purposes. Where these are used for investment purposes, they take into account the environmental and social characteristics promoted by the sub-fund. This does not include derivatives on indices. Where these are used for hedging purposes, they are not used to achieve the environmental and social characteristics.

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

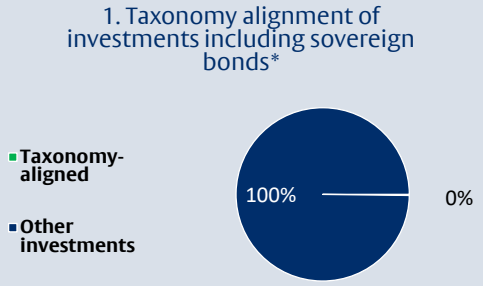
Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission

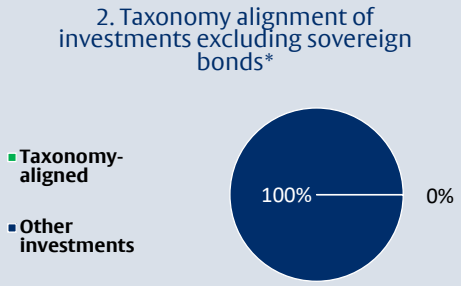
To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

The investments underlying Flossbach von Storch – Currency Diversification Bond do not contribute to achieving an environmental objective pursuant to Article 9 of Regulation (EU) 2020/852 (EU Taxonomy). The minimum proportion of environmentally sustainable investments made in accordance with the EU Taxonomy is 0 per cent.
The main objective of the sub-fund is to contribute to the pursuit of the environmental and social characteristics. Therefore, this sub-fund does not currently commit to investing a minimum proportion of its total assets in environmentally sustainable economic activities as defined in Article 3 of the EU Taxonomy. This also concerns information on investments in economic activities classified as enabling or transitional activities under Article 16 or 10 (2) of the EU Taxonomy.

levels corresponding to the best performance.

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





* For the purpose of these graphs, "sovereign bonds" consist of all sovereign exposures.

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

Not applicable. Flossbach von Storch – Currency Diversification Bond promotes E/S characteristics but does not make sustainable investments.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

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

Not applicable. Flossbach von Storch – Currency Diversification Bond promotes E/S characteristics but does not make sustainable investments.

What is the minimum share of socially sustainable investments?

Not applicable. Flossbach von Storch – Currency Diversification Bond promotes E/S characteristics but does not make sustainable investments.

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

The following investments fall under "#2 Other":

Liquid assets are used primarily in the form of cash to service short-term payment obligations. No environmental or social minimum safeguards are defined here.

Derivatives used for hedging purposes and derivatives on indices used for investment purposes.

Investments in target funds are used for further diversification. When selecting target funds, the environmental and social characteristics promoted by this sub-fund will be considered.

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

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

Not applicable. Flossbach von Storch – Currency Diversification Bond promotes E/S characteristics but does not designate an index as a reference benchmark.

- How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?
  Not applicable.
- How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?
  Not applicable.
- How does the designated index differ from a relevant broad market index?
  Not applicable.
- Where can the methodology used for the calculation of the designated index be found?
  Not applicable.

Where can I find more product-specific information online?

More product-specific information can be found on the website:
www.fvsinvest.lu/esg

ANNEX 16a

Flossbach von Storch – Laufzeitfonds 2027

This sub-fund promotes environmental and social aspects within the meaning of Article 8 of Regulation (EU) 2019/2088 (Disclosure Regulation).

Investment objectives

The objective of the investment policy of Flossbach von Storch – Laufzeitfonds 2027 ("Sub-fund") is to achieve reasonable growth over a period of four years, taking into consideration the investment risk. The Fund's investment focus is on corporate bonds, covered bonds and government bonds from issuers or countries with high credit ratings and probabilities of repayment. The primary aim is to ensure that the projected growth can be achieved with a high degree of probability by managing various sources of risk.

Through the investment of assets in foreign currencies, the fund unit value can be negatively influenced due to changes in exchange rates. However, foreign currency risks are minimised through currency hedging.

In accordance with the principle of risk diversification, the Sub-fund's assets are mainly invested internationally in fixed-interest securities and money market instruments. The Sub-fund is actively managed. The fund manager chooses, regularly reviews and, if necessary, adjusts the composition of the portfolio exclusively in accordance with the criteria specified in the investment policy. No benchmark index is used for comparison purposes.

The performance of the Sub-fund's unit classes is indicated in the relevant "Key Investor Information".

As a general rule, past results offer no guarantee of future performance. We cannot guarantee that the objectives of the investment policy will be achieved.

Investment policy

Subject to Article 4 of the management regulations, the following provisions shall apply to the Sub-fund:

When making investment decisions for the Sub-fund, the fund manager shall take into account the requirements of the sustainability policy of the management company and the criteria it contains as specified in detail in the "Sustainability policy" section. Flossbach von Storch follows a holistic sustainability approach across the group: As a long-term investor, Flossbach von Storch attaches importance to companies dealing responsibly with their environmental and social footprint and actively counteracting negative impacts of their activities. To be able to recognise negative impacts at an early stage, the handling of investments with their ecological and social footprint is examined and evaluated. For this purpose, certain environmental and social characteristics are taken into account in the investment strategy and, where possible or necessary, positive development is worked towards. Specifically, this means: Among other things, portfolio companies are checked for set climate targets and progress is monitored on the basis of certain sustainability indicators.

Furthermore, Flossbach von Storch applies group-wide exclusion criteria for social and environmental characteristics. These include the exclusion of investments in companies with certain business models. This includes, for example, controversial weapons.

A binding participation policy is also implemented to work towards positive development in the event of particularly severe negative impacts on certain sustainability factors in investments. This could be, but is not limited to, the areas of greenhouse gas emissions and social issues/employment.

To achieve the investment objectives, the Sub-fund assets are invested in accordance with the principle of risk diversification in fixed-interest securities (including corporate bonds), money market instruments, bonds of all types, including zero coupon bonds, inflation-linked bonds, variable interest securities, fixed-term deposits, derivatives, certificates and other structured products (e.g. reverse convertible bonds, warrant-linked bonds, participation certificates with warrants, convertible bonds, convertible participation certificates). The proportion of high-yield bonds is limited to a maximum of 40 per cent and the proportion of emerging markets bonds to a maximum of 15 per cent of net Sub-fund assets. When the Fund is launched, the maturity of all bonds is limited to a maximum of seven years. Liquid assets will also be held. There are no plans for direct investments in equities.

The Sub-fund can acquire assets in foreign currencies and can therefore have a foreign currency exposure. To keep the foreign currency exposure to a minimum, the target is a hedging rate of 100 per cent, with deviations of up to three per cent in either direction being permissible. The unhedged foreign currency exposure is accordingly limited to a maximum of three per cent of net Sub-fund assets.

In general, the investment in liquid assets is limited to 20 per cent of the Sub-fund's net assets, but a breach of this requirement will be tolerated in the short term in the event of exceptionally unfavourable market conditions and if it is deemed appropriate while still safeguarding investor interests.

Units in UCITS and other UCI ("Target Funds") may not be acquired; the Sub-fund is therefore eligible as a target fund.

The use of derived financial instruments ("Derivatives") is planned in order to achieve the aforementioned investment objectives, as well as for investment and hedging purposes. In addition to option rights, this includes, inter alia, swaps and futures contracts on securities, money market instruments, financial indices within the meaning of Article 9 (1) of Directive 2007/16/EC and Article XIII of ESMA Guidelines 2014/937, interest rates, exchange rates and currencies. Derivatives may be used only within the limits outlined in Article 4 of the management regulations. Further details on techniques and instruments can be found in the sales prospectus in the chapter titled "Investment policy" in the "Information on derivatives and other techniques and instruments" section.

For this Sub-fund, the Management Company will not conclude total return swaps or other derivatives with the same characteristics.

Notwithstanding the aforementioned investment limit, the Sub-fund may invest up to 100 per cent in liquid assets up to one month before the end of the term of the Sub-fund.

Information about the environmental and social characteristics promoted by the Sub-fund and their implementation in the investment policy is set out in Annex 16b of the sales prospectus.

Risk profile of the Sub-fund

Risk profile – conservative (further details can be found in the sales prospectus in the chapter titled "Risk warnings", in the "Risk profiles" section)

Risk profile of the typical investor

Medium-term (further details can be found in the sales prospectus in the chapter titled "Risk warnings", in the "Risk profiles" section)

Further information

	R	RT	I	I2	IT
ISIN	LU2571806970	LU2571807192	LU2571806384	LU2571806467	LU2571806541
Securities ID no. (WKN)	A3D4BT	A3D4BW	A3D4BV	A3D4BS	A3D4BU
Initial subscription period	13 February 2023 – 25 April 2023	13 February 2023 – 25 April 2023	13 February 2023 – 25 April 2023	13 February 2023 – 25 April 2023	13 February 2023 – 25 April 2023
Initial unit value (The initial issue price corresponds to the initial unit value plus the subscription fee)	EUR 100	EUR 100	EUR 100	EUR 100	EUR 100
Payment of the initial issue price	27 April 2023	27 April 2023	27 April 2023	27 April 2023	27 April 2023
Issue of units	Units of the Sub-fund will be issued for the first time on 25 April 2023 following the initial subscription period. The further issue of units will be suspended after this date. The management company reserves the right to resume the issue of units at a later date.				
Redemption fee	2.00% up to and including 25 April 2024 1.50% up to and including 25 April 2025 1.00% up to and including 25 April 2026 0.50% up to the end of the term The redemption fee is payable to the Sub-fund.				
Sub-fund currency	Euro				
Unit class currency	Euro	Euro	Euro	Euro	Euro

Further information on the unit classes can be found in Annex 1 to this sales prospectus, “Unit classes”.

The term of the Sub-fund is limited to 23 April 2027. In addition to the reasons set out in Article 16 of the management regulations, the term of the sub-fund will also be brought forward if the following event ("repayment event") occurs.

The early repayment event will be triggered if the cumulative performance that was envisaged over a four-year period when the fund was launched is achieved early (after 24 April 2026). In this respect, we regard early repayment to be an explicit act in the interests of the client.

It must be noted that this performance is **not** guaranteed. The assumption is made under the given circumstances and may be higher or lower.

The unit value of unit class R (LU2571806970), which triggers the early repayment event, will be published on the website www.fvinvest.lu within 12 valuation days of the fund being launched.

If the unit value of unit class R (LU2571806970) exceeds this value after 24 April 2026, unit class R will be used as the reference class to trigger the repayment event for all unit classes. If the repayment event is triggered, the management company will announce this no more than one day later on the website www.fvsinvest.lu.

Example:
The following example is intended to illustrate the calculation and the resulting consequences. This is based on the example assumption that, at the time of the complete investment within approximately ten valuation days of the fund being launched, the projected subsequent return on costs of unit class R is 3% and the target annual distribution amount in the first three years is 2.5%. Based on this assumption, the unit value of unit class R at the end of the term, i.e. at the end of the fourth year, must be at least 104.59 in order to achieve an internal rate of interest of 3% p.a.

$$relevant\ unit\ value_{\ Unit\ class\ R} = \left[100 - \frac{2.5}{(1.03)^1} - \frac{2.5}{(1.03)^2} - \frac{2.5}{(1.03)^3}\right] * (1.03)^4 = 104.59$$

If this unit value is achieved within the fourth year, the fund will have achieved, over a period of less than four years, the cumulative performance calculated over a four-year period, thereby resulting in early repayment. In this case, the subsequent return on costs achieved p.a. for the investor would in any case be greater than 3% p.a. and thus advantageous in comparison to not triggering early termination.

Once the aforementioned repayment event has taken place, the investment limits and risk management of the sub-fund will be suspended and the assets in the sub-fund successively sold. The specification that up to 100% cash can be held before the end of the term also applies here. The net liquidation proceeds will be paid out and the sub-fund closed within ten valuation days of the repayment event taking place. In accordance with Article 16(3) of the management regulations, the units in the sub-fund can continue to be redeemed until the fund is closed.

Costs which can be reimbursed from the Sub-fund assets

Detailed information on remuneration can be found in Annex 2 to the sales prospectus, “Statement of fees and costs”.

ANNEX 16b Flossbach von Storch – Laufzeitfonds 2027 – pre-contractual disclosure

Pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Product name:
Flossbach von Storch – Laufzeitfonds 2027

Legal entity identifier:
8945002RLXEY8KGY9G42

Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?

☐ **Yes**

☒ **No**

☐ It will make a minimum of **sustainable investments with an environmental objective:** __%

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

☐ It will make a minimum of **sustainable investments with a social objective:** __%

☐ It promotes **Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of **0 per cent** of sustainable investments

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

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

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

Flossbach von Storch follows a holistic sustainability approach across the group: As a long-term investor, Flossbach von Storch attaches importance to portfolio companies managing their environmental and social footprint responsibly and actively counteracting negative impacts of their activities. To be able to recognise negative impacts at an early stage, the handling of investments with their ecological and social footprint is examined and evaluated. For this purpose, certain environmental and social characteristics are taken into account in the investment strategy and, where possible or necessary, positive development is worked towards. Specifically, this means: Portfolio companies are, for example, reviewed for set climate targets and progress is monitored on the basis of certain sustainability indicators.
The following environmental and social characteristics are promoted as part of the investment strategy:

Flossbach von Storch – Laufzeitfonds 2027 implements exclusion criteria with social and environmental characteristics. This means, for example, excluding investments in companies with certain business models. This includes, for example, controversial weapons.

In addition, a participation policy is implemented as part of the investment strategy in order to be able to work towards a positive development in the event of particularly severe negative impacts on certain sustainability factors in investments. This could be, but is not limited to, the topic area of greenhouse gas emissions and social issues/employment.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?

In order to achieve the environmental and social characteristics promoted by Flossbach von Storch – Laufzeitfonds 2027, the following sustainability indicators are considered.

The exclusions are applied based on turnover thresholds. Investments are excluded in companies that generate

- >0% of their turnover from controversial weapons,
- >10% of their turnover from producing and/or selling armaments,
- >5% of their turnover from producing tobacco products,
- >30% of their turnover from mining and/or selling coal.

Companies that commit serious violations of the principles of the UN Global Compact with no prospect of remedying them are also excluded. This means that, if there is no improvement in the circumstances leading to the serious violation, a disinvestment should generally take place. Furthermore, state issuers that are considered "not free" according to the Freedom House Index are excluded.

The exclusion list is continuously assessed and updated monthly based on internal and external ESG research data. Compliance with the exclusion criteria is monitored both before an investment is made and on an ongoing basis while the investment is held.

In order to measure potential severe negative environmental/social impacts of portfolio companies' activities, Flossbach von Storch takes into account the so-called "principal adverse impacts" (PAIs) pursuant to Article 7 (1) (a) of Regulation (EU) 2019/2088 (Disclosure Regulation) as part of the investment process.

Flossbach von Storch – Laufzeitfonds 2027 has a particular focus on the following PAI indicators: Greenhouse gas emissions (Scope 1 and 2), greenhouse gas emission intensity and carbon footprint based on Scope 1 and 2, as well as the consumption of non-renewable energies. In addition, attention is paid to violations of the principles of the UN Global Compact, violations of the OECD Guidelines for Multinational Enterprises and the processes in place to comply with the two guidelines. The indicators are prioritised according to relevance, severity of negative impacts, and data availability. The evaluation is not based on rigid bandwidths or thresholds that companies must meet or achieve; rather, the focus is on whether there is a positive development in how they are managing the indicators or if they are working towards this where possible and necessary. More detailed information is provided below in the section on taking principal adverse impacts into account.

Due to the insufficient quality and coverage of the data, so-called Scope 3 emissions and energy production of non-renewable energies are not taken into account within the framework of greenhouse gas emissions. The fund manager will continuously monitor data coverage and, if deemed feasible, include it in its investment and engagement process.

What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?

Not applicable. Flossbach von Storch – Laufzeitfonds 2027 promotes E/S characteristics but does not make sustainable investments.

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

Not applicable. Flossbach von Storch – Laufzeitfonds 2027 promotes E/S characteristics but does not make sustainable investments.

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

Not applicable.

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

Not applicable.

The EU Taxonomy sets out a "do no significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

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

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

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

☒ Yes

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

Flossbach von Storch – Laufzeitfonds 2027 considers the principal adverse impacts of the investment decision on sustainability factors (PAIs or PAI indicators) in accordance with Art. 7 (1) (a) Regulation (EU) 2019/2088 (Disclosure Regulation), as well as an additional climate-related indicator and two additional social indicators of the Disclosure Regulation in its in-house investment process.

As part of this process, best efforts will be made to determine and document the information on the evaluation and prioritisation of the principal adverse impacts on sustainability factors. The identification, prioritisation and evaluation of the principal adverse impacts is carried out as part of the in-house analysis process using specific ESG analyses, which are prepared individually for invested issuers/guarantors and are taken into account in the risk/reward profile of the company analyses. The PAI indicators are prioritised according to relevance, severity of negative impacts, and data availability. The evaluation is not based on rigid bandwidths or thresholds that companies must meet or achieve; rather, the focus is on whether there is a positive development in how they are managing the PAI indicators.
The consideration of PAIs also serves to achieve the environmental and social characteristics promoted by Flossbach von Storch – Laufzeitfonds 2027:
As part of the participation policy, efforts are made to reduce particularly negative impacts for, among others, the indicators of greenhouse gas emissions Scope 1 & 2, as well as serious violations of the UN Global Compact Principles and OECD Guidelines for Multinational Enterprises. This means that, If one of the portfolio companies does not adequately manage the indicators identified as particularly negative, this is addressed with the company and an attempt is made to work towards a positive development over an appropriate period of time. If management does not take the necessary steps for improvement to a sufficient extent during this time, the

fund management will use its voting rights in this regard, or reduce or sell the investment. In addition, exclusions such as producing and/or selling controversial weapons and mining and/or selling coal may contribute to a reduction or avoidance of individual adverse sustainability impacts.

Due to the insufficient quality and coverage of the data, so-called Scope 3 emissions and energy production of non-renewable energies are not taken into account within the framework of greenhouse gas emissions. The fund manager will continuously monitor data coverage and, if deemed feasible, include it in its investment and engagement process.

☐ No

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

What investment strategy does this financial product follow?

The general investment policy and investment strategy of Flossbach von Storch – Laufzeitfonds 2027 is defined in Annex 16a and is based on the generally applicable sustainability approach of ESG integration, participation and voting of the Flossbach von Storch Group, as well as exclusion criteria and consideration of the principal adverse impacts of the investment decision on sustainability factors (as described above).

Flossbach von Storch integrates sustainability factors comprehensively into its multi-stage investment process. Sustainability factors include aspects related to environmental, social and employee matters, respect for human rights, and anti-corruption and anti-bribery matters, such as PAI indicators and other ESG controversies.

As part of a specific ESG analysis, sustainability factors are reviewed for their potential opportunities and risks, and an assessment is made to the best of our knowledge and belief as to whether or not a company stands out negatively in terms of its environmental and social activities and how it manages them. Each of the factors is considered from the perspective of a long-term investor to ensure that none of these aspects have a negative impact on the long-term success of an investment.

The findings of the ESG analysis are taken into account in the risk/reward profile of the company analyses. Only if there are no serious sustainability conflicts that jeopardise the future potential of a company or issuer is an investment idea entered in the focus list (for equities) or guarantor list (for bonds), thus becoming a potential investment. The portfolio managers can only invest in securities that are on the internal focus or guarantor list. This principle ensures that invested securities have passed the in-house analysis process and comply with the common understanding of quality.

In connection with active participation as a shareholder, Flossbach von Storch follows a fixed participation policy and guidelines for exercising voting rights. The developments of the portfolio investments are monitored and analysed in this context. If one of the portfolio companies does not adequately manage the sustainability factors identified as particularly negative, which can have a long-term impact on business development, this is addressed directly with the company and an attempt is made to work towards a positive development. Flossbach von Storch sees itself as a constructive sparring partner (where possible) or as a corrective partner (where necessary) that makes appropriate suggestions and supports management in the implementation. If management does not take the necessary steps to create a sufficiently sustainable business model, the fund management will use its voting rights in this regard, or reduce or sell the investment.

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

In the area of environmental and social characteristics, the Sub-fund only makes investments in companies that comply with the following exclusion criteria:

- Controversial weapons (turnover tolerance ≤ 0%)
- Producing and/or selling armaments (turnover tolerance ≤ 10%)
- Producing tobacco products (turnover tolerance ≤ 5%)
- Mining and/or selling coal (turnover tolerance ≤ 30%)
- No serious violations of the UN Global Compact

In addition, sovereign issuers with an insufficient score according to the Freedom House Index classification (classification "not free") are excluded.

The Sub-fund shall ensure responsible management of the following PAI indicators: Greenhouse gas emissions (Scope 1 and 2), greenhouse gas emission intensity and carbon footprint based on Scope 1 and 2, as well as the consumption of non-renewable energies. In addition, attention is paid to violations of the principles of the UN Global Compact, violations of the OECD Guidelines for Multinational Enterprises and the processes in place to comply with the two guidelines.

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

Not applicable. The Sub-fund does not commit to reducing the investment portfolio by a certain minimum rate.

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

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

Flossbach von Storch pays particular attention to corporate governance in its analysis process, as this is responsible for the sustainable development of the company. This also requires responsible management of environmental and social factors that contribute to the long-term success of the company.

Within the framework of the multi-stage analysis process, an in-house review is carried out and an attempt is made to ensure, to the best of our knowledge and belief, that investments are made in companies that demonstrate good governance practices. This includes addressing the following questions:

- Does management properly and sufficiently take into account environmental, social and economic conditions?
- Do the (employed) managers act responsibly and with a view to the future?

In addition, the guidelines on the exercise of voting rights define critical factors that can stand in the way of good governance and that must be taken into account in principle when attending general and shareholders' meetings.

What is the asset allocation planned for this financial product?

Asset allocation describes the share of investments in specific assets.

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

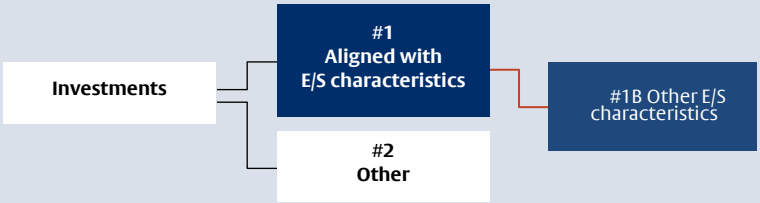
Depending on the market situation and appraisal by the fund management, the Sub-fund generally has the possibility to invest in fixed-interest securities (including corporate bonds), money market instruments, bonds of all types, including zero coupon bonds, inflation-linked bonds, variable interest securities, fixed-term deposits, derivatives, certificates and other structured products (e.g. reverse convertible bonds, warrant-linked bonds, participation certificates with warrants, convertible bonds, convertible participation certificates). Details of the individual, product-specific limits can be found in the Investment Policy in Annex 16a.

The planned asset allocation is as follows.

#1 Aligned with E/S characteristics:
At least 51 per cent will be invested in transferable securities and money market instruments permitted under Article 41 (1a) of the Law of 17 December 2010 on Undertakings for Collective Investment and in accordance with the Sub-fund's investment policy. These portfolio assets as well as derivatives for investment purposes are subject to ongoing screening with regard to the aforementioned exclusion criteria and PAI indicators.

#2 Other:
The remaining investment portion relates to liquid assets (esp. cash to service short-term payment obligations) and derivatives (esp. forward exchange transactions for hedging purposes).

reflecting green operational activities of investee companies.



#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2 Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category **#1 Aligned with E/S characteristics** comprises the following sub-category:

- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

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

Derivatives are used to achieve the Sub-fund's investment objectives, both for investment and hedging purposes. Where these are used for investment purposes, they take into account the environmental and social characteristics promoted by the Sub-fund. This does not include derivatives on indices. Where these are used for hedging purposes, they are not used to achieve the environmental and social characteristics.

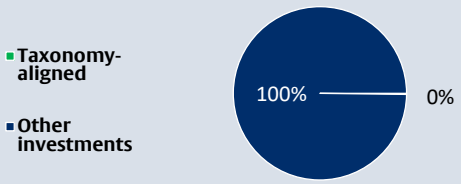
To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

The investments underlying Flossbach von Storch – Laufzeitfonds 2027 do not contribute to achieving an environmental objective pursuant to Article 9 of Regulation (EU) 2020/852 (EU Taxonomy). The minimum proportion of environmentally sustainable investments made in accordance with the EU Taxonomy is 0 per cent.

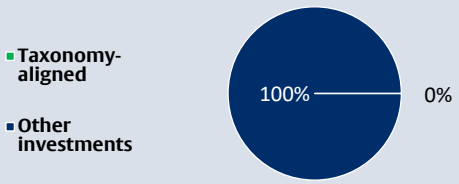
The main objective of the Sub-fund is to contribute to the pursuit of the environmental and social characteristics. Therefore, this Sub-fund does not currently commit to investing a minimum proportion of its total assets in environmentally sustainable economic activities as defined in Article 3 of the EU Taxonomy. This also concerns information on investments in economic activities classified as enabling or transitional activities under Article 16 or 10 (2) of the EU Taxonomy.

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

1. Taxonomy alignment of investments including sovereign bonds*



2. Taxonomy alignment of investments excluding sovereign bonds*



* For the purpose of these graphs, "sovereign bonds" consist of all sovereign exposures.

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

Transitional activities are activities for which low-carbon alternatives are not yet

available and among others have greenhouse gas emission levels corresponding to the best performance.

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

Not applicable. Flossbach von Storch – Laufzeitfonds 2027 promotes E/S characteristics but does not make sustainable investments.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

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

Not applicable. Flossbach von Storch – Laufzeitfonds 2027 promotes E/S characteristics but does not make sustainable investments.

What is the minimum share of socially sustainable investments?

Not applicable. Flossbach von Storch – Laufzeitfonds 2027 promotes E/S characteristics but does not make sustainable investments.

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

The following investments fall under "#2 Other":

Liquid assets are used primarily in the form of cash to service short-term payment obligations. No minimum environmental or social safeguards are defined here.

Derivatives used for hedging purposes and derivatives on indices used for investment purposes.

Investments in target funds are used for further diversification. When selecting target funds, the environmental and social characteristics promoted by this Sub-fund will be considered.

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

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

Not applicable. Flossbach von Storch – Laufzeitfonds 2027 promotes E/S characteristics but does not designate an index as a reference benchmark.

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

Not applicable.

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

Not applicable.

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

Not applicable.

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

  Not applicable.

Where can I find more product-specific information online?

More product-specific information can be found on the website:
www.fvsinvest.lu/esg

MANAGEMENT REGULATIONS

The contractual rights and obligations of the Management Company, the Depositary and the investors with respect to the fund are governed by the management regulations set out below. The management regulations came into force for the first time on 19 May 1999 and were published on 1 June 1999 in "*Mémorial, Recueil des Sociétés et Associations*", the official journal of the Grand Duchy of Luxembourg ("Mémorial"), and were last amended and published on 10 February 2023 in Recueil électronique des sociétés et associations ("RESA"), the trade and companies register of Luxembourg.

Article 1 – The fund

1. The Flossbach von Storch fund ("the fund") is a mutual investment fund (*fonds commun de placement*) made up of securities and other assets (the "fund assets") managed for the joint account of unit holders ("investors") with due regard for the principles of risk diversification. The fund is comprised of one or more sub-funds as defined by Article 181 of the Law of 17 December 2010 on undertakings for collective investment ("Law of 17 December 2010"). The fund is made up of all the sub-funds. By investing in a sub-fund, investors are participating in the fund to the value of their units.

2. The contractual obligations and rights of the investors, Management Company and Depositary are regulated in these management regulations, the valid version of which and any amendments to which are lodged in the Luxembourg Trade and Companies Register, and a notification of the lodging published in the RESA. In purchasing a unit, the investor accepts the management regulations and all of the approved and published amendments made thereto.

3. The Management Company also creates a sales prospectus (including annexes) in accordance with the provisions of the Grand Duchy of Luxembourg.

4. The net assets of the fund (i.e. the total of all the fund's assets less its liabilities) must reach EUR 1,250,000 within six months of the approval of the fund. The net asset value of the fund as a whole that results from the addition of the net asset values of the individual sub-funds is to be used for this purpose.

5. The Management Company may establish additional sub-funds at any time. In this case, a corresponding annex shall be added to the sales prospectus. Sub-funds may be established for an indefinite period of time.

6. Each of the sub-funds is considered an independent investment fund with regard to the legal relationships of the investors among themselves. The rights and duties of the unit holders of a sub-fund differ from those of the unit holders of other sub-funds. Vis-à-vis third parties, the assets of an individual sub-fund shall be responsible solely for the liabilities attributable to that sub-fund.

7. The unit value is calculated separately for each sub-fund/unit class in accordance with the rules set forth in Article 6 of the management regulations.

Article 2 – The Management Company

1. The Management Company of the fund is Flossbach von Storch Invest S.A. (the "Management Company"), a public limited company (Aktiengesellschaft) under the law of the Grand Duchy of Luxembourg with its registered office at 2, rue Jean Monnet, L-2180 Luxembourg, Luxembourg. It was incorporated for an indefinite period on 13 September 2012.

2. The Management Company is represented by its Executive Board. The Executive Board is appointed by the Supervisory Board and may entrust one or more employees of the Management Company with the management of day-to-day business operations as well as other people with the execution of management functions and/or the day-to-day investment policy. If a seat on the Executive Board becomes vacant, the Supervisory Board may dispatch one of its members to the Executive Board. During this time, the relevant person's role as a member of the Supervisory Board is suspended.

3. The Management Company administers the fund independently of the Depositary under its own name, but exclusively in the interests and for the joint account of the investors in agreement with these management regulations. Its administrative powers extend to the exercise of all rights directly or indirectly related to the assets of the fund or its sub-funds.

4. The Management Company lays down the investment policy of the fund, taking the legal and contractual investment restrictions into consideration. The Management Company is authorised to invest the respective sub-fund's assets as specified in these management regulations as well as in the annex to the sales prospectus for the specific sub-fund and otherwise to conduct all transactions that are required to manage the respective sub-fund's assets.

5. The Management Company is obliged to employ a risk management procedure that enables it to monitor and assess the risk associated with investment holdings as well as their share in the total risk profile of the investment portfolio at any time. It must also use a procedure permitting a precise and independent assessment of the value of OTC derivatives. It must inform the Luxembourg supervisory authority regularly according to the procedures defined by it for the fund about the types of derivatives in the portfolio, the risks associated with the relevant underlyings, the investment limits and the methods used to measure the risks associated with the derivative transactions.

6. The Management Company can, under its own responsibility and control, consult an investment adviser and/or fund manager at the expense of the respective sub-fund assets.
   Fund management may only be transferred to a company that holds a permit or licence for asset management. The transfer of fund management must comply with the investment guidelines set out by the Management Company.
   The Management Company may furthermore be advised by an investment committee whose composition is determined by the Management Company.

7. To fulfil its tasks, the fund manager may, with the prior approval of the Management Company, at its own expense and under its own responsibility, make use of third-party natural persons or legal entities and the services of sub-investment advisors.

Article 3 – The Depositary

1. The Management Company has appointed DZ PRIVATBANK S.A. as the sole Depositary for the fund. The appointment of the Depositary is agreed in writing in the Depositary agreement. DZ PRIVATBANK S.A. is a public limited company under the law of the Grand Duchy of Luxembourg with its registered office at 4, rue Thomas Edison, L-1445 Strassen, Luxembourg, which performs banking activities. The rights and obligations of the Depositary are governed by the Law of 17 December 2010, the applicable regulations, the Depositary Agreement, these management regulations and the sales prospectus (including annexes).

2. The Depositary
   a) ensures that the sale, issue, redemption, exchange, disbursement and cancellation of units of the fund are carried out in accordance with the applicable laws as well as in accordance with the procedure laid down in the management regulations;
   b) ensures that the calculation of the fund's unit value is carried out in accordance with the applicable laws as well as in accordance with the procedure laid down in the management regulations;
   c) observes the instructions of the Management Company, unless these instructions are in breach of the applicable laws or the management regulations;
   d) ensures that in the case of fund asset transactions, the countervalue is transferred to the fund within the usual time period;
   e) ensures that the fund's income is used in accordance with the applicable laws as well as in accordance with the management regulations.

3. The Depositary shall ensure that cash flows of the fund are monitored properly and shall ensure in particular that all payments made by or in the name of investors upon subscription to units of the fund are received and that all monies of the fund are accordingly posted to cash accounts that:
   a) were opened in the name of the fund, in the name of the Management Company acting on behalf of the fund or in the name of the Depositary acting on behalf of the fund;
   b) are opened at an institution mentioned in Article 18 (1) (a), (b) and (c) of Directive 2006/73/EC of 10 August 2006 implementing Directive 2004/39/EC of the European Parliament and of the Council as regards organisational requirements and operating conditions for investment firms and defined terms for the purposes of that Directive ("Directive 2006/73/EC"); and
   c) are managed in accordance with the principles set out in Article 16 of Directive 2006/73/EC. If the cash accounts are opened in the name of the Depositary acting on behalf of the fund, neither the monies of the institution mentioned under No. 3 (b) nor the monies of the Depositary itself shall be booked to such accounts.

4. The fund assets are entrusted to the Depositary for custody as follows:
   a) The following shall apply to financial instruments that can be held in custody:
      i. the Depositary shall hold all financial instruments that are eligible to be posted to an account for financial instruments with the Depositary and all financial instruments that can be physically transferred to the Depositary;
      ii. the Depositary shall ensure that financial instruments that are eligible to be posted to an account for financial instruments with the Depositary are registered in accordance with the principles defined in Article 16 of Directive 2006/73/EC in the Depositary's books in segregated accounts that have been opened in the name of the fund or the Management Company acting on behalf of the fund so that the financial instruments can be identified clearly at any time as instruments belonging to the fund under the prevailing law.
   b) The following shall apply to other assets:

i. the Depositary examines whether the fund or the Management Company acting on behalf of the fund has title to the relevant assets by determining, based on information or documents provided by the fund or the Management Company and to the extent available on external evidence, whether the fund or the Management Company acting on behalf of the fund is the owner;

ii. the Depositary keeps records on the assets for which it has ascertained that the fund or the Management Company acting on behalf of the fund has title and it keeps its records up to date.

5. The Depositary regularly provides the Management Company with a comprehensive list of all assets of the fund.

6. The assets held in custody by the Depositary shall not be reused for their own account by the Depositary or a third party to which the depositary function has been delegated. Re-use is considered to be any transaction of the assets held in custody, including transfer, pledging, sale and lending.
The assets held in custody by the Depositary may only be reused if
   a) the re-use of the assets is for the account of the fund,
   b) the Depositary is observing the instructions of the Management Company acting on behalf of the fund,
   c) the re-use is for the benefit of the fund as well as in the interests of the unit holders and
   d) the transaction is covered by high-quality liquid collateral that the fund has received in accordance with an agreement on a transfer of title.

   The market value of the collateral must at all times be at least as high as the market value of the re-used assets plus a supplement.

7. In the event of the insolvency of the Depositary to which the custody of the fund assets was transferred, the fund assets held in custody shall not be distributed to the creditors of this Depositary or used for their benefit.

8. The Depositary can outsource the Depositary tasks described in point 4 above to another company (sub-depositary) in compliance with the legal provisions. The sub-depositaries can in turn outsource the Depositary tasks delegated to them to another company in compliance with the legal provisions. The Depositary cannot delegate the tasks described under points 2 and 3 above to third parties.

9. In performing its tasks, the Depositary shall act honestly, fairly, professionally, independently and solely in the interests of the fund and its investors.

10. The tasks of the Management Company and of the Depositary may not be assumed by one and the same company.

11. The depositary may not perform any tasks for the fund or for the management company acting on behalf of the fund which could create a conflict of interest between the fund, the investors in the fund, the management company, as well as the entities commissioned by the depositary, and itself. This does not apply if its tasks as a Depositary have been separated functionally and hierarchically from those tasks which could potentially conflict with them and the potential conflicts of interest have been properly identified, managed, observed and disclosed to the investors in the fund.

12. The Depositary is liable towards the fund and its unit holders for any loss on the part of the Depositary or a third party to which the safekeeping of financial instruments held in custody has been transferred.
In the event of the loss of a financial instrument held in custody, the Depositary of the fund or the Management Company acting on behalf of the fund shall return a financial instrument of the same kind without delay or reimburse the corresponding amount. The Depositary shall, in accordance with the Law of 17 December 2010 as well as in accordance with the applicable regulations, not be liable if it can prove that the loss is due to external events that reasonably cannot be controlled and whose consequences could not have been avoided despite all reasonable efforts.

The Depositary shall be liable to the fund and to the investors in the fund for all other losses suffered by them as a result of the Depositary's negligent or intentional failure to fulfil its statutory obligations.
The Depositary's liability shall not be affected by any delegation referred to in point 8 above.
Investors in the fund can directly or indirectly assert the liability of the Depositary through the Management Company, provided that this does not result in a duplication of claims for recourse or the unequal treatment of investors.

Article 4 – General provisions governing the investment policy

The aim of each sub-fund's investment policy is to achieve an appropriate value development in the respective sub-fund's currency (as defined in Article 6 No. 2 of these management regulations, together with the relevant annex to the sales prospectus). All sub-funds follow an actively managed investment policy. The fund manager chooses, regularly reviews and, if necessary, adjusts the composition of the portfolio in accordance with the criteria specified in the investment policy. Details of the investment policy of each sub-fund are contained in the relevant annexes to this sales prospectus.

Only such assets may be purchased and sold for the respective sub-fund whose prices match the valuation criteria of Article 6 of these management regulations.

The following general investment principles and restrictions apply to all sub-funds if there are no variations or additions for the respective sub-fund in the relevant annex to the sales prospectus.

The respective sub-fund assets are invested pursuant to the principle of risk diversification in the sense of the provisions of Part I of the Law of 17 December 2010 and in accordance with the investment policy principles described below in this article and in line with the investment restrictions. A distinction is made here between regulatory and other investment restrictions.

Regulatory investment restrictions

1. Definitions:
   a) "Regulated market"
      A regulated market refers to a market for financial instruments in the sense of Article 4 (14) of Directive 2004/39/EC of the European Parliament and of the Council of 21 April 2004 on markets in financial instruments amending Council Directives 2009/65/EC and 93/6/EEC and Directive 2000/12/EC of the European Parliament and of the Council and repealing Council Directive 93/22/EEC.
   b) "Securities"
      The term securities includes:
      - equities and other securities equivalent to equities ("equities"),
      - bonds, debentures and other securitised debt instruments ("debt instruments"),
      - all other tradable market securities that permit the purchase of securities through subscription or exchange.

      Excluded are the techniques and instruments specified in Article 42 of the Law of 17 December 2010.
   c) "Money market instruments"
      Money market instruments refer to instruments that are usually traded on the money market, are liquid and the value of which can be determined precisely at any time.
   d) "UCI"
      Undertakings for collective investment
   e) "UCITS"
      Undertakings for collective investment in transferable securities which are subject to Directive 2009/65/EC

For each UCITS that consists of multiple sub-funds, each sub-fund is considered to be its own UCITS for the purposes of applying the investment limits.

2. Only the following may be acquired:
   a) securities and money market instruments that are admitted to or traded on a regulated market within the meaning of Directive 2004/39/EC;
   b) securities and money market instruments that are traded on another regulated market in an EU Member State ("Member State") which is recognised, open to the public and functions in accordance with established rules;
   c) securities and money market instruments that are officially quoted on a stock exchange in a non-Member State of the European Union or on another regulated market of a non-Member State of the European Union which is recognised, open to the public and functions in accordance with established rules;
   d) securities and money market instruments from new issues, provided that the terms of issue include an undertaking that application will be made for admission to official listing on a stock exchange or other regulated market which is recognised and open to the public and functions in accordance with established rules and such admission is achieved within a year from issue.

   The securities and money market instruments stated under No. 2 (c) and (d) are officially listed or traded within North America, South America, Australia (including Oceania), Africa, Asia and/or Europe.

   e) units in undertakings for collective investment in transferable securities ("UCITS") which have been admitted in accordance with Directive 2009/65/EC, and/or other undertakings for collective investment ("UCI") in the sense of Article 1 (2) a) and b) of Directive 2009/65/EC, irrespective of whether their registered office is in a Member State or a non-Member State, insofar as
      - these UCI have been approved in accordance with such legal provisions as serve to subject them to supervision which, in the opinion of the Luxembourg supervisory authority, is the equivalent of that laid down in EU law, and there are sufficient guarantees for cooperation between the authorities;
      - the protection level for investors in these UCIs is equivalent to the protection level of investors in a UCITS and in particular the regulations on the separate storage of assets, accepting credit, granting credit and short sales of securities and money market instruments are equivalent to the requirements of Directive 2009/65/EU;
      - the business activities of the UCI are described in the annual and semi-annual reports so as to permit a judgement to be formed with respect to assets and liabilities, income and transactions during the reporting period;
      - the UCITS or other UCI whose units are to be purchased may under its contractual terms or Articles of Association invest at least 10% of its assets in units of other UCITS or UCIs.
   f) sight deposits or investments that can be terminated with a maximum term of 12 months for financial institutions, if the relevant financial institution has its registered office in an EU Member State, or if the registered office of the financial institution is in a third-party state that is subject to supervisory provisions that in the opinion of the Luxembourg supervisory authority are equivalent to those under EU law.
   g) derivative financial instruments ("derivatives"), including equivalent instruments settled in cash, which are traded on one of the regulated markets stated in sections a), b) or c), and/or derivative financial instruments which are not traded on a stock exchange ("OTC derivatives"), provided that
      - the underlyings are instruments within the meaning of Article 41 (1) of the Law of 17 December 2010 or financial indexes, interest rates, exchange rates or currencies in which the respective sub-fund may invest in accordance with the investment objectives stated in these management regulations;
      - the counterparties for transactions involving OTC derivatives are institutions subject to regulatory supervision in a category approved by the CSSF;
      - and the OTC derivatives are subject to a reliable and verifiable daily valuation and can be sold, liquidated or closed by an offsetting transaction at an appropriate present value on the initiative of the fund;

h) money market instruments that are not traded on a regulated market and that are covered by the definition of Article 1 of the Law of 17 December 2010 if the issue or issuer of these instruments is already subject to regulations on investment and investor protection as long as they are
   - issued or guaranteed by a centralised, regional or local body or the central bank of an EU Member State, the European Central Bank, the European Union or the European Investment Bank, a third country or, in the case of a federal state, a federation member state or a public international body to which at least one Member State belongs, or
   - issued by a company whose securities are traded on the regulated markets specified under the letters a), b) or c) of this Article, or
   - issued or guaranteed by an institution that is subject to supervision that meets the criteria defined by European Community law, or an institution that is subject to the supervision regulations that in the opinion of the Luxembourg supervisory authority are considered equivalent to those laid down in European Community law, and which complies with such rules, or
   - issued by other issuers that belong to a category authorised by the Luxembourg supervisory authority if regulations for investor protection apply to investments in these instruments that are equivalent to those in the first, second and third items and if the issuer is either a company with share capital of at least EUR 10 million, produces and publishes its annual accounts according to the regulations of Directive 78/660/EEC or a legal entity that within a corporate group covering one or more listed companies is responsible for the financing of this group or is a legal entity that should finance the support of liabilities with securities through the use of a credit line given by a bank.

3. However, up to 10% of the respective sub-fund's net assets may be invested in securities and money market instruments other than those stated in No. 2 of this Article.

4. Techniques and instruments
   a) Under the conditions and limitations set out by the Luxembourg supervisory authority, each sub-fund may employ the techniques and instruments specified in the sales prospectus if such use serves to enable the efficient management of the relevant sub-fund assets. If derivatives are used in such transactions, the conditions and limits must comply with the Law of 17 December 2010.
   Moreover, when using techniques and instruments, the respective sub-fund is not permitted to depart from its investment policy set out in the relevant annex.
   b) In accordance with Article 42 (1) of the Law of 17 December 2010, the Management Company is obliged to employ a risk management procedure enabling it to monitor and assess at any time the risk associated with investment holdings as well as their share in the total risk profile of the investment portfolio. The Management Company must ensure here that the overall risk to the managed funds resulting from derivatives does not exceed the total net value of its portfolios. The procedure used to measure risk for the corresponding sub-fund as well as any more specific information is stated in the annex for the respective sub-fund. The fund may, as part of its investment policy and in accordance with the limits of Article 43 (5) of the Law of 17 December 2010, arrange investments in derivatives if the total risk of the underlyings does not exceed the investment limits of Article 43 of the Law of 17 December 2010. If the fund invests in index-based derivatives, these investments are not taken into account for the investment limits of Article 43 of the Law of 17 December 2010. If a derivative is embedded in a security or money market instrument, it must be taken into account with regard to compliance with Article 42 of the Law of 17 December 2010.
   c) When assessing the creditworthiness of the fund assets, the Management Company does not rely solely and automatically on ratings that were issued by rating agencies within the meaning of Article 3 (1) (b) of Regulation (EC) No 1060/2009 of the European Parliament and of the Council of 16 September 2009 on rating agencies.

The Management Company is authorised to make all suitable arrangements and, with the consent of the Depositary, impose all necessary additional investment restrictions in order to fulfil the conditions in countries in which units are to be sold.

5. Risk diversification

a) A maximum of 10% of the respective sub-fund's net assets may be invested in securities or money market instruments from a single issuer. The sub-fund may invest no more than 20% of its net sub-fund assets in deposits at a single organisation.

The risk of default for the fund's transactions with OTC derivatives may not exceed the following rates:

- 10% of the sub-fund's net assets if the counterparty is a financial institution as defined by Article 41 Paragraph 1f) of the Law of 17 December 2010 and
- 5% of the net sub-fund assets in all other cases.

b) The total value of the securities and money market instruments from issuers in whose securities and money market instruments the Management Company has invested more than 5% of the respective sub-fund net assets may not exceed 40% of the sub-fund net assets. This limit does not apply to investments and transactions with OTC derivatives that are made with financial institutions that are subject to supervision.

Notwithstanding the individual upper limits stated under a), the Management Company may invest a maximum of 20% of the respective sub-fund assets in a single organisation in a combination of

- investments in securities or money market instruments issued by this body, and/or
- investments in this organisation and/or
- OTC derivatives acquired by this organisation

c) The investment limit of 10% of the net sub-fund assets referred to in no. 5 a), sentence 1 of this Article shall be increased to 35% of those assets in cases where the securities or money market instruments to be purchased are issued or guaranteed by a Member State, its local authorities, a third country or other international organisations under public law, to which one or more Member States belong.

d) The investment limit of 10% of the sub-fund's net assets stated under No. 5a) Sentence 1 of this Article increases to 25% of the respective sub-fund's net assets in cases where the debt securities to be purchased were issued by a financial institution with its registered office in an EU member state and which, by force of law, is subject to special public supervision intended to protect the owners of the debt securities. In particular, the revenues from the issue of these debt securities must be invested legally in assets that adequately cover the resulting obligations for the whole term of the debt securities and that by way of a priority collateral right in the event of non-fulfilment by the issuer are available to repay the capital and pay the ongoing interest.

If more than 5% of the respective net sub-fund assets are invested in bonds issued by such issuers, the total value of the investments in those bonds must not exceed 80% of the respective net sub-fund assets.

e) The restriction stated in No. 5b) Sentence 1 of this Article on the total value of 40% of the affected sub-fund's net assets does not apply in the cases stated in c) and d).

f) The investment limits described in No. 5a) to d) of this Article of 10%, 35% and 25% of the respective sub-fund's net assets may not be considered cumulatively, but rather as a maximum total of just 35% of the net sub-fund assets that may be invested in securities and money market instruments in one single organisation or in investments or derivatives from the same organisation.

Companies which belong to the same group of companies with respect to the preparation of consolidated financial statements within the meaning of Directive 83/349/EEC of the European Council of 13 June 1983 on the basis of Article 54 (3) g) of the Agreement on Consolidated Financial Statements (OJ L 193 of 18 July 1983, p. 1) or in accordance with recognised international accounting rules, are to be regarded as a single institution when calculating the investment limits envisaged in No. 5a) to f) of this Article.

Each sub-fund is permitted to cumulatively invest 20% of its net sub-fund assets in securities and money market instruments of one and the same corporate group.

g) Irrespective of the investment limits set out in Article 48 of the Law of 17 December 2010, the Management Company can, for the respective sub-fund, raise the upper limit specified in Article 43 of the Law of 17 December 2010 for investments in equities and/or debt instruments of one and the same issuer to a maximum of 20% of the sub-fund's net assets if the objective of the sub-fund's investment policy is to track an equity or debt instrument index recognised by the Luxembourg supervisory authority. However, the prerequisite for this is that:

- the composition of the index is sufficiently diversified;
- the index presents an adequate base level for the market to which it refers, and
- the index is published in a suitable manner.

The aforementioned investment limit increases to 35% of the respective sub-fund's net assets in cases where it is justified as a result of extraordinary market conditions, in particular on regulated markets on which certain securities or money market instruments are highly dominant. This investment limit only applies to investments from a single issuer.

Whether the Management Company uses this option for the respective sub-fund is stated in the relevant annex to the sales prospectus.

h) Notwithstanding the provisions of Article 43 of the Law of 17 December 2010, up to 100% of the respective sub-fund's net assets may, in observance of the principle of risk diversification, be invested in securities and money market instruments that are issued or guaranteed by an EU Member State, its local authorities, an OECD member state or international organisations to which one or more EU Member States belong. The respective net sub-fund assets must include securities issued as part of at least six separate issues, whereby the value of the securities from a single issue may not exceed 30% of the net assets of the respective sub-fund.

i) For the respective sub-fund, no more than 10% of the respective sub-fund's net assets are to be invested in UCITS or UCIs as defined by No. 2e) of this Article unless the sub-fund-specific annex to the prospectus stipulates something different for the respective sub-fund. If the investment policy of the respective sub-fund provides for an investment of more than 10% of the net sub-fund assets in UCITS or UCIs as defined by No. 2e) of this Article, the following letters j) and k) shall apply.

j) A sub-fund may not invest more than 20% of its net sub-fund assets in units of one and the same UCITS or one and the same UCI pursuant to Article 41 (1) e) of the Law of 17 December 2010. For the purposes of applying this investment limit, each sub-fund of a UCI with several sub-funds is to be considered as a single issuer on the condition that the principle of separation of liabilities of the individual sub-funds vis-à-vis third parties is ensured.

k) For the respective sub-fund, no more than 30% of the net sub-fund assets can be invested in other UCI as a UCITS. If the respective sub-fund has acquired units of a UCITS and/or other UCIs, the investment values of the corresponding UCITS or other UCI are not taken into consideration with respect to the upper limits named in No. 5. a) to f).

l) If a UCITS buys units in another UCITS and/or other UCI that is managed directly or on the basis of a transfer by the same Management Company or by a company with which the Management Company is associated via joint management or control or a significant direct or indirect holding of more than 10% of capital or votes, the Management Company or the other company may not charge any fees for the subscription or redemption of units of this other UCITS and/or UCI by the UCITS (including issue supplements and redemption discounts). In general, a management fee may be charged upon acquisition of units in target funds at the level of the target fund, and allowance must be made for any subscription fees or redemption fees, if applicable. The fund will therefore not invest in target funds that are subject to a management fee of more than 2.75%. The fund's annual report will contain information relating to the respective sub-fund on the maximum amount of the administration fee borne by the respective sub-fund and the target funds.

m) A sub-fund of an umbrella fund may invest in other sub-funds of the same umbrella fund. In addition to the aforementioned conditions for investment in target funds, the following conditions shall apply when investing in target funds that are simultaneously sub-funds of the same umbrella fund:

- Circular investments are not permitted. This means that the target sub-fund may not for its part invest in the sub-fund of the same umbrella fund, which for its part is invested in the target sub-fund.
- The sub-funds of an umbrella fund that are to be acquired by another sub-fund of the same umbrella fund may, in turn, invest a maximum of 10% of their assets in other target funds pursuant to their management regulations.
- Voting rights from holding shares in target funds that are simultaneously target funds of the same umbrella fund are suspended as long as these shares of a sub-fund of the same umbrella fund are held. An appropriate recording in the accounting statements and the periodic reports shall not be affected by this regulation.
- As long as a sub-fund holds units in another sub-fund of the same umbrella fund, the units of the target sub-fund are not taken into account in the calculation of net asset value to the extent that the calculation serves to determine whether the legal minimum capital of the umbrella fund has been obtained. If a sub-fund acquires units in another sub-fund of the same umbrella fund, there may be no double charging of management, subscription or redemption fees at the level of the sub-fund that has invested in the target sub-fund of the same umbrella fund.

n) The Management Company is not permitted to use UCITS under its management pursuant to Part I of the Law of 17 December 2010 to purchase a number of units associated with voting rights that enable it to exert a significant influence on the management of an issuer.

o) For the respective sub-fund, the Management Company can acquire
- up to 10% of non-voting equities of one and the same issuer,
- up to 10% of the debentures of one and the same issuer,
- no more than 25% of equities of one and the same UCITS and/or UCI and
- no more than 10% of the money market instruments of one and the same issuer

p) The investment limits stated in No. 5n) and o) do not apply if they are
- Securities and money market instruments which are negotiated or guaranteed by an EU Member State or its local authorities, or by a state which is not a member of the European Union;
- securities and money market instruments issued by an international organisation under public law to which one or more EU Member States belong;
- equities that the respective sub-fund holds in the capital of a company in a third country that mainly invests its assets in securities from issuers that are located in this country, if such a holding represents the only opportunity for the respective sub-fund to make investments in securities from issuers from this country as a result of the legal regulations applicable in this country. This exception provision only applies however under the requirement that the investment policy of the company from the state outside the European Union complies with the limits set in Articles 43, 46 and 48 (1) and (2) of the Law of 17 December 2010. In the event that the limits set out in Articles 43 and 46 of the Law of 17 December 2010 are exceeded, Article 49 of the Law of 17 December 2010 shall apply accordingly.
- equities that are held by one or more investment companies in the capital of subsidiaries that conduct management, consulting or distribution activities exclusively for the investment company or companies in the state in which the subsidiary is located with regard to the redemption of units at the request of unit holders.

6. Liquid funds

The net sub-fund assets may also be held in liquid funds, which however may only be of an ancillary character.

7. Subscription rights

When exercising subscription rights associated with securities or money market instruments held in its assets, a UCITS does not necessarily have to comply with the investment limits stipulated in this article.

If the investment restrictions stated in this article are exceeded unintentionally or as a result of the exercise of subscription rights, the Management Company must strive to normalise this situation in its sales as a primary goal while taking into account the interests of investors.
Notwithstanding their obligation to comply with the principle of risk diversification, recently authorised UCITS may deviate from the investment limits listed in No. 5 a) to l) during a period of six months following their approval.

8. Loans and prohibitions on charges
   a) The respective sub-fund's assets may not be pledged or otherwise charged, handed over or assigned as collateral unless this is for the purpose of taking loans as defined by b) below or to provide collateral in relation to transactions with financial instruments.
   b) Loans charged to the respective sub-fund's assets may only be taken in the short-term and for up to 10% of the respective sub-fund's assets. This does not include the acquisition of foreign currencies using "back-to-back" loans.
   c) Loans may not be granted nor guarantee obligations entered into for third parties at the expense of the respective sub-fund's assets, whereby this does not contradict the purchase of securities, money market instruments or other financial instruments not yet paid in full pursuant to Article 41 (1) e), g) and h) of the Law of 17 December 2010.

9. Further investment guidelines
   a) The short selling of securities is not permitted.
   b) The respective sub-fund assets may not be directly invested in property, precious metals or certificates for such precious metals, precious metal contracts, goods or goods contracts.

10. The investment restrictions stated in this Article refer to the timing of the purchase of the securities. If the percentages are subsequently exceeded due to rate developments or reasons other than additional purchases, the Management Company will endeavour to return to the stipulated framework without delay whilst maintaining the interests of the investors.

Additional investment restrictions

If it states in the specific sub-fund investment policy in the relevant annex of the Sales Prospectus that the sub-fund invests more than 50% or at least 25% of its assets in equity participations, the following conditions shall apply in conjunction with the listed regulatory investment restrictions:

If a sub-fund continuously invests more than 50% of its net sub-fund assets in equity participations, it may be an equity fund under fiscal law.

If a sub-fund continuously invests at least 25% of its net sub-fund assets in equity participations, it may be a mixed fund under fiscal law.

When calculating the amount of assets invested in equity participations, loans are deducted in proportion to the ratio of equity participations to the value of all assets (modified net sub-fund assets).

Equity participations are:

1. shares in a corporation listed for official trading on a stock exchange or on another organised market,

2. shares in a corporation that is not a real estate company and that
   a) has its registered office in a Member State of the European Union or in another signatory state to the Agreement on the European Economic Area and is subject to income taxation for corporations there and is not exempt from this, or

b) has its registered office in a non-Member State and is subject to income taxation for corporations in the amount of at least 15% there and is not exempt from this

3. units in equity funds that invest more than 50% of their modified net sub-fund assets or more than 50% of their assets in the above-mentioned equity participations according to their investment terms, 51% of their value; if the investment terms of an equity fund specify a percentage larger than 51% of its value, this larger percentage of the unit value is considered an equity participation,

4. units in mixed funds that invest at least 25% of their modified net sub-fund assets or at least 25% of their assets in the above-mentioned equity participations according to their investment terms, 25% of their value; if the investment terms of a mixed fund specify a percentage larger than 25% of its value, this larger percentage of the unit value is considered an equity participation, or

units in other investment funds that perform a valuation at least once a week, the percentage of their value actually invested in the above-mentioned equity participations as published each valuation date.

Article 5 – Units

1. Units are units of the respective sub-fund. The units of the respective sub-fund shall be issued in the certificates and denominations stated in annex 1. If registered units are issued, the Registrar and Transfer Agent enters these in the unit register maintained for the fund. In this regard, investors are sent confirmations regarding the entry in the unit register to the address stated in the unit register. Investors are not entitled to the physical delivery of unit certificates, either for bearer or registered units.

2. All units in a sub-fund fundamentally have the same rights unless the Management Company decides, in accordance with No. 3 of this Article, to issue various unit classes within a sub-fund.

3. The Management Company may decide from time to time to permit two or more unit classes within one sub-fund. Unit classes may differ from one another in their features and rights, the use of income, fee structures, the group of investors who can acquire and hold units or other specific features and rights. All units participate equally in revenues, rate gains and liquidation income in their relevant unit class from the date of their issue. Insofar as unit classes are formed for a particular sub-fund, details of the specific qualities or rights of each unit class are contained in the corresponding annex to the sales prospectus. It may be stipulated in the corresponding annex to the sales prospectus that unit classes and/or sub-funds may only be acquired and held by investors with preferential tax treatment who meet the requirements specified in Section 44a (7) Sentence 1 of the German Income Tax Act or by comparable foreign investors with their registered office and management in a country that provides administrative aid and assistance with collections. In addition, it may be stipulated in the corresponding annex to the sales prospectus that unit classes may only be acquired and held within the framework of retirement provision or basic pension agreements, provided they are certified in accordance with Sections 5 or 5a of the Retirement Provision Agreements Certification Act (Altersvorsorgeverträge-Zertifizierungsgesetz AltZertG).

   As evidence of the requirements above, investors must provide the Management Company with a valid certificate pursuant to Section 9 (1) No. 1 or 2 of the German Investment Tax Act from 1 January 2018. If an investor no longer meets the above requirements, the investor is required to notify the Management Company of this within one month of the requirements no longer being met. Tax exemption amounts that the Management Company receives in connection with the management of the sub-funds are generally to be distributed to the investors. By way of derogation, the Management Company is entitled to allocate the exemption amounts directly to the respective sub-fund; no new units will be issued as a result of this allocation.

As proof that the aforementioned requirement has been met, the provider of the retirement provision or basic pension agreement must notify the Management Company that it is acquiring the units solely within the framework of retirement provision or basic pension agreements. If the aforementioned requirement is no longer met, the investor is required to notify the Management Company of this within one month of the requirement no longer being met. Tax exemption amounts that the Management Company receives in connection with the management of the sub-funds are generally to be distributed to the provider of the retirement provision or basic pension agreement. The provider must reinvest the amounts in favour of the beneficiaries under the respective retirement provision or basic pension agreement. By way of derogation, the Management Company is entitled to allocate the exemption amounts directly to the respective sub-fund; no new units will be issued as a result of this allocation.

Contrary to Article 10, the units in unit classes that may only be acquired and held by investors with preferential tax treatment may not be transferred without written consent from the Management Company. The right to return the units to the Management Company for the account of the sub-fund in accordance with Article 10 remains unaffected.

4. Pursuant to a resolution of the Executive Board of the Management Company, the sub-fund share classes may be subject to a unit split.

5. By resolution of the Management Company's Executive Board, unit classes within a sub-fund may be merged.

Article 6 – Calculation of unit value

1. The assets of the fund are denominated in euros (EUR) ("the reference currency").

2. The value of a unit ("unit value") is in the currency stated in the relevant annex to the sales prospectus ("sub-fund currency") unless another sub-fund currency is stated for this or other unit classes in the relevant annex to the sales prospectus ("unit class currency").

3. The unit value is calculated by the Management Company or a third party commissioned for this purpose by the Management Company, under the supervision of the Depositary, on each day stated in annex 1 with the exception of 24 and 31 December of each year ("valuation day"). This figure is rounded to up to two decimal places, and the unit value must be calculated at least twice a month.
The Management Company may at any time decide to carry out a further unit value calculation on a banking day in addition to the day specified in annex 1.
4. However, the Management Company can also decide to calculate the unit value for 24 and 31 December of a year for the purpose of reporting without the calculation representing the unit value on a valuation day as defined by the previous point 3. As a consequence, investors may not request the issue, redemption and/or conversion of units on the basis of a unit value calculated for 24 and/or 31 December of a given year.

The value is calculated on each valuation day based on the value of the assets of the respective sub-fund minus the liabilities of the respective sub-fund ("net sub-fund assets") and divided by the number of units in circulation on the valuation day.

In the case of a sub-fund with several unit classes, the respective proportional net unit class assets are calculated from the net sub-fund assets and divided by the number of units of the respective unit class in circulation on the valuation day.

In the case of a unit class with a unit class currency that differs from the sub-fund currency, the calculated proportional net unit class assets in sub-fund currency will be converted into the unit class currency at the respective exchange rate on which the net sub-fund assets calculation is based and divided by the number of units of the respective unit class in circulation on the valuation day.

In the case of distributing unit classes, the respective net unit class assets will be reduced by the amount of the respective distributions of the unit class.

5. If information has to be provided on the overall situation of fund assets – either in annual and semi-annual reports and other financial statistics pursuant to legal regulations or in accordance with these fund management regulations – assets in the respective sub-fund are converted to the reference currency. The respective sub-fund's net assets are calculated in accordance with the following principles:
   a) Securities, money market instruments, derivative financial instruments (derivatives) and other assets officially listed on a stock exchange are valued at the most recently available closing price that provides a reliable valuation.
      If securities, money market instruments, derivative financial instruments (derivatives) and other assets are officially listed on more than one stock exchange, the stock exchange with the highest liquidity will be the definitive one.
   b) Securities, money market instruments, derivative financial instruments (derivatives) and other assets that are not officially listed on a securities exchange (or whose market price is not deemed representative, e.g. due to lack of liquidity) but that are traded on a regulated market shall be valued at a price that is not lower than the bid price and not higher than the offer price on the trading day preceding the valuation day and that the Management Company considers, to the best of its knowledge, to be the best possible price at which the securities, money market instruments, derivative financial instruments (derivatives) and other assets can be sold. The Management Company may specify for individual sub-funds that securities, money market instruments, derivative financial instruments (derivatives) and other assets that are not officially listed on a securities exchange (or whose market price is not deemed representative, e.g. due to lack of liquidity) but that are traded on a regulated market shall be valued at the last price available on this market that the Management Company considers, to the best of its knowledge, to be the best possible price at which the securities, money market instruments, derivative financial instruments (derivatives) and other investments can be sold. Details on this are contained in the annex to the sub-fund in question.
   c) OTC derivatives are valued on a daily basis on a verifiable basis determined by the Management Company.
   d) Units in UCI/UCITS are reported at the last redemption price determined before the valuation day or are valued at the last available price which affords a reliable valuation. If the redemption of investment units has been suspended or if no redemption price has been determined, these units and all other assets are valued at their respective market value as determined in good faith by the Management Company on the basis of generally accepted, verifiable valuation principles.
   e) If the respective prices are not market prices, if the financial instruments listed under b) are not traded on a regulated market and if no prices are set for financial instruments other than those listed under a) and b), these financial instruments and the other legally permissible assets will be valued at the market value established in good faith by the Management Company on the basis of generally accepted, verifiable valuation rules (e.g. suitable valuation models taking account of current market conditions).
   f) Liquid funds are valued at their face value, plus interest.
   g) Amounts due, such as deferred interest claims and liabilities, shall in principle be reported at their nominal value.
   h) The market value of securities, money market instruments, derivative financial instruments (derivatives) and other assets which are denominated in a currency other than that of the relevant sub-fund shall be converted into the currency of the sub-fund at the exchange rate determined using WM/Reuters fixing at 17:00 CET/CEST

on the trading day preceding the valuation day. Gains and losses on currency transactions shall be added or deducted as appropriate.

The Management Company can stipulate for individual sub-funds that the market value of securities, money market instruments, derivatives and other assets denominated in a currency other than the relevant sub-fund currency will be converted into the relevant sub-fund currency at the exchange rate prevailing on the valuation day. Gains and losses on currency transactions shall be added or deducted as appropriate. Details on this are contained in the annex to the sub-fund in question.

Article 7 – Suspension of a sub-fund's unit value calculation

1. The Management Company is entitled to temporarily suspend the calculation of a sub-fund's unit value, if and for as long as there are circumstances which make this suspension necessary and if the suspension is justifiable, taking into account the interests of the unit holders. This is the case in particular
   a) during the time in which a stock exchange or another regulated market on which a substantial part of the fund's assets is officially quoted or traded is closed or trading on this stock exchange or corresponding market is suspended or is restricted for reasons other than statutory or banking holidays;
   b) in emergencies, if the Management Company cannot access the sub-fund's assets or if it is impossible to freely transfer the countervalue of the asset purchases or disposals or to correctly calculate the unit value.
   c) if disruptions in the communications network, or any other reason, make it impossible to calculate the value of an asset quickly or accurately enough.

   As long as the calculation of the net asset value of the sub-fund has been temporarily suspended, the issue, redemption and exchange of units will also be suspended. The temporary suspension of the calculation of the net asset value of a sub-fund shall not lead to a temporary suspension of the calculation for other sub-funds that are not affected by the event.

2. Investors who have issued a subscription, redemption or exchange order will be immediately notified of a suspension of the unit value calculation and shall be informed of the unit value on resumption without delay.

3. Subscription, redemption and exchange orders shall be automatically forfeited if the calculation of the net asset value is suspended. The investors or potential investors will be informed that subscription, redemption or exchange orders must be resubmitted after the resumption of the calculation of the net asset value.

Article 8 – Issue of units

1. Units are issued at the issue price on each valuation day. The issue price is the unit value pursuant to Article 6 (4) of these management regulations, plus a subscription fee, the maximum amount of which is regulated for each unit class of each sub-fund in annex 2 to this sales prospectus. The issue price may be increased by fees or other charges applicable in the relevant distributing countries.

2. Subscription orders for the acquisition of registered units may be submitted to the Management Company, Depositary, Registrar and Transfer Agent, any sales agent and paying agents. These receiving organisations are obliged to pass on subscription requests to the Registrar and Transfer Agent without delay. Receipt by the Registrar and Transfer Agent is decisive. The Registrar and Transfer Agent receives the subscription orders on behalf of the Management Company.

   Buy orders for the purchase of bearer units are forwarded to the Registrar and Transfer Agent by the entity at which the subscriber holds his securities account. Receipt by the Registrar and Transfer Agent is decisive.

Complete subscription orders for registered units and buy orders for bearer units received by the relevant agent by the time defined in the sales prospectus on a valuation day are settled at the issue price on the next valuation day. The Management Company ensures that units are issued on the basis of a unit value previously unknown to the investor. However, if there is a suspicion that an investor is engaging in late trading, the Management Company may refuse to accept the subscription order until the applicant has removed all doubt relating to his subscription order. Complete subscription orders for registered units and buy orders for bearer units received by the relevant agent after the time defined in the sales prospectus on a valuation day are settled at the issue price on the valuation day after the next valuation day.

If the countervalue of the subscribed registered units is not available at the time of the receipt of the complete subscription order by the Registrar and Transfer Agent or the subscription order is defective or incomplete, the subscription order is considered to have been received by the Registrar and Transfer Agent on the date on which the countervalue of the subscribed units or the proper subscription order is available.

After settlement with the Registrar and Transfer Agent, the bearer units will be transferred to the agent at which the subscriber holds its securities account using so-called delivery versus payments transactions, i.e. against payment of the stipulated investment amount.

The issue price is payable at the Depositary in Luxembourg within two banking days after the relevant valuation day in the respective sub-fund currency or, in the event of several unit classes, in the relevant unit class currency.

If the countervalue from the fund's assets falls, in particular on the basis of a revocation, non-completion of a direct debit or for other reasons, the Management Company redeems the relevant units in the interest of the fund. Any differences with negative effects on the fund's assets resulting from the redemption of the units are to be borne by the applicant.

3. Acquisition in the form of a fixed-price transaction may be refused for specific sub-funds or unit classes under certain circumstances. In this case, this will be highlighted in the relevant sub-fund annex.

Article 9 – Restrictions on and suspension of the issue of units

1. The Management Company may, at its sole discretion, without giving any reason and at any time, reject a subscription order or temporarily restrict, suspend or permanently discontinue the issue of units or buy back the units in return for payment of the redemption price if this is deemed necessary in the interest of investors, the public interest or for the protection of the fund or respective sub-fund, in particular if:
   a) there is a suspicion that, by purchasing the units, the relevant unit holder is engaging in market timing, late trading or other market techniques that could harm all of the investors,
   b) the investor does not meet the conditions for buying the units, or
   c) the units are acquired by a person with indications of a US link, the units were distributed in a state or acquired by a person (e.g. US citizen) in such a state in which the fund is not authorised for distribution or the acquisition of units by such persons is not authorised.

2. In this case, the Registrar and Transfer Agent or the Depositary shall immediately reimburse any incoming payments, without interest, received for subscription orders that have not been processed.

Article 10 – Redemption and exchange of units

1. The investors are entitled to request the redemption of their units at the unit value according to Article 6 (4) of these management regulations, less any redemption fee if applicable ("redemption price"). Units will only be redeemed on a valuation day. If a redemption fee is payable, the maximum amount of this redemption fee for each unit class of each sub-fund is contained in annex 2 to the sales prospectus. In certain countries the payment of the

redemption price may be reduced by local taxes and other charges. Upon payment of the redemption price, the corresponding unit expires.

2. Payment of the redemption price and any other payments to investors are made via DZ PRIVATBANK S.A. and the paying agents. DZ PRIVATBANK S.A. is obliged to pay only insofar as no legal provisions, such as exchange control regulations, or other circumstances which cannot be influenced by the Depositary prohibit the transfer of the redemption price to the applicant's country.
   The Management Company may buy back units unilaterally against payment of the redemption price if this appears to be necessary in the interests of all of the investors or to protect the investors or the sub-fund, especially if:
   a) there is a suspicion that, by purchasing the units, the relevant unit holder is engaging in market timing, late trading or other market techniques that could harm all of the investors,
   b) the investor does not meet the conditions for buying the units, or
   c) the units were acquired by a person with indications of a US link, indications that the investor has a US link were discovered after the acquisition, the units were distributed in a state or acquired by a person (e.g. US citizen) in such a state in which the fund is not authorised for distribution or the acquisition of units by such persons is not authorised.

3. The exchange of all or some of the units of a unit class for units of another unit class in another sub-fund will take place on the basis of the unit value of the relevant unit class of the sub-fund calculated in accordance with Article 6 (4) of these management regulations, taking into account the applicable exchange fee, which is set at no more than 3% of the unit value of the units to be subscribed. If no exchange fee is charged, this is specified for the respective unit class of each sub-fund in annex 2 to this sales prospectus.
   If different unit classes are offered within a sub-fund, it is also possible to exchange units within one unit class for units in another class within the sub-fund, as long as nothing to the contrary is specified in annex 1 to the sales prospectus and if the investor fulfils the conditions specified in the annex for a direct investment in this unit class. In this case, no exchange fee is charged.
   The Management Company may reject an exchange order for the respective sub-fund if this appears appropriate in the interests of the fund or respective sub-fund or of investors, especially if:
   a) there is a suspicion that the respective investor shall, on acquiring the units, engage in market timing, late trading or other market techniques that could be harmful to all the investors.
   b) the investor does not meet the conditions for buying the units, or
   c) the units were acquired by a person with indications of a US link, indications that the investor has a US link were discovered after the acquisition, the units are distributed in a state in which the respective sub-fund or unit class is not authorised for distribution or acquired by a person (e.g. US citizen) who is not authorised to acquire the units.

4. Complete orders for the redemption or exchange of registered units can be submitted to the Management Company, Depositary, Registrar and Transfer Agent, sales agent and paying agents. These receiving agents are obliged to pass on the redemption or exchange orders to the Registrar and Transfer Agent without delay. Receipt by the Registrar and Transfer Agent is decisive.
   A redemption or exchange order for the redemption or exchange of registered units is only complete if it states the name and address of the investor and the number or countervalue of the units to be redeemed or exchanged and the name of the unit class of the sub-fund, and if it has been signed by the relevant investor.
   Complete sell orders for the redemption or exchange of bearer units will be forwarded to the Registrar and Transfer Agent by the agent at which the investor holds its securities account. Receipt by the Registrar and Transfer Agent is decisive. Bearer units cannot be exchanged.
   Complete redemption/sell orders or complete exchange orders received by the time defined in the sales prospectus on a valuation day are settled at the unit value on the next valuation day, less any applicable redemption fees and/or exchange fees. The Management Company ensures that units are redeemed or exchanged

on the basis of a unit value previously unknown to the investor. Complete redemption/sell orders or complete exchange orders received after the time defined in the sales prospectus on a valuation day are settled at the unit value on the valuation day after the next valuation day, less any applicable redemption fees and/or exchange fees. Receipt by the Registrar and Transfer Agent is decisive with regard to the receipt of the redemption/sell orders.
The redemption price is payable within two valuation days after the relevant valuation day in the respective unit class currency. In the case of registered units, payment is made to an account to be stated by the investor.

5. The Management Company is obliged to temporarily suspend the redemption or exchange of units due to the suspension of the unit value calculation of a sub-fund.

6. However, with the prior approval of the Depositary and while safeguarding the interests of the unit holders, the Management Company is entitled to fulfil high volumes of redemption requests only once corresponding assets of the respective sub-fund have been sold without delay. In this case, redemption takes place at the redemption price on the first valuation date after the temporary suspension of redemptions. This also applies to orders for the exchange of units. The Management Company will, however, ensure that adequate liquid funds are available to the respective sub-fund assets so that a redemption or exchange of units can take place at the request of investors under normal circumstances without delay.

Article 11 – Costs

Each sub-fund shall bear the following costs, provided they arise in connection with its assets
:

1. The Management Company receives a fee in return for managing each sub-fund and for the central administration agent function. The amount, calculation and disbursement of this fee can be found in annex 2 to the sales prospectus for each unit class of each sub-fund. This fee is subject to value-added tax, if applicable.
In addition, the Management Company or, if applicable, the fund manager may also receive a performance fee from the assets of the respective sub-fund. Information on the percentage amount, calculation and disbursement is contained in the relevant annexes to the sales prospectus for each sub-fund.

2. The investment adviser may receive remuneration payable from the respective sub-fund assets or from the Management Company's fee. Details of the maximum permissible amount, the calculation and the payment of this remuneration are contained in the annex 2 to the sales prospectus for each sub-fund. This fee is subject to value-added tax, if applicable.

3. The fund manager may receive remuneration payable from the respective sub-fund assets or from the Management Company's fee. Details of the maximum permissible amount, the calculation and the payment of this remuneration are contained in annex 2 to the sales prospectus for each sub-fund. This fee is subject to value-added tax, if applicable.

4. In return for the fulfilment of its duties in the depositary agreement, the depositary receives a fee customary in the Grand Duchy of Luxembourg which is calculated and paid in arrears on a monthly basis. Details on the amount, calculation and payment are set out in the annex to the sales prospectus. These fees are subject to value-added tax, if applicable.

5. In return for the fulfilment of its duties in the agreement on the assumption of the functions of the registrar and transfer agent and paying agent and various subservices for central administration tasks, the registrar and transfer agent receives a fee customary in the Grand Duchy of Luxembourg which is calculated and paid in arrears as a fixed amount per investment account or per account with a savings plan and/or withdrawal plan at the end of each

calendar year. Furthermore, the registrar and transfer agent receives for each sub-fund an annual basic fee that is listed for the respective sub-fund in annex 2 to the sales prospectus. These fees are subject to value-added tax, if applicable.

6. The sales agent may receive remuneration payable from the respective sub-fund assets. Details of the maximum permissible amount, the calculation and the payment of this remuneration are contained in the annex 2 to the sales prospectus for each sub-fund. This fee is subject to value-added tax, if applicable.

7. In addition to the aforementioned costs, each sub-fund shall bear the following costs, provided they arise in connection with its assets:
   a) costs incurred in connection with the acquisition, holding and disposal of assets, in particular customary bank charges for securities transactions and transactions involving other assets and rights of the fund and/or sub-fund and the safekeeping of such, as well as customary bank charges for the safekeeping of foreign investment units abroad;
   b) All foreign management and depositary fees charged by other correspondent banks and/or clearing houses (e.g. Clearstream Banking S.A.) for the assets of the respective sub-fund, as well as all foreign settlement, delivery and insurance costs incurred in relation to securities transactions of the respective sub-fund in fund units;
   c) The transaction costs for the issue and redemption of fund units;
   d) in addition, the Depositary, the Central Administration Agent and the Registrar and Transfer Agent will be reimbursed the costs incurred in connection with expenses and other charges arising in connection with the respective sub-fund's assets and the costs arising from the necessary use of third parties and other costs. The Depositary also receives customary bank fees;
   e) Taxes charged on the fund assets or sub-fund assets whose income and expenses are charged to the respective sub-fund;
   f) Costs for legal services incurred by the Management Company or the Depositary when acting in the interests of the investors in the respective sub-fund;
   g) Auditor's fees;
   h) The costs for the creation, preparation, translation, filing, publication, printing and dispatch of all documents required for the fund, in particular unit certificates, the sales prospectus, the Key Investor Information Document, the annual and semi-annual reports, the schedule of assets, the notices for investors, the convocation notices, sales notifications and/or applications for approval in the countries in which units in the fund or sub-funds are sold, as well as correspondence with the relevant supervisory authorities;
   i) Management fees payable to all authorities for the fund or for a sub-fund, in particular, the management fees of the Luxembourg supervisory authority and supervisory authorities in other countries, as well as the fees for filing fund documents;
   j) Costs relating to any stock listing;
   k) Advertising costs and costs incurred directly in connection with the offer and sale of units;
   l) Insurance costs;
   m) Fees, expenses and other costs of the Paying Agents and Distribution Agents and other agents that must be established abroad incurred in relation to the respective sub-fund's assets;
   n) Interest incurred on loans that are taken out in accordance with Article 4 of the management regulations;
   o) Investment committee expenses;
   p) Supervisory Board expenses;
   q) Costs of establishing the fund or individual sub-fund and the initial issue of units;
   r) Other administrative costs including costs for interest groups;
   s) Costs for performance attribution;
   t) Costs of assessing the credit rating of the fund or sub-fund by nationally and internationally recognised rating agencies;

u) Reasonable costs for risk management.

All of the costs, fees and expenses referred to above are understood as being exclusive of any value-added tax.

All costs are initially charged against ordinary income and capital gains and, finally, the respective sub-fund's assets. Costs incurred for the establishment of the fund and the initial issue of units will be amortised over the first five financial years to the detriment of the assets in the sub-funds that existed on establishment. The formation expenses and the above-mentioned costs, which do not relate solely to the assets of a specific sub-fund, are split between the relevant sub-fund assets on a pro rata basis by the Management Company. Expenses which are incurred in connection with the issue of other sub-funds are charged to the relevant sub-fund assets to which they are attributable and depreciated within a period of a maximum of five years after the sub-funds have been issued.

Article 12 – Use of income

1. The Management Company may distribute the income generated in a sub-fund to investors in this sub-fund or reinvest this income in the respective sub-fund. The appropriation of income for the respective unit class of the respective sub-fund is mentioned in annex 1 to the sales prospectus.

2. Ordinary net income and realised gains may be distributed. Furthermore, unrealised gains and other assets can be used for the purpose of distributions, provided that the total net fund assets do not fall below EUR 1,250,000 as a result of the distribution.

3. Distributions are paid out on the units issued on that day. Dividends may be paid entirely or in part in the form of bonus units. Any fractions remaining may be paid in cash. Income not claimed within five years after the publication of a statement of distribution shall elapse and revert to the respective sub-fund.

4. Distributions to holders of registered units are carried out principally by reinvesting the dividend amount in favour of the holder of registered units. If this is not desired, the holders of registered units may request from the Registrar and Transfer Agent that payment be made to an account they specify within 10 days after receipt of notification of the distribution. Distributions to holders of bearer units shall occur in the same manner as the payment of the redemption price to holders of bearer units.

Article 13 – Accounting year - Audit of annual financial statements

1. The fund's accounting year shall begin on 01 October of each year and end on 30 September of the following year. The first accounting year commenced when the fund was launched and ended on 30 September 2000.

2. The annual accounts of the fund shall be audited by an approved auditor who shall be appointed by the Management Company.

3. At the latest four months after the end of each financial year the Management Company will publish an audited annual report in accordance with the provisions of the Grand Duchy of Luxembourg.

4. Two months after the end of the first half of the financial year, the Management Company will publish an unaudited semi-annual report. The first report was an unaudited semi-annual report as at 31 March 2000. If required for sales in other countries, additional audited and unaudited intermediate reports may be created.

Article 14 – Publications

1. The unit value, issue and redemption prices and all other information may be requested from the Management Company, the Depositary, each paying agent/information agent and the sales agent. They shall also be published in the media provided for this in each country of sale.
2. The current sales prospectus, the KIID as well as the annual and semi-annual reports of the fund can be obtained free of charge from the Management Company's website (www.fvsinvest.lu). The current sales prospectus and the KIID as well as the relevant annual and semi-annual reports of the fund are also available in hard copy free of charge from the registered office of the Management Company, the Depositary, the paying agents and the sales agent.

3. The current depositary agreement, the articles of association of the management company and the agreement on the assumption of the functions of the registrar and transfer agent and paying agent and various subservices for central administration tasks are available for inspection at the registered office of the management company.

Article 15 – Merger of the fund and of sub-funds

1. The Executive Board of the Management Company may decide on the basis of a resolution that the fund or a sub-fund shall be transferred to another UCITS managed by the same Management Company or managed by another management company in accordance with the following conditions. A merger may be resolved in particular in the following cases:
   - If the fund or sub-fund's net assets on a valuation day fall below an amount that appears as a minimum amount for managing the fund or sub-fund in an economically appropriate manner. The Management Company has set this amount at EUR 5 million.
   - If, as a result of a significant change in the economic or political environment or for reasons of economic profitability, it does not appear to be economically appropriate to manage the fund or sub-fund.

2. The Executive Board of the Management Company may also resolve to merge another fund or sub-fund managed by the same or a different Management Company with the fund or a sub-fund.

3. Mergers are possible both between two Luxembourg funds or sub-funds (domestic merger) and between funds or sub-funds based in two different Member States of the European Union (cross-border merger).

4. This merger may only be implemented if the investment policy of the fund or sub-fund to be absorbed does not contradict the investment policy of the absorbing UCITS.

5. The merger is accomplished by way of liquidating the fund or sub-fund to be absorbed and the simultaneous takeover of all of its assets by the absorbing fund or sub-fund. Investors in the acquired fund or sub-fund shall receive units in the acquiring fund or sub-fund, the number of which shall be based on the unit value ratio of the respective fund or sub-fund at the time of the merger, with a settlement for fractions where applicable.

6. Both the absorbing fund or sub-fund and the absorbed fund or sub-fund will inform investors in an appropriate manner of the planned merger and as required by the regulations of the respective countries of distribution of the absorbing or absorbed fund or sub-fund.

7. The investors of both the absorbing fund or sub-fund and the fund or sub-fund that is being absorbed have the right for thirty days at no additional cost to redeem all or some of their units at the key unit value or, if possible, to request the exchange for units of another fund or sub-fund with a similar investment policy that is managed by the same Management Company or a different company with which the Management Company is associated by joint management or control or a significant direct or indirect holding. The right takes effect from the time at which the

unit holder of the absorbing fund or sub-fund or the fund or sub-fund that is being absorbed is informed about the planned merger and lapses five banking days before the time that the exchange relationship is calculated.

8. In the event of a merger between two or more funds or sub-funds, the affected funds or sub-funds may temporarily suspend the subscription, redemption or exchange of units if such a suspension is justified to protect unit holders.

9. The implementation of the merger is audited and confirmed by an independent auditor. The investors in both the absorbing fund or sub-fund and the fund or sub-fund that is being absorbed and the relevant responsible supervisory authority will, on request, be provided with a copy of the auditor's report free of charge.

10. The above also applies to the merger of two sub-funds within the fund.

Article 16 – Dissolution of the fund or sub-fund

1. The fund is established for an indefinite period. The term of a sub-fund may be either limited or unlimited. If the term of a sub-fund is limited, information on this can be found in the sub-fund-specific appendix. Notwithstanding this, the fund or one or more sub-funds may at any time be liquidated by the Management Company, especially if significant economic and/or political changes have occurred since the date of inception.

2. The liquidation of the fund is mandatory in the following cases:
a) if the appointment of the Depositary is terminated without a new Depositary being appointed within two months;
b) if insolvency proceedings are started for the Management Company and no other Management Company declares its willingness to take over the fund or the Management Company is liquidated;
c) if the fund assets remain below EUR 312,500 for more than six months;
d) in other instances, as provided under the Law of 17 December 2010.

3. If circumstances arise leading to the closing of the fund or a sub-fund, the issue of units will be suspended. The redemption of units is still possible, provided investors are treated equally. Upon instruction by the Management Company, or a liquidator appointed by the same or the Depositary in consultation with the supervisory body, the Depositary shall distribute the liquidation proceeds, less any liquidation charges and fees, among the respective sub-fund's unit holders in accordance with their entitlement. The net liquidation proceeds not collected by investors by the end of the liquidation process shall be deposited by the Depositary with the *Caisse de Consignations* in the Grand Duchy of Luxembourg at the conclusion of the liquidation process for the account of investors entitled to them, where such amounts will be forfeited if not claimed by the statutory deadline.

4. Neither investors nor their heirs, creditors or legal successors may request the liquidation or partitioning of the fund or a sub-fund.

5. The dissolution of the fund pursuant to this Article is published as per the statutory provisions of the Management Company in the RESA and at least two cross-regional daily newspapers, including the "Tageblatt".

6. The dissolution of a sub-fund will be published in the manner described in the sales prospectus under "Notices to investors".

Article 17 – Limitation

Upon expiry of five years after their arising, claims of unit holders against the Management Company or the Depositary can no longer be asserted in court; the provision contained in Article 16 (3) of these management regulations remains unaffected.

Article 18 – Applicable law, jurisdiction and contract language

1. The management regulations of the fund are subject to the Law of the Grand Duchy of Luxembourg. This also applies to the legal relationships between the investors, Management Company and Depositary if, independently of this, these legal relationships are not subject to special rules from a different legal environment. In particular, in addition to the provisions of the management regulations, the provisions of the Law of 17 December 2010 apply. The management regulations are filed with the Trade and Companies Register in Luxembourg. All legal disputes between the investors, the Management Company and the Depositary are subject to the jurisdiction of the relevant court in the judicial district of Luxembourg in the Grand Duchy of Luxembourg.

2. In the event of a legal dispute, only the German version of these management regulations is decisive. The Management Company and the Depositary may, with respect to units of the fund which are sold to investors in non-German-speaking countries, declare translations in the languages of countries in which such units are authorised for public distribution to be binding for themselves and for the fund.

3. If terms that are not defined in the management regulations require explanation, the provisions of the Law of 17 December 2010 shall apply. This applies in particular to the terms defined in Article 1 of the Law of 17 December 2010.

Article 19 – Amendments to the management regulations

1. With the consent of the Depositary, the Management Company may amend these management regulations at any time, in whole or in part.

2. Amendments to these management regulations are stored in the Luxembourg Trade and Companies Register and come into force on the date of signature if nothing further has been stipulated. A reference to the lodging is made in the RESA.

Article 20 – Entry into force

These management regulations shall come into force on 10 February 2023.

INFORMATION FOR INVESTORS OUTSIDE THE GRAND DUCHY OF LUXEMBOURG

SUPPLEMENTARY INFORMATION FOR INVESTORS IN THE FEDERAL REPUBLIC OF GERMANY

Sales and information agent
Flossbach von Storch AG
Ottoplatz 1
D-50679 Cologne, Germany

No printed individual certificates are issued for the fund or the sub-funds.

Subscription, redemption and exchange orders can be submitted to the Sales Agent.

The sales and information agent is not entitled to possession or ownership of investors' funds or securities.
Information, particularly notices to investors, but also redemption and issue prices, is published on the Management Company's website (www.fvsinvest.lu). The issue and redemption prices can also be requested free of charge from the aforementioned information agent.

In addition, unit holders in the Federal Republic of Germany shall be informed in the following cases by means of a durable medium:

- Suspension of fund unit redemption
- Termination of fund management or liquidation of the fund
- Changes to the management regulations if these diverge from investment principles in force hitherto or they impinge upon investors' essential rights or they are disadvantageous to the investor or affect remuneration or the reimbursement of expenses that may be paid from the fund's assets in a manner that is disadvantageous to the investor
- The fund's merger with one or several other funds
- Conversion of the fund into a feeder fund or conversion of a master fund

The sales prospectus (including annexes), the management regulations, the Key Investor Information Document and the annual and semi-annual reports of the fund are available free of charge in hard copy and for inspection at the registered office of the Management Company, the Depositary, the Luxembourg paying agent and at the premises of the sales and information agent. Furthermore, the Management Company's articles of association, the Depositary agreement and the agreement on assumption of the functions of the Registrar and Transfer agent, the Paying Agent and various sub-services of the central administration tasks are available for inspection free of charge at the premises of the Management Company and the information agent.

Revocation rights pursuant to Section 305 of the German Investment Code
If the buyer of units in an open-ended investment fund has decided to make a statement of intent to buy in oral negotiations outside the permanent offices of whichever agent is selling the units or has arranged the sale, he shall only be bound by that statement if he does not revoke it in writing within two weeks vis-à-vis the Management Company or a representative as defined in Section 319 German Investment Code (KAGB). This shall also be the case if the seller of units or the sale arranger has no permanent office. Article 312g (2) Sentence 1 No. 8 of the German Civil Code (BGB) applies accordingly to distance selling.
To comply with the time requirement, prompt dispatch of the cancellation notice shall suffice. The time limit for revocation commences only when the copy of the application to conclude a contract has been transferred to the buyer or a purchase statement has been sent to the buyer, and the copy or statement contains instructions on the right of revocation which are in compliance with the requirements of Section 246 (3) Sentence 2 and 3 of the Introductory Act to

the German Civil Code (EGBGB). If the beginning of the period according to sentence 2 is disputed, the seller shall bear the burden of proof.
The right of revocation does not apply if the seller can prove that

1. the buyer is not a consumer as defined in Section 13 BGB, or
2. the seller made contact with the buyer for the negotiations which led to the sale of the units because of a previous order in accordance with Section 55 (1) of the German Trade Act (Gewerbeordnung).

If revocation occurs and the buyer has already made payments, the Management Company is obliged to reimburse the buyer, step by step if need be, against a return transfer of the units acquired, for the costs paid as well as a sum corresponding to the value of the units paid for as on the day following the receipt of the statement of revocation.

The right of revocation may not be waived.

The provisions above concerning the right to cancel purchases of investment fund shares apply mutatis mutandis to sales of shares by the investor.

SUPPLEMENTARY INFORMATION FOR INVESTORS IN FRANCE

Flossbach von Storch Invest S.A. advises that it will use Flossbach von Storch AG, Cologne, a financial services institution governed by the law of the Federal Republic of Germany as their agent regarding sales activities in France under Art.18 of the Freedom to Provide Services Directive 2009/65 EC.
The activities of Flossbach von Storch AG, Cologne, in France are limited to sales activities or marketing activities to promote the sale of units in investment funds in accordance with Directive 2009/65 EC on behalf of and for the account of the Management Company. The acceptance or forwarding of customer subscriptions or customer instructions are not expressly covered by these activities.

The liability of Flossbach von Storch Invest S.A. as a Management Company to investors remains unaffected by the aforementioned points.

SUPPLEMENTARY INFORMATION FOR INVESTORS IN ITALY

Flossbach von Storch Invest S.A. advises that it will use Flossbach von Storch AG, Cologne, a financial services institution governed by the law of the Federal Republic of Germany as their agent regarding sales activities in Italy under Art.18 of the Freedom to Provide Services Directive 2009/65 EC.
The activities of Flossbach von Storch AG, Cologne, in Italy are limited to sales activities or respective marketing activities to promote the sale of shares in investment funds in accordance with Directive 2009/65 EC on behalf of and for the account of the management company. The acceptance or forwarding of customer subscriptions or customer instructions are not expressly covered by these activities.

The liability of Flossbach von Storch Invest S.A. as a Management Company to investors remains unaffected by the aforementioned points.

Flossbach von Storch Invest S.A. is available at the following address:

Flossbach von Storch Invest S.A., Succursale in Italia
Via Gerolamo Morone 8,
IT-20121 Milan

SUPPLEMENTARY INFORMATION FOR INVESTORS IN AUSTRIA

This annex contains additional information about Flossbach von Storch (the "fund") for Austrian investors. The annex constitutes part of the sales prospectus and should be read in conjunction with the sales prospectus and the annexes to the present sales prospectus for the fund (the "sales prospectus"). Unless indicated otherwise, all the defined terms have the same meaning in this annex as in the prospectus.

The Management Company intends to publicly market units of the following sub-funds of the fund in Austria, has notified the Financial Markets Authority of this intention, and, from the date of completion of the notification procedure, is authorised to:

Flossbach von Storch - Multiple Opportunities II
Flossbach von Storch - Multi Asset - Defensive
Flossbach von Storch - Multi Asset - Balanced
Flossbach von Storch - Multi Asset - Growth
Flossbach von Storch - Foundation Defensive
Flossbach von Storch - Foundation Growth
Flossbach von Storch - Global Quality
Flossbach von Storch - Dividend
Flossbach von Storch - Global Emerging Markets Equities
Flossbach von Storch - Global Convertible Bond
Flossbach von Storch - Der erste Schritt
Flossbach von Storch - Bond Opportunities
Flossbach von Storch - Currency Diversification Bond
Flossbach von Storch – Laufzeitfonds 2027

Flossbach von Storch Invest S.A. advises that it will use Flossbach von Storch AG, Cologne, a financial services institution governed by the law of the Federal Republic of Germany as their agent regarding sales activities in Austria under Art.18 of the Freedom to Provide Services Directive 2009/65 EC.

The activities of Flossbach von Storch AG, Cologne, in Austria are limited to sales activities or marketing activities to promote the sale of units in investment funds in accordance with Directive 2009/65 EC on behalf of and for the account of the Management Company. The acceptance or forwarding of customer subscriptions or customer instructions are not expressly covered by these activities.

The liability of Flossbach von Storch Invest S.A. as a Management Company to investors remains unaffected by the aforementioned points.

Contact and information agent in Austria
ERSTE BANK DER OESTERREICHISCHEN SPARKASSEN AG, Am Belvedere 1, 1100 Vienna, Email address: foreignfunds0540@erstebank.at (the "Austrian contact and information agent") has been appointed by the Management Company as its contact and information agent in Austria in accordance with the provisions of Article 92 of the EU Directive 2019/1160.
Redemption orders for units may be submitted to the Austrian contact and information agent and payments to unit holders as well as unit redemptions may be effected through the Austrian contact and information agent.

The prospectus, the Key Investor Information Document, the management regulations, the latest annual report and, if published afterwards, the latest semi-annual report, may be obtained from the contact and information agent at the above address.

Issue and redemption prices for the units in the fund's sub-funds are published on the management company's website (www.fvsinvest.lu) and may also be obtained from the contact and information agent and from the Management Company Flossbach von Storch Investment S.A at 2, rue Jean Monnet, L-2180 Luxembourg.
Information, particularly notices to investors, is also published on the Management Company's website (www.fvsinvest.lu). Notices to investors may also be viewed on the website of the Austrian contact and information agent: https://www.sparkasse.at/erstebank/privatkunden/sparen-anlegen/anlegen-investieren/unsere-anlageprodukte/investmentfonds/internationale-fonds/anlegerinformationen-servicestellen

Taxation
Please note that taxation under Austrian law could differ materially from the tax situation as described in this sales prospectus. Unit holders and interested persons should consult with their tax adviser about the taxes due on their units.

SUPPLEMENTARY INFORMATION FOR INVESTORS IN SWITZERLAND

1. Representative
The representative in Switzerland is IPConcept (Schweiz) AG, Münsterhof 12, CH-8001 Zurich.

2. Paying agent
The paying agent in Switzerland is DZ PRIVATBANK (Schweiz) AG, Münsterhof 12, CH-8001 Zurich.

3. Location where the relevant documents may be obtained
The prospectus, the Key Investor Information Document (KIID), the articles of association or the management regulations and the annual and semi-annual reports can be obtained free of charge from the representative.

4. Publications
Publications concerning the foreign collective investment schemes are made in Switzerland on the fundinfo AG website (www.fundinfo.com).
Each time unities are issued or redeemed the issue and redemption prices or the net asset value together with a reference stating "excluding commissions" must be published for all unit classes daily on the fundinfo AG website (www.fundinfo.com).

5. Payment of retrocessions and rebates

1. The Management Company and its agents may pay retrocessions as remuneration for distribution activity in respect of fund units in Switzerland. This remuneration may be deemed payment for the following services in particular:
   - the offering of fund units in the foreign collective investment scheme in Switzerland as well as any associated consulting and support activities for investors, taking into account existing legal obligations within the permissible sales structure in Switzerland;
   - promotion of the foreign collective investment scheme in Switzerland by including the respective collective investment scheme in the product range of the distributor as well as the promotion of the collective investment scheme with the assistance of third parties (e.g. platforms, banks) taking into account existing legal obligations within the respective permissible sales structure in Switzerland.

   Retrocessions are not deemed to be rebates even if they are ultimately passed on, in full or in part, to the investors.
   The disclosure of the receipt of retrocessions is subject to the relevant FIDLEG regulations.

2. In the case of distribution activity in Switzerland, the Management Company and its agents may, upon request, pay rebates directly to investors. The purpose of rebates is to reduce the fees or costs incurred by the investor in question. Rebates are permitted provided that

- they are paid from fees received by the Management Company and therefore do not represent an additional charge on the fund assets;
- they are granted on the basis of objective criteria;
- all investors who meet the objective criteria and request rebates are also granted these within the same time frame and to the same extent.

The objective criteria for the granting of rebates by the Management Company are as follows:

- the volume subscribed by the investor or the total volume held by the investor in the collective investment scheme or, where applicable, in the promoter's product range;
- the amount of fees generated by the investor;
- the investment behaviour shown by the investor (e.g. expected investment period);
- the investor's willingness to provide support in the launch phase of a collective investment scheme.
  At the request of the investor, the Management Company must disclose the amounts of such rebates free of charge.

6. Place of performance and jurisdiction

In respect of the units distributed in Switzerland, the place of performance is the registered office of the Representative. The place of jurisdiction is the registered office of the Representative or the registered office or place of residence of the investor.

SUPPLEMENTARY INFORMATION FOR INVESTORS IN SPAIN

Flossbach von Storch Invest S.A. advises that it will use Flossbach von Storch AG, Cologne, a financial services institution governed by the law of the Federal Republic of Germany as their agent regarding sales activities in Spain under Art.18 of the Freedom to Provide Services Directive 2009/65 EC.

The activities of Flossbach von Storch AG, Cologne, in Spain are limited to sales activities or marketing activities to promote the sale of units in investment funds in accordance with Directive 2009/65 EC on behalf of and for the account of the Management Company. The acceptance or forwarding of customer subscriptions or customer instructions are not expressly covered by these activities.

The liability of Flossbach von Storch Invest S.A. as a Management Company to investors remains unaffected by the aforementioned points.

Flossbach von Storch Invest S.A. is available at the following address

Flossbach von Storch Invest S.A., Sucursal en España
Calle Serrano 49 (entrada por Calle José Ortega y Gasset 7)
ES-28006 Madrid

SUPPLEMENTARY INFORMATION FOR INVESTORS IN THE PRINCIPALITY OF LIECHTENSTEIN

1. Paying agent in the Principality of Liechtenstein

VP Bank AG
9490 Vaduz, LIECHTENSTEIN
(FL-0001.007.080-0)

represented by
VP Fund Solutions (Liechtenstein) AG
9490 Vaduz, LIECHTENSTEIN (FL-0002.000.772-7)
vpfundsolutions@vpbank.com

VP Fund Solutions receives, on behalf of the paying agent, investor complaints related to the UCITS that are sent to the above postal and email addresses of VP Fund Solutions. Investors in the Principality of Liechtenstein that want to receive payments from the UCITS directly through the paying agent and redeem units of the UCITS directly through the paying agent are generally offered the opportunity to open an account or securities account with the paying agent for this purpose. Opening of such an account or securities account is subject to the usual (e.g. legal compliance) checks of potential bank clients (investors) and their assets. The paying agent has the freedom to choose whether to enter into such a client relationship for this purpose.

2. Place where the relevant documents may be obtained

The sales prospectus, Key Investor Information Document, management regulations and annual and semi-annual reports can be obtained free of charge from the paying agent in the Principality of Liechtenstein.

3. Publications

Publications relating to foreign collective investment schemes can be found on the management company website www.fvsinvest.lu. Notices are also published in the "Liechtensteiner Volksblatt" in the Principality of Liechtenstein when required by law.
The issue and redemption prices and the net asset value, with a reference stating "excluding commissions", are published on the management company website www.fvsinvest.lu each time units are issued and redeemed, with the exception of 24 and 31 December each year and subject to a minimum of at least two times per month.

4. Place of fulfilment and place of jurisdiction

For units distributed in and from the Principality of Liechtenstein, the place of performance and jurisdiction is the registered office of the paying agent.
Flossbach von Storch Invest S.A. advises that it will use Flossbach von Storch AG, Cologne, a financial services institution governed by the law of the Federal Republic of Germany as its agent for sales activities in Liechtenstein under the freedom to provide services provided for in Art. 18 of Directive 2009/65 EC.
The activities of Flossbach von Storch AG, Cologne, in Liechtenstein are limited to sales activities or marketing activities to promote the sale of units in investment funds in accordance with Directive 2009/65 EC on behalf of and for the account of the management company.
The acceptance or forwarding of customer subscriptions or customer instructions are not expressly covered by these activities.

The liability of Flossbach von Storch Invest S.A. as management company to investors remains unaffected by the aforementioned points.